

# City of Winder

ANNUAL FINANCIAL REPORT / FISCAL YEAR ENDING 6.30.2024



LEADERSHIP

STEWARDSHIP

MOMENTUM



***CITY OF WINDER, GEORGIA***

***Annual Financial Report***

***For the fiscal year ended June 30, 2024***

This page intentionally left blank.

**CITY OF WINDER, GEORGIA**  
**ANNUAL FINANCIAL REPORT**  
*For the fiscal year ended June 30, 2024*

**TABLE OF CONTENTS**

<b>EXHIBIT</b>	<b>FINANCIAL SECTION</b>	<b>PAGE</b>
	Independent Auditor's Report.....	1-3
	Management's Discussion and Analysis.....	4-15
	<b>Basic Financial Statements:</b>	
	Government-wide Financial Statements:	
A-1	Statement of Net Position.....	16-17
A-2	Statement of Activities.....	18
	Fund Financial Statements:	
	Governmental Funds:	
A-3	Balance Sheet.....	19
A-4	Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position...	20
A-5	Statement of Revenues, Expenditures and Changes in Fund Balances.....	21
A-6	Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	22
A-7	General Fund - Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP) and Actual.....	23-24
A-8	ARPA Grant Special Revenue Fund - Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP) and Actual.....	25
	Proprietary Funds:	
A-9	Statement of Net Position.....	26-27
A-10	Statement of Revenues, Expenses, and Changes in Net Position.....	28
A-11	Statement of Cash Flows.....	29-30
	Fiduciary Funds:	
A-12	Municipal Court Custodial Fund - Statement of Fiduciary Net Position.....	31
A-13	Municipal Court Custodial Fund - Statement of Changes in Fiduciary Net Position.....	32
A-14	Notes to the Financial Statements.....	33-83
	<b>Required Supplementary Information:</b>	
B-1	Schedule of Changes in the Net Pension Liability (Asset) and Related Ratios.....	84-85
B-2	Schedule of Pension Contributions.....	86-87
B-3	Schedule of Changes in the Net OPEB Liability (Asset) and Related Ratios.....	88-89
B-4	Schedule of OPEB Contributions.....	90-91
B-5	Notes to the Required Supplementary Information.....	92-94
	<b>Supplementary Information:</b>	
	<b>Combining and Individual Fund Statements and Schedules:</b>	
	Nonmajor Governmental Funds	
C-1	Combining Balance Sheet - Nonmajor Governmental Funds.....	95-96
C-2	Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds.....	97-98
C-3	Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual - Hotel/Motel Tax Special Revenue Fund.....	99
C-4	Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual - Police Escrow Special Revenue Fund.....	100

**CITY OF WINDER, GEORGIA**  
**ANNUAL FINANCIAL REPORT**  
*For the fiscal year ended June 30, 2024*

**TABLE OF CONTENTS**

<b>EXHIBIT</b>		<b>PAGE</b>
	<b>FINANCIAL SECTION (continued)</b>	
	<b>Supplementary Information (continued)</b>	
	<b>Combining and Individual Fund Statements and Schedules (continued)</b>	
C-5	Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual - City Festivals Special Revenue Fund.....	101
C-6	Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual - Cemetery Special Revenue Fund.....	102
C-7	Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual - Library Assessment Special Revenue Fund.....	103
C-8	Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual - Opioid Settlement Special Revenue Fund.....	104
	Nonmajor Enterprise Funds	
C-9	Combining Statement of Net Position.....	105-106
C-10	Combining Statement of Revenues, Expenditures and Changes in Net Position.....	107
C-11	Combining Statement of Cash Flows.....	108-109
	<b>OTHER REPORTING SECTION</b>	
	<b>Single Audit Section</b>	
D-1	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 <i>Government Auditing Standards</i> .....	110-111
D-2	Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance.....	112-114
D-3	Schedule of Expenditures of Federal Awards.....	115
D-3	Notes to the Schedule of Expenditures of Federal Awards.....	116
D-3	Schedule of Findings and Questioned Costs.....	117-120
	<b>State Reporting Section</b>	
E-1	Schedule of Projects Financed with Special Purpose Local Option Sales Tax.....	121-122
E-2	Schedule of Projects Financed with Transportation Special Purpose Local Option Sales Tax.....	123

## Independent Auditor's Report

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

### Report on the Audit of the Financial Statements

#### *Opinions*

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, 2024, and the related notes to the financial statements, which collectively comprise the City of Winder, Georgia's basic financial statements as listed in the table of contents.

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, 2024, and the respective changes in the financial position and, where applicable, cash flows thereof, and the budgetary comparisons of the General Fund and ARPA Grant Special Revenue Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Winder, Georgia and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Winder, Georgia's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City of Winder, Georgia's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Winder, Georgia's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplemental information, as referenced in the table of contents, 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.

**Supplementary 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, the schedules of projects financed with special purpose local option sales tax, and the schedule of projects financed with transportation 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 schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations 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. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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, the schedule of projects financed with transportation 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 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 June 30, 2025, 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, Georgia's internal control over financial reporting and compliance.

*Rushton, LLC*

Gainesville, Georgia  
June 30, 2025

# 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 \$180.3 million. Of this amount, \$43.2 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 and investments at the end of FY 2024 were approximately \$56.6 million, an increase of \$1.7 million from FY 2023. The increase is attributable to receipt of grant funds being held in cash in addition 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 \$13.8 million during FY 2024, as revenues of \$67.6 million exceeds expenses of \$53.8 million. Governmental activities contributed \$1.2 million and business-type activities contributed \$12.6 million of the overall increase in net position. Net position was restated in FY 2024 as the result of error corrections related to an intergovernmental receivable, lease receivable and deferred inflows of resources.

At June 30, 2024, the governmental funds reported combined ending fund balances of \$12.7 million, an increase of \$883,000 from the prior year. The increase is due in part to interest earnings greater than anticipated as well as capital asset purchases and construction projects that were deferred in part as the result of supply chain delays in the SPLOST 2022 Fund. Approximately \$4.4 million or 34.9% 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, 2024, was approximately \$5.6 million, or 29.8% of total fund expenditures.

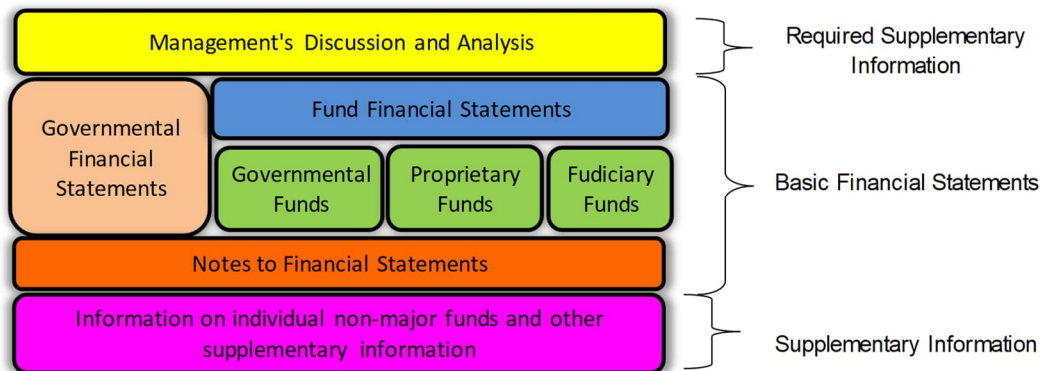
Enterprise (business-type) fund unrestricted net position at June 30, 2024 was \$42.3 million, or 28.8% of total enterprise fund net position.

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 2024, premiums paid by the City were \$3 million, which was an increase of approximately 50.4% over FY 2023.

The City had approximately \$22 million in revenue bonds, notes, and financed purchases outstanding at the end of the current fiscal year, which is a decrease of about \$1.3 million from the prior year. The City's net pension liability decreased by approximately \$846 thousand from prior year. This decrease in net pension liability is primarily attributable to a decrease in employer contributions and net investment income of the plan's fiduciary net position.

## 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 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 remaining nonmajor enterprise funds which are combined into a column titled "Nonmajor Enterprise Funds".
  - The City has one internal service fund to account for the cost of administration of solid waste, gas and water utility operations. Costs of the internal service fund are charged to the applicable funds. The internal service fund 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 four nonmajor enterprise funds and 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 and Transportation Special Purpose Local Option Sales Tax reports complete the Financial Section of this report.
  - **Reports 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 \$180.3 million at the close of Fiscal Year 2024.

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 \$43.2 million or 24%. 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 \$127.1 million or 70.5%. 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, \$10 million or 5.6% represents resources that are subject to external restrictions on how they may be used and debt service.

### Statement of Net Position at June 30, 2024 and 2023

	Net Position at Year-End					
	(in thousands of dollars)					
	Governmental Activities		Business-Type Activities		Total Government	
	2024	2023	2024	2023	2024	2023
Cash and Investments	\$ 18,386	\$ 17,532	\$ 40,343	\$ 39,741	\$ 58,729	\$ 57,273
Current Assets	2,542	2,857	8,305	4,337	10,847	7,194
Capital Assets	28,285	28,539	121,681	114,978	149,966	143,517
Noncurrent Assets	1,165	590	90	-	1,255	590
Total Assets	<u>50,378</u>	<u>49,518</u>	<u>170,419</u>	<u>159,056</u>	<u>220,797</u>	<u>208,574</u>
Deferred Outflow s of Resources	1,668	2,559	666	1,087	2,334	3,646
Current Liabilities	8,837	9,135	6,371	6,920	15,208	16,055
Noncurrent Liabilities	8,568	9,675	17,385	18,488	25,953	28,163
Total Liabilities	<u>17,405</u>	<u>18,810</u>	<u>23,756</u>	<u>25,408</u>	<u>41,161</u>	<u>44,218</u>
Deferred Inflow s of Resources	1,238	983	409	432	1,647	1,415
Net Position:						
Net Investment in Capital Assets	24,260	24,073	102,841	94,075	127,101	118,148
Restricted	8,262	6,020	1,767	1,665	10,029	7,685
Unrestricted	881	2,191	42,312	38,563	43,193	40,754
Total Net Position	<u>\$ 33,403</u>	<u>\$ 32,284</u>	<u>\$ 146,920</u>	<u>\$ 134,303</u>	<u>\$ 180,323</u>	<u>\$ 166,587</u>

## Statement of Activities for the Fiscal Year Ended June 30, 2024 and 2023

### Governmental and Proprietary Activities For Fiscal Years Ending June 30, 2024 & 2023 (in thousands of dollars)

	Governmental Activities		Business-Type Activities		Total Government	
	2024	2023	2024	2023	2024	2023
<b>Revenues</b>						
Program Revenue						
Charges for Services	\$ 2,556	\$ 1,658	\$ 43,358	\$ 42,983	\$ 45,914	\$ 44,641
Operating Grants and Contributions	271	119	-	-	271	119
Capital Grants and Contributions	3,864	2,665	1,598	1,994	5,462	4,659
General Revenues						
Taxes	13,408	13,178	-	-	13,408	13,178
Other	1,860	1,133	643	26	2,503	1,159
Total Revenues	<u>21,959</u>	<u>18,753</u>	<u>45,599</u>	<u>45,003</u>	<u>67,558</u>	<u>63,756</u>
<b>Expenses (Including Indirect Cost)</b>						
Governmental Activities						
General Government	1,828	1,311	-	-	1,828	1,311
Judicial	358	280	-	-	358	280
Public Safety	9,728	8,620	-	-	9,728	8,620
Public Works	4,988	4,050	-	-	4,988	4,050
Recreation	579	660	-	-	579	660
Housing and Development	2,122	1,727	-	-	2,122	1,727
Interest on Long-Term Debt	21	20	-	-	21	20
Business-Type Activities	-	-	34,132	32,847	34,132	32,847
Total Expenses	<u>19,624</u>	<u>16,668</u>	<u>34,132</u>	<u>32,847</u>	<u>53,756</u>	<u>49,515</u>
<b>Excess (Deficiencies) Before Transfers</b>						
Transfers	2,335	2,085	11,467	12,156	13,802	14,241
Transfers	(1,150)	379	1,150	(379)	-	-
<b>Change in Net Position</b>	<u>1,185</u>	<u>2,464</u>	<u>12,617</u>	<u>11,777</u>	<u>13,802</u>	<u>14,241</u>
<b>Beginning Net Position (original)</b>	<u>32,284</u>	<u>29,971</u>	<u>134,303</u>	<u>122,526</u>	<u>166,587</u>	<u>152,497</u>
Prior Period Adjustment	-	(151)	-	-	-	(151)
Error Correction	(66)	-	-	-	(66)	-
<b>Beginning Net Position (restated)</b>	<u>32,218</u>	<u>29,820</u>	<u>134,303</u>	<u>122,526</u>	<u>166,521</u>	<u>152,346</u>
<b>Ending Net Position</b>	<u>\$ 33,403</u>	<u>\$ 32,284</u>	<u>\$ 146,920</u>	<u>\$ 134,303</u>	<u>\$ 180,323</u>	<u>\$ 166,587</u>

### Governmental Activities

Governmental activities increased the City of Winder's net position by approximately \$1.2 million. Property taxes, business taxes and other general revenues provided 69.5% of the total governmental revenues and covered 77.8% of governmental expenses. Program revenues provided 30.5% of total governmental revenues and exceeded the remaining 22.2% of governmental expenses. Transfers from other funds decreased governmental activities net position. The City's revenues from governmental activities are impacted by the general economy and local businesses.

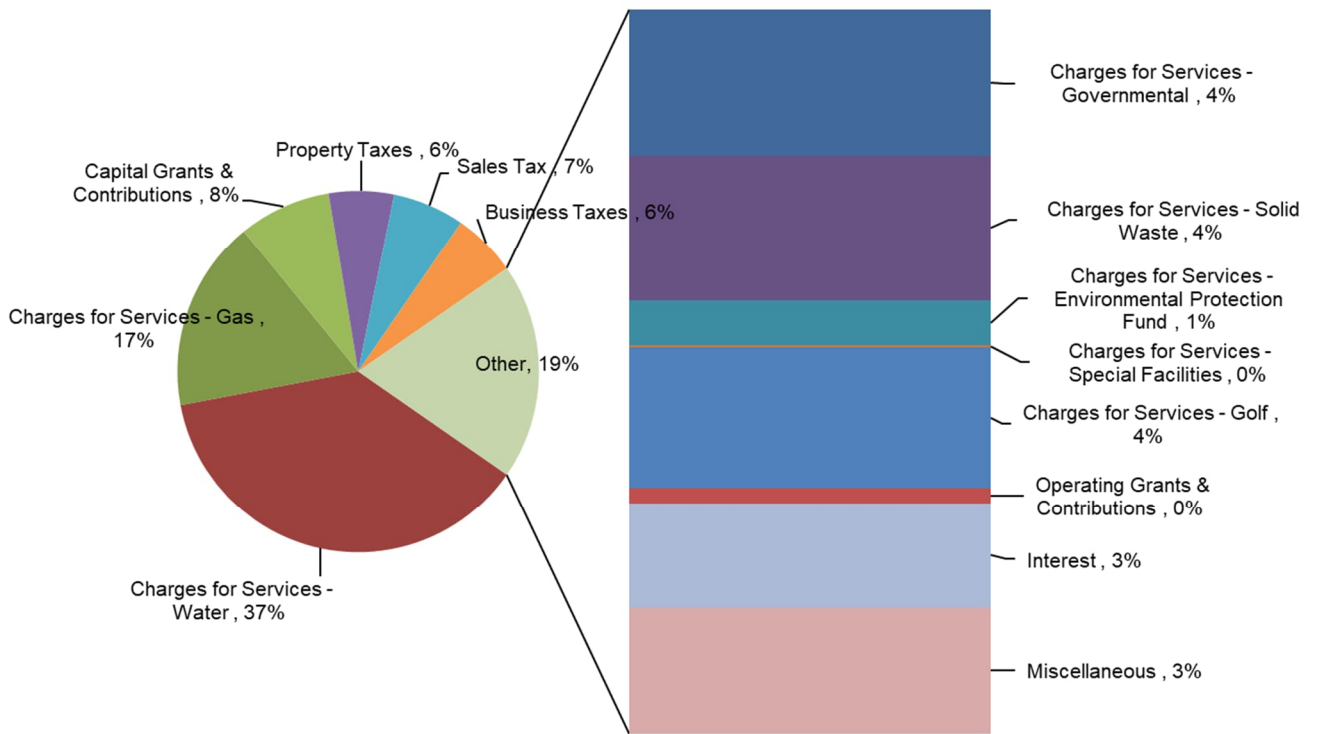
The most significant governmental expense for the City is providing Public Safety services, such as Fire and Police protection, which comprised 49.6% of the total governmental expenses. The second largest cost for the City is Public Works, totaling 25.4% of governmental expenses.

## Business-type Activities

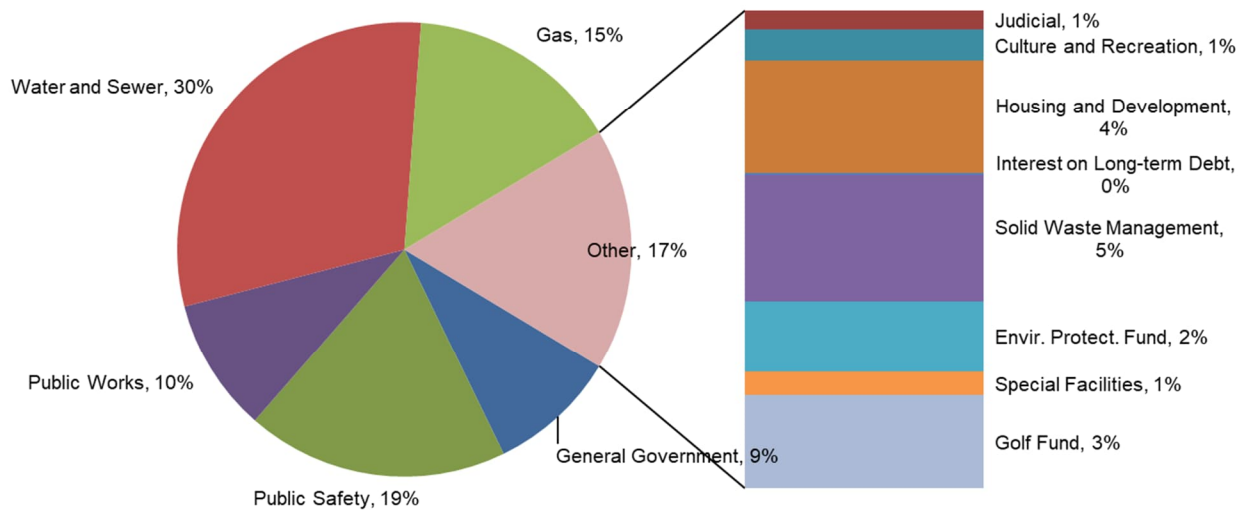
Business-type activities increased the City of Winder's net position by approximately \$12.6 million. The amounts paid by the users of the systems were approximately \$43.4 million while the cost of all business-type activities was \$34 million. Additionally, idle cash earned approximately \$130,000.

- The charges for services in the Water and Sewer Fund increased by approximately \$1.4 million, which was due in part to additional gallons of water consumed by our citizens. Water and sewer expenses increased by approximately \$633,000. Additionally, the fund recognized about \$1.4 million in contributed capital. The Water and Sewer Fund net position increased \$5.9 million.
- In the Gas Fund, charges for services decreased by approximately \$1.7 million. Gas expenses decreased by approximately \$2 million due mostly to a decrease in consumption. Gas Fund net position increased approximately \$2.8 million.
- The Environmental Protection (Stormwater) Fund, revenues decreased by approximately \$2,000. Expenses increased by approximately \$659,000. Net position increased by approximately \$3.9 million due to transfers from the Water and Sewer Fund.
- In the Solid Waste Fund, charges for services increased approximately \$320,000 and expenses increased by approximately \$893,000. The net position decreased by approximately \$69,000, due to expenses exceeding revenues.
- Special Facilities Fund revenues decreased by approximately \$12,000 and expenses decreased by approximately \$295,000. The fund reported a decrease in net position of approximately \$461,000, due to expenses exceeding revenues.
- Fiscal year 2024 was the 10th full year of City ownership for the Chimneys Golf Course. Charges for services at the golf course increased by approximately \$237,000 while expenses increased by approximately \$229,000. In FY24, the Golf Fund repaid \$1,000,000 to the General Fund of the outstanding advance made in prior years to encourage growth and for past operating expenses. The Golf Fund's net position increased by \$559,000.

## REVENUES BY SOURCE – GOVERNMENT-WIDE ACTIVITY



## EXPENSES BY FUNCTION – GOVERNMENT-WIDE ACTIVITY



## Financial Analysis of the Government's Funds

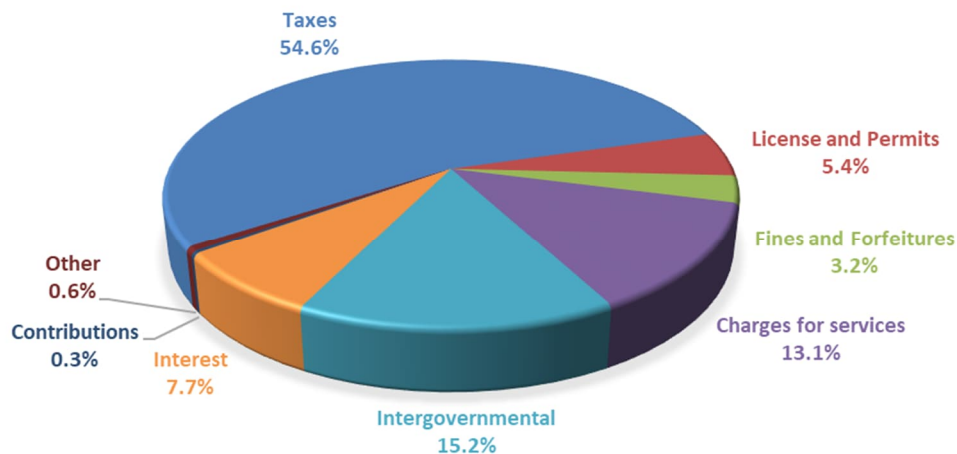
As noted earlier, the City of Winder employs fund accounting to ensure and demonstrate compliance with finance-related legal requirements and financial reporting requirements.

**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 2024, the City's governmental funds reported combined ending fund balances of approximately \$12.7 million, an increase of about \$883,000. The City reported approximately \$4.4 million in unassigned fund balance and \$558,000 in nonspendable fund balance. Nonspendable fund balance is mainly attributable to the General Fund loaning money, through an advance, to the Golf Fund. The City believes that those funds will repay the General Fund within the next five 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.

The City of Winder levied property tax of 4.963 mills to finance current operations in addition to examining fee and rate structures. Therefore, the City's General Fund reduced its reliance on transfers from the proprietary funds (or business-type activities).

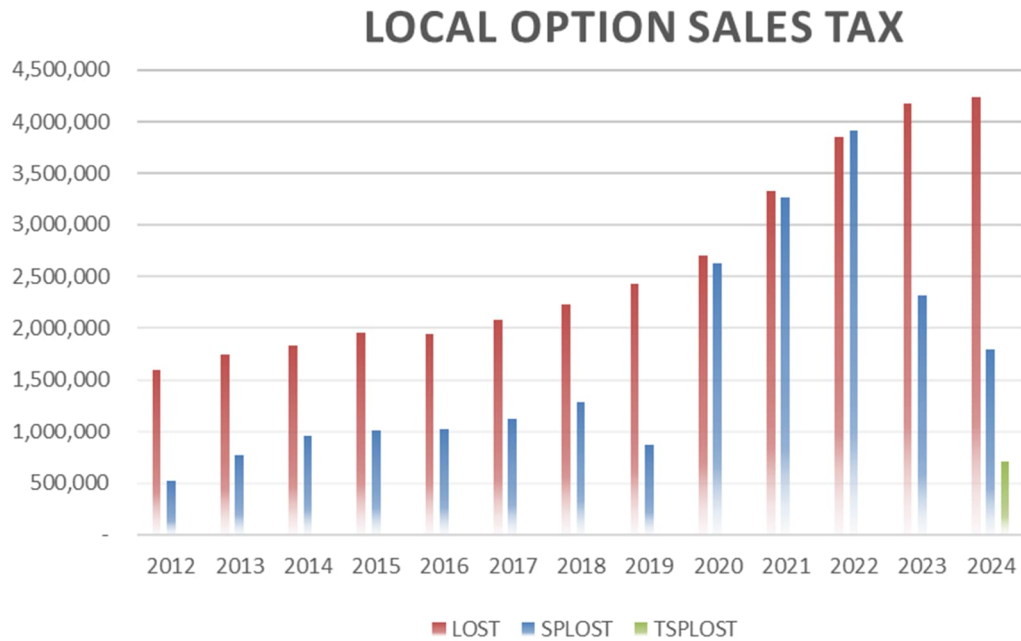
### REVENUES BY SOURCE-GOVERNMENTAL FUNDS



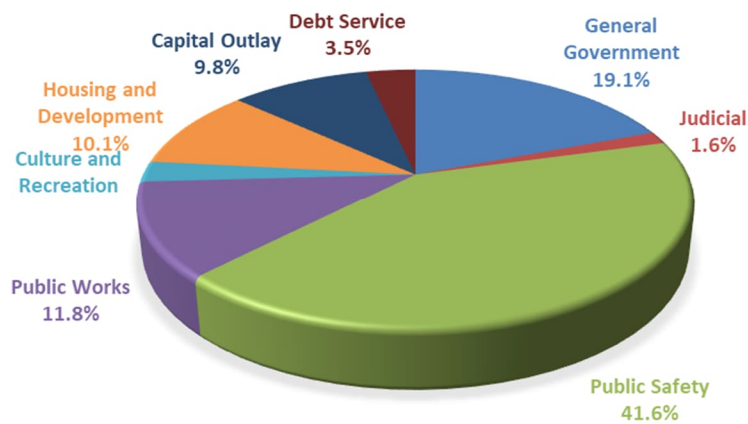
The City's governmental funds operating revenues (excluding indirect cost allocation) increased approximately \$3.3 million over the prior year. Tax collections increased by approximately \$347,000 or 2.6%. License and permits increased about \$645,000 or 95.4%. Interest revenues increased by about \$935,000 or 98.1% which is primarily due to the investment strategy implemented in FY23.

The SPLOST Capital Projects Funds account for the Special Purpose Local Option Sales Taxes received by the City which is authorized by voter referendum. During FY 2024, the City received 2022 SPLOST collections, totaling \$1.8 million.

Shown here is a graph of sales tax revenues received in the past 10 years:



### EXPENDITURES BY FUNCTION-GOVERNMENTAL FUNDS



Expenditures in the governmental funds were \$22.7 million, an increase of approximately \$1.3 million over the prior year. The City recognized approximately \$2.2 million for capital outlay expenditures and \$787,000 in debt service expenditures. Expenditures of the City General Fund were \$18.8 million, a \$1.9 million increase over the prior year. The increase is primarily attributable to an increased investment in public safety and public works functions.

**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 increased by approximately \$338,000. Total proprietary funds operating expenses increased by approximately \$731,000 in FY 2024.

## Budgetary Highlights

General Fund operating revenues (excluding indirect cost allocation) were approximately \$253,000 more than budgeted. Tax revenues came in below budget by approximately \$299,000. Combined taxes were over budget primarily due to increases in local option sales tax and motor vehicle tax revenues.

General Fund expenditures were \$2.6 million less than budgeted. Personnel costs were under budget by approximately \$2.3 million, contract services expenditures were under budget by approximately \$116,000, supplies expenditures were approximately \$14,000 under budget, and capital outlay was approximately \$500 under budget.

## Capital Assets and Debt Administration

### Capital Assets

As of June 30, 2024, the City has invested \$150 million (net of depreciation) in capital assets reflected in the following table.

**Capital Assets At Year-End**  
**(Net of Depreciation)**  
*(in thousands of dollars)*

	Governmental Activities		Business-Type Activities		Totals	
	2024	2023	2024	2023	2024	2023
Land	\$ 3,206	\$ 3,206	\$ 6,800	\$ 6,793	\$ 10,006	\$ 9,999
Buildings & Improvements	8,195	8,222	10,514	11,022	18,709	19,244
Plant & System	-	-	78,313	76,629	78,313	76,629
Infrastructure	13,594	14,211	-	-	13,594	14,211
Furniture & Fixtures	542	545	1,819	1,468	2,361	2,013
Vehicles	2,129	1,865	1,397	1,206	3,526	3,071
Intangibles	154	5	137	192	291	197
Work In Progress	465	485	22,701	17,668	23,166	18,153
	<u>\$ 28,285</u>	<u>\$ 28,539</u>	<u>\$ 121,681</u>	<u>\$ 114,978</u>	<u>\$ 149,966</u>	<u>\$ 143,517</u>

The following table reconciles the change in capital assets.

**Change In Capital Assets**  
*(in thousands of dollars)*

	Governmental	Business-	Totals
	Activities	Type Activities	
Beginning Balance	\$ 28,539	\$ 114,978	\$ 143,517
Additions	1,697	15,581	17,278
Reductions	(1,322)	(4,015)	(5,337)
Depreciation	(629)	(4,863)	(5,492)
Ending Balance	<u>\$ 28,285</u>	<u>\$ 121,681</u>	<u>\$ 149,966</u>

Capital asset additions in governmental activities amounted to over \$1.7 million, which included the completion of a fueling station for the City’s fleet, improvements to the Rose Hill Cemetery, streetscape project, and the addition of a generator and eight vehicles. Depreciation decreased total capital assets by about \$1.6 million.

Business-type additions to capital assets amounted to over \$15.5 million. The Water and Sewer Fund continued construction on various system improvements including plant upgrades, pond dredging, and the reservoir project. The Water and Sewer Fund also recognized \$1.4 million in capital asset contributions. The Gas Fund continues work on the various relocation and extension projects including the Barrow-Walton-Oconee Extension project. Depreciation decreased business-type capital assets by \$4.9 million.

Note 9 to the financial statements include more detailed information on capital asset activities.

### Debt Outstanding

As of year-end, the City had \$22.5 million in debt outstanding compared to \$23.7 million last year. This includes \$3.5 million due within one year. The following table presents a comparison of debts outstanding:

<b>Debt Outstanding At Year End</b>			
<i>(in thousands of dollars)</i>			
		<b>Totals</b>	
		2024	2023
Governmental:			
Notes	\$	3,865	\$ 4,521
Subscription		102	-
Compensated Absences		364	288
Sub-total		4,331	4,809
Business-type:			
Leases	\$	141	\$ 195
Notes		11,899	11,593
Water and Sewer Bonds		5,993	6,971
Compensated Absences		119	121
Sub-total		18,152	18,880
Total	\$	22,483	\$ 23,689

The City issued approximately \$1.6 million in financed purchases for the acquisition of equipment. Total debt service for FY 2024 was approximately \$3.4 million.

Notes 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 2025 budget was developed and adopted to reflect conservative revenue figures, and the following indicators were considered:

- The City's FY 2024-2025 General Fund Budget increased by approximately \$3.5 million, or 18.4%, from the FY 2023-2024 General Fund Budget; and increased by approximately \$3.8 million, or 20.5%, over the FY 2022-2023 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 levied a maintenance and operations tax of 4.963 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 \$13,500, which will be accounted for by the City of Winder.
- The Water and Sewer Fund is estimated to decrease due to a significant reservoir capital project and other infrastructure repairs and maintenance.
- The Gas Fund is expected to have a decrease of approximately \$5.4 million primarily due to an increase in construction as compared to FY 2024.
- The City of Winder assumes that all capital purchases will be acquired with proceeds from debt or revenues that exceed expenditures.
- In the FY 2024-2025 budget, the City's number of full-time authorized positions remained neutral and part-time authorized positions decreased by 6.
- The City's total cost of personal services is 20.5% of the total operating budget while capital represents 37.8%. The FY 2025 budget reflects a 3% cost of living adjustment and an up to 3% performance-based merit increase for the employees, in addition to the new benefit of a longevity bonus. 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:

Finance Department  
City of Winder  
P O Box 566  
25 East Midland Avenue  
Winder, Georgia 30680  
770-867-3106

This page intentionally left blank.

***BASIC FINANCIAL STATEMENTS***

**CITY OF WINDER, GEORGIA**  
**STATEMENT OF NET POSITION**  
**June 30, 2024**

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Downtown Development Authority
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	\$ 17,220,565	\$ 25,742,538	\$ 42,963,103	\$ 13,526
Investments	1,165,734	12,496,592	13,662,326	0
Restricted assets				
Cash and cash equivalents	0	2,104,261	2,104,261	0
Receivables (net)				
Accounts	442,987	3,893,423	4,336,410	0
Taxes	587,920	0	587,920	0
Intergovernmental	1,823,748	1,606,323	3,430,071	0
Leases	74,061	0	74,061	0
Prepaid items	202,324	52,009	254,333	0
Inventories	32,541	2,131,026	2,163,567	0
Internal balances	(621,522)	621,522	0	0
Total current assets	<u>20,928,358</u>	<u>48,647,694</u>	<u>69,576,052</u>	<u>13,526</u>
<b>Noncurrent assets</b>				
Lease receivable	1,024,013	0	1,024,013	0
Net OPEB asset	140,828	90,459	231,287	0
Capital assets				
Non-depreciable	3,671,704	29,501,792	33,173,496	0
Depreciable (net)	<u>24,613,459</u>	<u>92,179,347</u>	<u>116,792,806</u>	<u>0</u>
Total noncurrent assets	<u>29,450,004</u>	<u>121,771,598</u>	<u>151,221,602</u>	<u>0</u>
<b>Total assets</b>	<u>50,378,362</u>	<u>170,419,292</u>	<u>220,797,654</u>	<u>13,526</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred outflows related to pensions	1,540,736	584,620	2,125,356	0
Deferred outflows related to other post employment benefits	<u>126,800</u>	<u>81,448</u>	<u>208,248</u>	<u>0</u>
<b>Total deferred outflows of resources</b>	<u>1,667,536</u>	<u>666,068</u>	<u>2,333,604</u>	<u>0</u>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Payables				
Accounts	800,208	2,972,872	3,773,080	0
Retainages	0	260,065	260,065	0
Sales tax	0	21,260	21,260	0
Interest	8,679	0	8,679	0
Accrued salaries and payroll liabilities	296,698	174,697	471,395	0
Compensated absences	327,926	107,214	435,140	0
Unearned revenue	6,631,546	33,246	6,664,792	0
Other current liabilities	63,947	3,656	67,603	0
Leases payable	0	56,623	56,623	0
Subscription payable	23,312	0	23,312	0
Notes payable	684,751	1,319,716	2,004,467	0
Liabilities payable from restricted assets				
Customer deposits payable	0	414,075	414,075	0
Interest payable	0	13,391	13,391	0
Bonds payable	0	994,000	994,000	0
Total current liabilities	<u>8,837,067</u>	<u>6,370,815</u>	<u>15,207,882</u>	<u>0</u>

**CITY OF WINDER, GEORGIA**  
**STATEMENT OF NET POSITION**  
**June 30, 2024**

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Downtown Development Authority
<b>Noncurrent liabilities</b>				
Compensated absences	\$ 36,436	\$ 11,913	\$ 48,349	\$ 0
Leases payable	0	84,391	84,391	0
Subscription payable	79,048	0	79,048	0
Notes payable	3,180,194	10,579,720	13,759,914	0
Bonds payable	0	4,999,000	4,999,000	0
Net pension liability	5,272,282	1,709,929	6,982,211	0
	<u>8,567,960</u>	<u>17,384,953</u>	<u>25,952,913</u>	<u>0</u>
Total noncurrent liabilities				
	<u>8,567,960</u>	<u>17,384,953</u>	<u>25,952,913</u>	<u>0</u>
<b>Total liabilities</b>	<u>17,405,027</u>	<u>23,755,768</u>	<u>41,160,795</u>	<u>0</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred gain on refunding	0	177,544	177,544	0
Deferred inflows related to leases	1,025,593	0	1,025,593	0
Deferred inflows related to pensions	0	94,987	94,987	0
Deferred inflows related to other post employment benefits	212,615	136,570	349,185	0
	<u>212,615</u>	<u>136,570</u>	<u>349,185</u>	<u>0</u>
Total deferred inflows of resources	<u>1,238,208</u>	<u>409,101</u>	<u>1,647,309</u>	<u>0</u>
<b>NET POSITION</b>				
Net investment in capital assets	24,260,344	102,840,973	127,101,317	0
Restricted for:				
Public Safety	694,738	0	694,738	0
Culture and Recreation	87,951	0	87,951	0
Capital projects	7,072,045	0	7,072,045	0
Debt service	0	1,676,795	1,676,795	0
Grant specifications	266,002	0	266,002	0
Net OPEB asset	140,828	90,459	231,287	0
Unrestricted	880,755	42,312,264	43,193,019	13,526
	<u>880,755</u>	<u>42,312,264</u>	<u>43,193,019</u>	<u>13,526</u>
<b>Total net position</b>	<u>\$ 33,402,663</u>	<u>\$ 146,920,491</u>	<u>\$ 180,323,154</u>	<u>\$ 13,526</u>

**CITY OF WINDER, GEORGIA**  
**STATEMENT OF ACTIVITIES**  
For the fiscal year ended June 30, 2024

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	\$ 4,807,610	\$ (2,979,700)	\$ 224,296	\$ 76,782	\$ 193,179	\$ (1,333,653)
Judicial	357,762	0	0	0	0	(357,762)
Public Safety	9,727,959	0	1,181,993	138,779	1,159,077	(7,248,110)
Public Works	4,988,092	0	41,780	0	1,931,795	(3,014,518)
Culture and Recreation	578,983	0	11,147	55,047	579,538	66,749
Housing and Development	2,122,363	0	1,096,349	0	0	(1,026,014)
Interest on long-term debt	21,494	0	0	0	0	(21,494)
Total governmental activities	<u>22,604,263</u>	<u>(2,979,700)</u>	<u>2,555,565</u>	<u>270,608</u>	<u>3,863,589</u>	<u>(12,934,801)</u>
Business-type activities						
Water and Sewer	15,758,284	1,549,200	24,680,681	0	1,372,496	8,745,693
Gas	7,954,023	813,200	11,270,160	0	225,387	2,728,324
Solid Waste Management	2,376,298	250,000	2,557,719	0	0	(68,579)
Environmental Protection	1,317,643	139,600	782,891	0	0	(674,352)
Special Facilities	451,421	47,800	38,288	0	0	(460,933)
Golf	1,740,306	179,900	2,474,314	0	0	554,108
Internal Service	1,554,164	0	1,554,164	0	0	0
Total business-type activities	<u>31,152,139</u>	<u>2,979,700</u>	<u>43,358,217</u>	<u>0</u>	<u>1,597,883</u>	<u>10,824,261</u>
Total primary government	<u>53,756,402</u>	<u>0</u>	<u>45,913,782</u>	<u>270,608</u>	<u>5,461,472</u>	<u>(2,110,540)</u>
<b>Component Unit</b>						
Downtown Development Authority	0	0	0	0	0	0
			<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>	<b>Component Unit</b>
<b>Change in net position</b>			<u>\$ (12,934,801)</u>	<u>\$ 10,824,261</u>	<u>\$ (2,110,540)</u>	<u>\$ 0</u>
General revenues						
Taxes						
Property			3,844,828	0	3,844,828	0
Motor vehicle			805,672	0	805,672	0
Library assessment			249,684	0	249,684	0
Sales			4,239,983	0	4,239,983	0
Franchise			1,068,300	0	1,068,300	0
Occupational			282,239	0	282,239	0
Insurance premium			1,626,175	0	1,626,175	0
Alcoholic beverage			489,628	0	489,628	0
Hotel/Motel			324,154	0	324,154	0
Other			477,064	0	477,064	0
Interest			1,693,328	130,429	1,823,757	0
Net increase (decrease) in the fair value of investments			0	504,943	504,943	0
Miscellaneous			142,394	0	142,394	0
Gain on disposal of assets			25,910	7,539	33,449	0
Transfers			(1,150,340)	1,150,340	0	0
Total general revenues and transfers			<u>14,119,019</u>	<u>1,793,251</u>	<u>15,912,270</u>	<u>0</u>
Change in net position			<u>1,184,218</u>	<u>12,617,512</u>	<u>13,801,730</u>	<u>0</u>
Net position - beginning, as previously reported			32,284,419	134,302,979	166,587,398	13,526
Error Correction			(65,974)	0	(65,974)	0
Net position - beginning, restated			<u>32,218,445</u>	<u>134,302,979</u>	<u>166,521,424</u>	<u>13,526</u>
Net position - ending			<u>\$ 33,402,663</u>	<u>\$ 146,920,491</u>	<u>\$ 180,323,154</u>	<u>\$ 13,526</u>

**CITY OF WINDER, GEORGIA**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**June 30, 2024**

	<u>General</u>	<u>ARPA Grant</u>	<u>SPLOST 2022</u>	<u>Nonmajor Governmental Funds</u>	<u>Totals</u>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 4,023	\$ 6,964,330	\$ 2,706,481	\$ 7,545,731	\$ 17,220,565
Investments	1,165,734	0	0	0	1,165,734
Receivables (net)					
Accounts	4,963	0	0	438,024	442,987
Taxes	548,978	0	0	38,942	587,920
Intergovernmental	220,948	0	313,818	1,288,982	1,823,748
Leases	1,098,074	0	0	0	1,098,074
Inventories	32,541	0	0	0	32,541
Prepaid items	201,824	0	0	500	202,324
Due from other funds	4,844,502	0	0	0	4,844,502
Advances to other funds	250,212	0	0	0	250,212
<b>Total assets</b>	<b>\$ 8,371,799</b>	<b>\$ 6,964,330</b>	<b>\$ 3,020,299</b>	<b>\$ 9,312,179</b>	<b>\$ 27,668,607</b>
<b>LIABILITIES</b>					
Accounts payable	\$ 768,563	\$ 0	\$ 2,482	\$ 29,163	\$ 800,208
Accrued salaries and payroll liabilities	292,747	0	0	3,951	296,698
Unearned revenue	0	6,631,546	0	0	6,631,546
Due to other funds	0	66,782	4,108,994	1,540,460	5,716,236
Other liabilities	63,947	0	0	0	63,947
<b>Total liabilities</b>	<b>1,125,257</b>	<b>6,698,328</b>	<b>4,111,476</b>	<b>1,573,574</b>	<b>13,508,635</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenues					
Taxes	51,090	0	0	8,158	59,248
Fines, fees and forfeitures	0	0	0	419,270	419,270
Leases	1,025,593	0	0	0	1,025,593
<b>Total deferred inflows of resources</b>	<b>1,076,683</b>	<b>0</b>	<b>0</b>	<b>427,428</b>	<b>1,504,111</b>
<b>FUND BALANCES</b>					
Nonspendable:					
Prepaid items	201,824	0	0	500	202,324
Advances to other funds	250,212	0	0	0	250,212
Inventories	32,541	0	0	0	32,541
Leases receivable	72,481	0	0	0	72,481
Restricted	0	266,002	0	7,377,952	7,643,954
Assigned	0	0	0	33,761	33,761
Unassigned	5,612,801	0	(1,091,177)	(101,036)	4,420,588
<b>Total fund balances</b>	<b>6,169,859</b>	<b>266,002</b>	<b>(1,091,177)</b>	<b>7,311,177</b>	<b>12,655,861</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 8,371,799</b>	<b>\$ 6,964,330</b>	<b>\$ 3,020,299</b>	<b>\$ 9,312,179</b>	<b>\$ 27,668,607</b>

**CITY OF WINDER, GEORGIA**  
**RECONCILIATION OF THE BALANCE SHEET OF**  
**GOVERNMENTAL FUNDS TO THE**  
**STATEMENT OF NET POSITION**  
**June 30, 2024**

<b>Total fund balance - total governmental funds</b>		\$	12,655,861
Some assets are not financial resources and, therefore, are not reported in the funds.			
These are:			
Capital assets, net of accumulated depreciation and amortization			28,285,163
Long-term assets (receivables) are not available to pay current period expenditures and; therefore, are unavailable in the funds.			
			478,518
Long-term liabilities are not due and payable in the current period and are not reported in the funds.			
These are:			
Compensated absences	\$	(364,362)	
Interest payable		(8,679)	
Subscription payable		(102,360)	
Notes payable		(3,864,945)	
Net pension liability		(5,272,282)	
Net OPEB asset		140,828	(9,471,800)
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	\$	1,540,736	
Deferred outflows related to other post employment benefits		126,800	
Deferred inflows of resources:			
Deferred inflows related to pensions		0	
Deferred inflows related to other post employment benefits		(212,615)	1,454,921
Net position of governmental activities			\$ <u><u>33,402,663</u></u>

**CITY OF WINDER, GEORGIA**  
**STATEMENT OF REVENUES,**  
**EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**For the fiscal year ended June 30, 2024**

	General	ARPA Grant	SPLOST 2022	Nonmajor Governmental Funds	Totals
<b>REVENUES</b>					
Taxes	\$ 12,892,191	\$ 0	\$ 0	\$ 576,423	\$ 13,468,614
Licenses and permits	1,320,313	0	0	0	1,320,313
Fines, fees and forfeitures	698,323	0	0	99,001	797,324
Charges for services	3,181,730	0	0	52,847	3,234,577
Intergovernmental	136,606	66,782	1,797,026	1,744,866	3,745,280
Interest	1,452,156	241,172	39,199	154,657	1,887,184
Contributions	12,174	0	0	55,048	67,222
Other	142,394	0	0	0	142,394
<b>Total revenues</b>	<b>19,835,887</b>	<b>307,954</b>	<b>1,836,225</b>	<b>2,682,842</b>	<b>24,662,908</b>
<b>EXPENDITURES</b>					
Current					
General Government	4,338,046	0	0	0	4,338,046
Judicial	352,738	0	0	0	352,738
Public Safety	9,420,669	0	0	4,854	9,425,523
Public Works	2,608,443	0	0	73,141	2,681,584
Culture and Recreation	0	0	0	586,826	586,826
Housing and Development	2,063,914	0	0	219,434	2,283,348
Capital outlay	0	0	1,803,904	406,328	2,210,232
Debt service	25,550	0	140,238	621,355	787,143
<b>Total expenditures</b>	<b>18,809,360</b>	<b>0</b>	<b>1,944,142</b>	<b>1,911,938</b>	<b>22,665,440</b>
Excess (deficiency) of revenues over (under) expenditures	1,026,527	307,954	(107,917)	770,904	1,997,468
Other financing sources (uses)					
Transfers in	617,953	0	0	1,463,014	2,080,967
Transfers out	(1,256,591)	(66,782)	0	(2,025,894)	(3,349,267)
Issuance of subscription agreement	127,839	0	0	0	127,839
Proceeds from the sale of capital assets	25,910	0	0	0	25,910
<b>Total other financing sources (uses)</b>	<b>(484,889)</b>	<b>(66,782)</b>	<b>0</b>	<b>(562,880)</b>	<b>(1,114,551)</b>
Net change in fund balance	541,638	241,172	(107,917)	208,024	882,917
Fund balances, July 1, as previously reported	5,605,055	24,830	(983,260)	7,192,293	11,838,918
Error Correction	23,166	0	0	(89,140)	(65,974)
Fund balances, July 1, restated	5,628,221	24,830	(983,260)	7,103,153	11,772,944
<b>Fund balances, June 30</b>	<b>\$ 6,169,859</b>	<b>\$ 266,002</b>	<b>\$ (1,091,177)</b>	<b>\$ 7,311,177</b>	<b>\$ 12,655,861</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, 2024**

**Net change in fund balances - total governmental funds** \$ 882,917

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	\$ 1,187,439	
Depreciation/amortization	<u>(1,558,822)</u>	(371,383)

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	\$ (645,431)	
Related accumulated depreciation	<u>645,431</u>	0

Contributions of capital assets increase net position in the statement of activities, but do not appear in the governmental funds because they are not financial resources

Cost of assets	\$ 182,630	
Related accumulated depreciation	<u>(64,670)</u>	117,960

Distributions of capital assets to enterprise funds decrease net position in the statement of activities, but do not appear in the governmental funds because they are not financial resources

Cost of assets	\$ (348,960)	
Related accumulated depreciation	<u>348,960</u>	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. 122,165

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	\$ 823,828	
Cost of benefits earned net of employee contributions	<u>(934,952)</u>	(111,124)

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	\$ 100,409	
Cost of benefits earned net of employee contributions	<u>(32,570)</u>	67,839

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	\$ (1,514)	
Issuance of subscription agreement	(127,839)	
Debt repayments	<u>681,189</u>	551,836

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		<u>(75,992)</u>
--------------------------------	--	-----------------

Change in net position for the governmental activities		<u>\$ 1,184,218</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, 2024**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes				
Property	\$ 3,999,004	\$ 4,201,554	\$ 3,902,724	\$ (298,830)
Motor vehicle	622,000	622,000	805,672	183,672
Intangible	360,000	360,000	399,793	39,793
Franchise	1,009,375	1,009,375	1,068,300	58,925
Local option	3,703,800	3,703,800	4,239,983	536,183
Street lighting assessment	0	0	1,050	1,050
Excise	606,000	606,000	566,255	(39,745)
Occupational	265,000	265,000	282,239	17,239
Insurance premium	1,500,000	1,625,000	1,626,175	1,175
<b>Total taxes</b>	<b>12,065,179</b>	<b>12,392,729</b>	<b>12,892,191</b>	<b>499,462</b>
Licenses and permits				
Alcohol licenses	110,000	110,000	137,045	27,045
Building permits	796,000	796,000	1,096,349	300,349
Other permits	90,200	90,200	86,919	(3,281)
<b>Total licenses and permits</b>	<b>996,200</b>	<b>996,200</b>	<b>1,320,313</b>	<b>324,113</b>
Fines, fees and forfeitures	368,500	395,500	698,323	302,823
Charges for services				
Indirect cost allocation	4,149,500	4,149,500	2,979,700	(1,169,800)
Other	261,500	261,500	202,030	(59,470)
<b>Total charges for services</b>	<b>4,411,000</b>	<b>4,411,000</b>	<b>3,181,730</b>	<b>(1,229,270)</b>
Intergovernmental	200,000	200,000	136,606	(63,394)
Investment	1,100,000	1,100,000	1,452,156	352,156
Contributions	27,000	27,000	12,174	(14,826)
Other				
Rents	0	19,500	97,266	77,766
Other	40,520	40,520	45,128	4,608
<b>Total other</b>	<b>40,520</b>	<b>60,020</b>	<b>142,394</b>	<b>82,374</b>
<b>Total revenues</b>	<b>19,208,399</b>	<b>19,582,449</b>	<b>19,835,887</b>	<b>253,438</b>
<b>EXPENDITURES</b>				
Current				
General Government				
Legislative	659,753	659,753	578,808	80,945
General Administration	1,357,588	1,357,228	1,179,181	178,047
Finance	917,566	940,926	875,647	65,279
Information Technology	1,100,739	915,340	762,168	153,172
Human Resources	375,234	375,234	155,985	219,249
General Building and Plant	571,000	571,000	186,369	384,631
Communications	280,639	466,038	397,932	68,106
Engineering	291,550	291,550	201,956	89,594
<b>Total General Government</b>	<b>5,554,069</b>	<b>5,577,069</b>	<b>4,338,046</b>	<b>1,239,023</b>
Judicial				
Municipal Court	217,168	217,168	222,938	(5,770)
Probation	127,484	127,484	129,800	(2,316)
<b>Total Judicial</b>	<b>344,652</b>	<b>344,652</b>	<b>352,738</b>	<b>(8,086)</b>
Public Safety				
Police	5,605,558	5,605,558	4,746,407	859,151
Fire	4,497,432	4,674,432	4,674,262	170
<b>Total Public Safety</b>	<b>10,102,990</b>	<b>10,279,990</b>	<b>9,420,669</b>	<b>859,321</b>
Public Works	2,722,493	2,722,493	2,608,443	114,050

**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, 2024**

	Budget		Actual	Variance with
	Original	Final		Final Budget
<b>EXPENDITURES</b>				
Housing and Development				
Planning and Zoning	\$ 1,901,193	\$ 1,891,858	\$ 1,842,070	\$ 49,788
Code Enforcement	257,173	266,508	101,182	165,326
GIS	270,542	270,542	120,662	149,880
Total Housing and Development	<u>2,428,908</u>	<u>2,428,908</u>	<u>2,063,914</u>	<u>364,994</u>
Debt Service	0	25,550	25,550	0
<b>Total expenditures</b>	<u>21,153,112</u>	<u>21,378,662</u>	<u>18,809,360</u>	<u>2,569,302</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,944,713)</u>	<u>(1,796,213)</u>	<u>1,026,527</u>	<u>2,822,740</u>
Other financing sources (uses)				
Transfers in (out)				
Transfers in	2,000,000	2,000,000	617,953	(1,382,047)
Transfers out	(20,719)	(20,719)	(1,256,591)	(1,235,872)
Issuance of subscription agreement	0	0	127,839	127,839
Proceeds from sale of capital assets	0	0	25,910	25,910
Contingency	(34,568)	(183,068)	0	183,068
Total other financing sources (uses)	<u>1,944,713</u>	<u>1,796,213</u>	<u>(484,889)</u>	<u>(2,281,102)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>0</u>	<u>0</u>	<u>541,638</u>	<u>541,638</u>
Fund balances, July 1, as previously reported	0	0	5,605,055	5,605,055
Error Correction	0	0	23,166	23,166
Fund balances, July 1, restated	<u>0</u>	<u>0</u>	<u>5,628,221</u>	<u>5,628,221</u>
<b>Fund balances, June 30</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 6,169,859</u>	<u>\$ 6,169,859</u>

**CITY OF WINDER, GEORGIA**  
**ARPA GRANT SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP) AND ACTUAL**  
**For the fiscal year ended June 30, 2024**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 0	\$ 66,782	\$ 66,782	\$ 0
Interest	0	0	241,172	241,172
<b>Total revenues</b>	<u>0</u>	<u>66,782</u>	<u>307,954</u>	<u>241,172</u>
<b>EXPENDITURES</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	0	66,782	307,954	241,172
Other financing sources (uses)				
Transfers in (out)				
Transfers out	<u>0</u>	<u>(66,782)</u>	<u>(66,782)</u>	<u>0</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	0	241,172	241,172
Fund balances, July 1	<u>0</u>	<u>0</u>	<u>24,830</u>	<u>24,830</u>
<b>Fund balances, June 30</b>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 266,002</u></u>	<u><u>\$ 266,002</u></u>

**CITY OF WINDER, GEORGIA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**June 30, 2024**

	Business-Type Activities			Totals	Utility Service Internal Service Fund
	Water and Sewer	Gas	Nonmajor Enterprise Funds		
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	\$ 19,221,404	\$ 2,841,302	\$ 3,654,309	\$ 25,717,015	\$ 25,523
Investments	11,236,539	1,260,053	0	12,496,592	0
Restricted assets					
Cash and cash equivalents	1,973,231	131,030	0	2,104,261	0
Receivables					
Accounts (net)	2,827,281	612,971	453,171	3,893,423	0
Intergovernmental	1,606,323	0	0	1,606,323	0
Inventories	961,325	1,058,566	111,135	2,131,026	0
Prepaid items	8,300	14,622	6,647	29,569	22,440
Due from other funds	819,822	0	66,782	886,604	0
<b>Total current assets</b>	<b>38,654,225</b>	<b>5,918,544</b>	<b>4,292,044</b>	<b>48,864,813</b>	<b>47,963</b>
<b>Noncurrent assets</b>					
Advances to other funds	380,000	0	0	380,000	0
Net OPEB asset	24,671	13,363	42,146	80,180	10,279
Capital assets					
Non-depreciable	18,075,752	5,307,468	6,118,572	29,501,792	0
Depreciable (net)	77,471,159	6,992,261	7,685,521	92,148,941	30,406
<b>Total noncurrent assets</b>	<b>95,951,582</b>	<b>12,313,092</b>	<b>13,846,239</b>	<b>122,110,913</b>	<b>40,685</b>
<b>Total assets</b>	<b>134,605,807</b>	<b>18,231,636</b>	<b>18,138,283</b>	<b>170,975,726</b>	<b>88,648</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred outflows related to pensions	290,052	229,139	65,429	584,620	0
Deferred outflows related to other post employment benefits	22,213	12,032	37,948	72,193	9,255
<b>Total deferred outflows of resources</b>	<b>312,265</b>	<b>241,171</b>	<b>103,377</b>	<b>656,813</b>	<b>9,255</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Payables					
Accounts	1,894,827	655,286	383,955	2,934,068	38,804
Retainages	202,359	57,706	0	260,065	0
Sales tax	0	21,260	0	21,260	0
Accrued salaries and payroll liabilities	97,104	29,728	42,827	169,659	5,038
Compensated absences	39,898	31,183	27,107	98,188	9,026
Unearned revenue	0	0	33,246	33,246	0
Other current liabilities	0	3,656	0	3,656	0
Due to other funds	0	0	0	0	14,870
Advances from other funds	0	0	75,000	75,000	0
Leases payable	0	0	56,623	56,623	0
Notes payable	1,248,885	0	70,831	1,319,716	0
Liabilities payable from restricted assets:					
Interest	13,391	0	0	13,391	0
Customer deposits payable	283,045	131,030	0	414,075	0
Bonds payable	994,000	0	0	994,000	0
<b>Total current liabilities</b>	<b>4,773,509</b>	<b>929,849</b>	<b>689,589</b>	<b>6,392,947</b>	<b>67,738</b>

**CITY OF WINDER, GEORGIA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**June 30, 2024**

	Business-Type Activities			Totals	Utility Service Internal Service Fund
	Water and Sewer	Gas	Nonmajor Enterprise Funds		
<b>Noncurrent liabilities</b>					
Net pension liability	\$ 997,459	\$ 569,976	\$ 142,494	\$ 1,709,929	\$ 0
Compensated absences	4,433	3,465	3,012	10,910	1,003
Advances from other funds	0	0	555,212	555,212	0
Leases payable	0	0	84,391	84,391	0
Notes payable	10,318,712	0	261,008	10,579,720	0
Bonds payable	4,999,000	0	0	4,999,000	0
Total noncurrent liabilities	<u>16,319,604</u>	<u>573,441</u>	<u>1,046,117</u>	<u>17,939,162</u>	<u>1,003</u>
<b>Total liabilities</b>	<u>21,093,113</u>	<u>1,503,290</u>	<u>1,735,706</u>	<u>24,332,109</u>	<u>68,741</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred gain on refunding	177,544	0	0	177,544	0
Deferred inflows related to pensions	81,344	0	0	81,344	13,643
Deferred inflows related to other post employment benefits	37,246	20,175	63,630	121,051	15,519
Total deferred inflows of resources	<u>296,134</u>	<u>20,175</u>	<u>63,630</u>	<u>379,939</u>	<u>29,162</u>
<b>NET POSITION</b>					
Net investment in capital assets	77,431,281	12,048,044	13,331,242	102,810,567	30,406
Restricted for debt service	1,676,795	0	0	1,676,795	0
Restricted for net OPEB asset	24,671	13,363	42,146	80,180	10,279
Unrestricted	34,396,078	4,887,935	3,068,936	42,352,949	(40,685)
Total net position	<u>\$ 113,528,825</u>	<u>\$ 16,949,342</u>	<u>\$ 16,442,324</u>	<u>\$ 146,920,491</u>	<u>\$ 0</u>

**CITY OF WINDER, GEORGIA**  
**STATEMENT OF REVENUES, EXPENSES,**  
**AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**For the fiscal year ended June 30, 2024**

	Business-Type Activities				Utility Service	
	Water and Sewer	Formerly Major Environmental Protection	Gas	Nonmajor Enterprise Funds	Totals	Internal Service Fund
<b>OPERATING REVENUES</b>						
Charges for sales and services	\$ 24,620,104		\$ 11,270,160	\$ 5,838,834	\$ 41,729,098	\$ 1,554,164
Other	60,577		0	14,378	74,955	0
<b>Total operating revenues</b>	<b>24,680,681</b>		<b>11,270,160</b>	<b>5,853,212</b>	<b>41,804,053</b>	<b>1,554,164</b>
<b>OPERATING EXPENSES</b>						
Costs of sales and services	10,976,172		7,109,276	4,154,749	22,240,197	902,325
Personal services	2,352,354		1,134,255	1,705,174	5,191,783	643,354
Depreciation	3,598,061		523,692	627,135	4,748,888	8,485
<b>Total operating expenses</b>	<b>16,926,587</b>		<b>8,767,223</b>	<b>6,487,058</b>	<b>32,180,868</b>	<b>1,554,164</b>
Operating income (loss)	7,754,094		2,502,937	(633,846)	9,623,185	0
Non-operating revenues (expenses)						
Interest revenue	115,063		15,366	0	130,429	0
Interest expense	(189,924)		0	(15,910)	(205,834)	0
Net increase (decrease) in the fair value of investments	459,546		45,397	0	504,943	0
Debt issue costs	(175,000)		0	0	(175,000)	0
Distribution of capital assets to Governmental Activities	(117,960)		0	0	(117,960)	0
Gain (loss) on the sale of capital assets	(15,973)		2,500	5,039	(8,434)	0
<b>Total non-operating revenues (expenses)</b>	<b>75,752</b>		<b>63,263</b>	<b>(10,871)</b>	<b>128,144</b>	<b>0</b>
Net income (loss) before capital contributions and transfers	7,829,846		2,566,200	(644,717)	9,751,329	0
Capital contributions	1,372,496		225,387	0	1,597,883	0
Net income (loss) before transfers	9,202,342		2,791,587	(644,717)	11,349,212	0
Transfers in (out)						
Transfers in	1,804,952		0	4,579,637	6,384,589	0
Transfers out	(5,116,289)		0	0	(5,116,289)	0
<b>Total transfers in (out)</b>	<b>(3,311,337)</b>		<b>0</b>	<b>4,579,637</b>	<b>1,268,300</b>	<b>0</b>
Change in net position	5,891,005		2,791,587	3,934,920	12,617,512	0
Net position, July 1, as previously reported	107,637,820	3,921,034	14,157,755	8,586,370	134,302,979	0
Change within financial reporting entity	0	(3,921,034)	0	3,921,034	0	0
Net position, July 1, corrected	107,637,820		14,157,755	12,507,404	134,302,979	0
<b>Net position, June 30</b>	<b>\$ 113,528,825</b>		<b>\$ 16,949,342</b>	<b>\$ 16,442,324</b>	<b>\$ 146,920,491</b>	<b>\$ 0</b>

**CITY OF WINDER, GEORGIA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
For the fiscal year ended June 30, 2024

	Business-Type Activities			Totals	Utility Service Internal Service Fund
	Water and Sewer	Gas	Nonmajor Enterprise Funds		
<b>Cash flows from operating activities:</b>					
Receipts from customers	\$ 23,697,508	\$ 11,210,552	\$ 5,696,647	\$ 40,604,707	\$ 0
Receipts from interfund services provided	0	0	0	0	1,554,164
Payments to suppliers	(10,606,573)	(7,175,217)	(4,023,086)	(21,804,876)	(883,006)
Payments to employees	(2,349,719)	(1,103,923)	(1,682,836)	(5,136,478)	(645,635)
Other receipts	60,577	0	14,378	74,955	0
Net cash provided (used) by operating activities	<u>10,801,793</u>	<u>2,931,412</u>	<u>5,103</u>	<u>13,738,308</u>	<u>25,523</u>
<b>Cash flows from non-capital financing activities:</b>					
Receipts from other funds	2,482,700	0	1,245,204	3,727,904	0
Payments to other funds	(5,116,289)	0	(1,020,000)	(6,136,289)	0
Net cash provided (used) by non-capital financing activities	<u>(2,633,589)</u>	<u>0</u>	<u>225,204</u>	<u>(2,408,385)</u>	<u>0</u>
<b>Cash flows from capital and related financing activities:</b>					
Receipts from other funds	1,804,952	0	0	1,804,952	0
Receipts from other organizations	0	225,387	0	225,387	0
Payment of capital related accounts payable	(1,305,414)	(134,627)	(496,944)	(1,936,985)	0
Proceeds from sale of capital assets	9,010	2,500	0	11,510	0
Acquisition of capital assets	(4,709,972)	(3,432,814)	(597,103)	(8,739,889)	0
Interest paid	(229,979)	0	(15,910)	(245,889)	0
Principal payments - bonds	(978,000)	0	0	(978,000)	0
Debt issuance costs	(175,000)	0	0	(175,000)	0
Principal payments - leases payable	0	0	(54,298)	(54,298)	0
Principal payments - notes payable	(1,230,796)	0	(69,235)	(1,300,031)	0
Net cash provided (used) by capital and related financing activities	<u>(6,815,199)</u>	<u>(3,339,554)</u>	<u>(1,233,490)</u>	<u>(11,388,243)</u>	<u>0</u>
<b>Cash flows from investing activities:</b>					
Interest received	115,063	15,366	0	130,429	0
Proceeds from sale of investments	0	94,883	0	94,883	0
Purchases of investments	(208,660)	0	0	(208,660)	0
Net cash provided (used) by investing activities	<u>(93,597)</u>	<u>110,249</u>	<u>0</u>	<u>(78,231)</u>	<u>0</u>
Net increase (decrease) in cash and cash equivalents	1,259,408	(297,893)	(1,003,183)	(41,668)	25,523
Cash and cash equivalents, July 1	<u>19,935,227</u>	<u>3,270,225</u>	<u>4,657,492</u>	<u>27,862,944</u>	<u>0</u>
<b>Cash and cash equivalents, June 30</b>	<u>\$ 21,194,635</u>	<u>\$ 2,972,332</u>	<u>\$ 3,654,309</u>	<u>\$ 27,821,276</u>	<u>\$ 25,523</u>

**CITY OF WINDER, GEORGIA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
For the fiscal year ended June 30, 2024

	Business-Type Activities			Totals	Utility Service Internal Service Fund
	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)	\$ 7,754,094	\$ 2,502,937	\$ (633,846)	\$ 9,623,185	\$ 0
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation expense	3,598,061	523,692	627,135	4,748,888	8,485
(Increase) decrease in accounts receivable	(442,756)	(25,523)	(142,547)	(610,826)	0
(Increase) decrease in prepaids items	5,239	4,840	(3,256)	6,823	(4,471)
(Increase) decrease in inventories	377,969	(228,453)	(29,917)	119,599	0
(Increase) decrease in deferred outflows of resources	278,461	(43,641)	42,815	277,635	143,039
(Increase) decrease in net OPEB asset	(24,671)	(13,363)	(42,146)	(80,180)	(10,279)
Increase (decrease) in accounts payable	(13,609)	154,487	164,836	305,714	23,790
Increase (decrease) in other unearned revenue	(474,340)	(26,100)	360	(500,080)	0
Increase (decrease) in accrued salaries	23,216	13,418	17,149	53,783	2,967
Increase (decrease) in sales tax payable	0	3,185	0	3,185	0
Increase (decrease) in other current liabilities	0	(135)	0	(135)	0
Increase (decrease) in net pension liability	(307,243)	135,075	(2,473)	(174,641)	(144,967)
Increase (decrease) in net OPEB liability	(5,628)	(2,814)	(8,441)	(16,883)	(2,345)
Increase (decrease) in deferred inflows of resources	54,252	(64,104)	5,485	(4,367)	10,794
Increase (decrease) in compensated absences	(15,752)	5,761	9,949	(42)	(1,490)
Increase (decrease) in customer deposits payable	(5,500)	(7,850)	0	(13,350)	0
<b>Total adjustments</b>	<b>3,047,699</b>	<b>428,475</b>	<b>638,949</b>	<b>4,115,123</b>	<b>25,523</b>
<b>Net cash provided (used) by operating 'activities</b>	<b>\$ 10,801,793</b>	<b>\$ 2,931,412</b>	<b>\$ 5,103</b>	<b>\$ 13,738,308</b>	<b>\$ 25,523</b>
<b>Cash reconciliation:</b>					
Cash and cash equivalents	\$ 19,221,404	\$ 2,841,302	\$ 3,654,309	\$ 25,717,015	\$ 25,523
Restricted assets					
Cash and cash equivalents	1,973,231	131,030	0	2,104,261	0
<b>Total cash and cash equivalents</b>	<b>\$ 21,194,635</b>	<b>\$ 2,972,332</b>	<b>\$ 3,654,309</b>	<b>\$ 27,821,276</b>	<b>\$ 25,523</b>

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

The net increase (decrease) in the fair value of investments totaled \$504,943.  
Acquisition of capital assets through accounts payable totaled \$1,225,559.  
Acquisition of capital assets through retainage payable totaled \$260,065.  
Distributions of capital assets to the Governmental Activities totaled \$182,630  
Contributions of capital assets from the Governmental Activities totaled \$348,960  
Contributions of capital assets from individuals totaled \$1,372,496.  
Increase in notes payable through intergovernmental receivables totaled \$1,606,323.

**CITY OF WINDER, GEORGIA**  
**MUNICIPAL COURT CUSTODIAL FUND**  
**STATEMENT OF FIDUCIARY NET POSITION**  
*June 30, 2024*

**ASSETS**

Cash and cash equivalents	\$ 27,766
Accounts receivable (net)	<u>341,916</u>
 Total assets	 <u>369,682</u>

**LIABILITIES**

Accounts payable	<u>31,116</u>
------------------	---------------

**NET POSITION**

Restricted for judicial	<u><u>\$ 338,566</u></u>
-------------------------	--------------------------

**CITY OF WINDER, GEORGIA**  
**MUNICIPAL COURT CUSTODIAL FUND**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
*For the fiscal year ended June 30, 2024*

<b>ADDITIONS</b>	
Fines and forfeitures collected for other governments	\$ 316,111
<b>DEDUCTIONS</b>	
Distributions of fines and forfeitures to other governments	<u>316,111</u>
Change in net position	0
Net position, July 1	<u>338,566</u>
<b>Net position, June 30</b>	<u><u>\$ 338,566</u></u>

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2024*

**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 accounting 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, 2024*

**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, 2024*

**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.

**ARPA Grant Fund** – This fund is used to account for revenues and expenditures of the American Rescue Plan Act Coronavirus State and Local Fiscal Recovery Fund.

**SPLOST 2022 Fund** – This fund is used to account for long-term projects financed by the passage of the 2022 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, 2024*

**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 fund is used to account for utility services provided.

**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, 2024*

**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 to/from 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**  
*June 30, 2024*

**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 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, 2024*

**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 enterprise 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, 2024*

**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, 2024*

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

**I. Taxes Receivable**

Taxes receivable represents local option sales taxes, property taxes, street lighting assessment taxes, library assessment taxes, and hotel/motel taxes. 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. Leases Receivable**

Leases receivable are measured at the present value of lease payments expected to be received during the lease terms. Under the lease agreements, the City may receive variable lease payments that dependent upon the lessees' revenue. The variable payments are recorded as an inflow of resources in the period the payment is received.

A deferred inflow of resources is recorded for each of the leases. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the respective lease.

**L. Inventories**

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

**M. 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.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2024*

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

**N. 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.

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 value on the date donated.

The City has recorded intangible right-to-use assets as a result of implementing GASB Statement No. 87, *Leases* and GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. The assets are initially measured at an amount equal to the initial measurement of the related lease or subscription liability plus any payments made prior to the lease or subscription term, less lease or subscription incentives, and plus ancillary charges necessary to place the lease or subscription into service. The intangible right-to-use assets are amortized on a straight-line basis over the shorter of the estimated useful life of the underlying asset or life of the related lease or subscription.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2024*

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

**N. Capital Assets, continued**

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

	<b>Useful Life in Years</b>	<b>Capitalization Threshold</b>
Land	N/A	\$1
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
Intangible Right-to-Use Assets		
Equipment	5 to 10	\$5,000

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, 2024*

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

**O. 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 assets 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 the defined benefit pension plan and OPEB plan.

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 assets 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 reports deferred inflows of resources for deferred gain on refunding, which 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. The City also reports deferred inflows of resources for the defined benefit pension plan, OPEB plan, and leases.

**P. 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, 2024*

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

**Q. 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.

**R. 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.

**S. 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, 2024*

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

**S. 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, 2024*

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

**T. 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.

**U. 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.

**V. 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**  
*June 30, 2024*

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

**W. 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.

**X. 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.

**Y. 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, 2024*

**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, 2024*

**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 Fitch's criteria for AAAf 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 AAAf/S1 by Fitch. The weighted average maturity at the end of the current fiscal year was 33 days. At the end of the current fiscal year, the City's balance in Georgia Fund 1 was \$16,193,981.

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 2024, based upon the assessments of January 1, 2023, were levied July 24, 2023, billed on October 4, 2023, and due on December 4, 2023. Taxes were billed and collected by Barrow County and remitted to the City during the current fiscal year.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2024*

**5. Accounts Receivable**

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

<b>Major Funds</b>		
General	\$ 4,963	
Water & Sewer	2,827,281	
Gas	<u>612,971</u>	\$ 3,445,215
<b>Nonmajor Funds</b>		
<b>Governmental</b>		
Opioid Settlement		438,024
<b>Enterprise</b>		
Environmental Protection	72,080	
Solid Waste Management	373,548	
Special Facilities	3,943	
Golf	<u>3,600</u>	<u>453,171</u>
Total primary government		<u>\$ 4,336,410</u>
Municipal Court Custodial Fund		<u>\$ 341,916</u>

**6. Intergovernmental Receivables**

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

<b>Major Funds</b>		
General		\$ 220,948
SPLOST 2022		313,818
Water & Sewer		1,606,323
<b>Nonmajor Funds</b>		
<b>Governmental</b>		
TSPLOST 2023		484,030
Capital Grants		<u>804,952</u>
Total primary government		<u>\$ 3,430,071</u>

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2024*

**7. Leases Receivable**

In 2017, the City entered into a five year lease with a cell phone service provider to provide the tenant the right to a portion of real property located at the Smile Site, together with the right to use the tower located thereon. The lease provides for four additional, five-year terms. Under the lease, the tenant pays the City an annual payment of \$30,000 for the first 5 years of the lease. On the anniversary date of the commencement date every five years, the annual rent amount is increased by 10% of the rent paid in the previous year. The lease receivable is measured as the present value of the future minimum rent payments expected to be received during the lease term at an imputed discount rate of 3.00%. During the current fiscal year, the City recognized \$27,872 of lease revenue (reported as other revenue on the statement of activities) and \$15,964 of interest revenue under the lease. The outstanding balance at the end of the current year is \$507,824 in the General Fund.

In 2017, the City entered into a five year lease with a cell phone service provider to provide the tenant the right to a portion of real property located at the Patch Adams Site, together with the right to use the tower located thereon. The lease provides for four additional, five-year terms. Under the lease, the tenant pays the City an annual payment of \$30,000 for the first 5 years of the lease. On the anniversary date of the commencement date every five years, the annual rent amount is increased by 10% of the rent paid in the previous year. The lease receivable is measured as the present value of the future minimum rent payments expected to be received during the lease term at an imputed discount rate of 3.00%. During the current fiscal year, the City recognized \$27,872 of lease revenue (reported as other revenue on the statement of activities) and \$15,964 of interest revenue under the lease. The outstanding balance at the end of the current year is \$507,824 in the General Fund.

On June 7, 2023, the City entered into a three year lease with a cell phone service provider to provide the tenant the right to a portion of real property, together with the right to use the tower located thereon. Under the lease, the tenant pays the City monthly payments of \$3,400. The lease receivable is measured as the present value of the future minimum rent payments expected to be received during the lease term at an imputed discount rate of 2.856%. During the current fiscal year, the City recognized \$38,974 of lease revenue (reported as other revenue on the statement of activities) and \$2,903 of interest revenue under the lease. The outstanding balance at the end of the current year is \$82,426 in the General Fund.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2024*

**8. 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 2022	\$ 4,108,994
	Nonmajor Governmental	735,508
Water and Sewer	Nonmajor Governmental	804,952
	Internal Service	14,870
Nonmajor Enterprise	ARPA Grant	<u>66,782</u>
		<u>\$ 5,731,106</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 Golf Fund \$1,464,783 to encourage growth and for past operating expenses. The Golf Fund will repay the General Fund in amounts equal to 10% of the Golf Fund's net income each year until the advance is repaid. During the current fiscal year, the Golf Fund made a scheduled payment, in excess of the previously determined amount, of \$1,000,000. The balance at the end of the current fiscal year is \$250,212.

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 \$380,000.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2024*

**8. 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	\$ 1,256,591
ARPA	Nonmajor Enterprise	66,782
Nonmajor Governmental	Water and Sewer	1,804,952
	Nonmajor Governmental	206,423
	General	14,519
Water and Sewer	General	603,434
	Nonmajor Enterprise	4,512,855
		<u>\$ 8,465,556</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.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2024**

**9. Capital Assets**

Capital asset activity for the governmental activities 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	484,620	308,049	(327,399)	465,270
Total non-depreciable assets	<u>3,691,054</u>	<u>308,049</u>	<u>(327,399)</u>	<u>3,671,704</u>
Depreciable/amortizable assets				
Buildings	10,390,204	327,399	0	10,717,603
Intangibles	27,301	0	0	27,301
Vehicles	7,060,954	729,103	(837,503)	6,952,554
Furniture and equipment	4,638,369	144,289	(156,888)	4,625,770
Infrastructure	38,466,616	0	0	38,466,616
Intangible right-to-use assets				
Software	0	188,628	0	188,628
Total depreciable/amortizable assets	<u>60,583,444</u>	<u>1,389,419</u>	<u>(994,391)</u>	<u>60,978,472</u>
Accumulated depreciation/amortization				
Buildings	(2,169,450)	(352,844)	0	(2,522,294)
Intangibles	(21,992)	(5,308)	0	(27,300)
Vehicles	(5,195,666)	(465,576)	837,503	(4,823,739)
Furniture and equipment	(4,092,827)	(148,058)	156,888	(4,083,997)
Infrastructure	(24,255,977)	(617,124)	0	(24,873,101)
Intangible right-to-use assets				
Software	0	(34,582)	0	(34,582)
Total accumulated depreciation	<u>(35,735,912)</u>	<u>(1,623,492)</u>	<u>994,391</u>	<u>(36,365,013)</u>
Total depreciable/amortizable assets, net	<u>24,847,532</u>	<u>(234,073)</u>	<u>0</u>	<u>24,613,459</u>
Governmental activities capital assets, net	<u>\$ 28,538,586</u>	<u>\$ 73,976</u>	<u>\$ (327,399)</u>	<u>\$ 28,285,163</u>

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2024**

**9. Capital Assets(continued)**

Capital asset activity for the business-type activities for the current fiscal year was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Business-type activities</b>				
Non-depreciable assets				
Land	\$ 6,793,673	\$ 6,662	\$ 0	\$ 6,800,335
Construction in progress	17,667,215	8,668,564	(3,634,322)	22,701,457
Total non-depreciable assets	<u>24,460,888</u>	<u>8,675,226</u>	<u>(3,634,322)</u>	<u>29,501,792</u>
Depreciable/amortizable assets				
Buildings	13,988,268	0	0	13,988,268
Vehicles	2,810,482	868,955	(366,063)	3,313,374
Distribution system	148,208,684	5,278,383	0	153,487,067
Furniture and equipment	4,383,315	758,727	(17,500)	5,124,542
Intangible right-to-use assets				
Equipment	225,406	0	0	225,406
Total depreciable/amortizable assets	<u>169,616,155</u>	<u>6,906,065</u>	<u>(383,563)</u>	<u>176,138,657</u>
Accumulated depreciation/amortization				
Buildings	(2,966,507)	(507,383)	0	(3,473,890)
Vehicles	(1,603,806)	(540,489)	228,159	(1,916,136)
Distribution system	(71,580,288)	(3,594,408)	0	(75,174,696)
Furniture and equipment	(2,915,163)	(407,702)	17,500	(3,305,365)
Intangible right-to-use assets				
Equipment	(32,872)	(56,351)	0	(89,223)
Total accumulated depreciation/amortization	<u>(79,098,636)</u>	<u>(5,106,333)</u>	<u>245,659</u>	<u>(83,959,310)</u>
Total depreciable/amortizable assets, net	<u>90,517,519</u>	<u>1,799,732</u>	<u>(137,904)</u>	<u>92,179,347</u>
Business-type activities capital assets, net	<u>\$ 114,978,407</u>	<u>\$ 10,474,958</u>	<u>\$ (3,772,226)</u>	<u>\$ 121,681,139</u>

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2024**

**9. Capital Assets(continued)**

Depreciation/amortization expense was charged to functions/programs as follows:

**Primary Government**

**Governmental activities**

General Government	\$ 457,403
Public Safety	236,343
Public Works	828,322
Culture and Recreation	1,649
Housing and Development	35,105
Total depreciation/amortization expense for governmental activities	\$ 1,558,822

**Business-type activities**

Water & Sewer	\$ 3,598,061
Gas	523,692
Solid Waste	44,337
Environmental Protection	125,980
Special Facilities	314,893
Golf	141,925
Internal Service	8,485
Total depreciation/amortization expense for business-type activities	\$ 4,757,373

	<b>Governmental Activities</b>	<b>Business-type Activities</b>
Current year depreciation/amortization expense	\$ 1,558,822	\$ 4,757,373
Prior accumulated depreciation on assets through transfers from other funds:		
Vehicles	64,670	254,164
Furniture and Equipment	0	94,796
Additions to accumulated depreciation/amortization	\$ 1,623,492	\$ 5,106,333

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2024*

**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 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 \$5,993,000.

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

<b>Year Ending June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2025	\$ 994,000	\$ 81,890	\$ 1,075,890
2026	1,012,000	66,946	1,078,946
2027	1,023,000	51,785	1,074,785
2028	1,043,000	36,393	1,079,393
2029	1,057,000	20,748	1,077,748
2030	864,000	6,437	870,437
Total	<u>\$ 5,993,000</u>	<u>\$ 264,199</u>	<u>\$ 6,257,199</u>

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2024*

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

**Notes from Direct Borrowings**

**Governmental Activities**

*Financed Purchases*

The City has entered into multiple agreements with various financial institutions to finance the purchase and construction of certain vehicles, equipment and other property. The notes are secured by the vehicles, equipment, and other property. The balances of these agreements at the end of the current year are \$3,864,945. Individual notes outstanding at the end of the current year are listed below with their related interest rate and maturity.

- \$6,000,000 building construction and other property improvements financed purchase due in monthly installments of \$56,487 through July 2029, interest at 2.62%, \$3,218,304 outstanding.
- \$207,557 equipment financed purchase due in monthly installments of \$9,147 through December 2028, interest at 2.28%, \$134,842 outstanding.
- \$603,545 equipment financed purchase due in monthly installments of \$5,912 through September 2032, interest at 3.3%, \$511,799 outstanding.

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

<b>Year Ending June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2025	\$ 684,751	\$ 96,147	\$ 780,898
2026	703,191	78,708	781,899
2027	722,129	58,770	780,899
2028	741,581	39,318	780,899
2029	743,073	19,416	762,489
2030	121,079	6,346	127,425
2031	66,884	4,065	70,949
2032	69,124	1,824	70,948
2033	13,133	97	13,230
<b>Total</b>	<b>\$ 3,864,945</b>	<b>\$ 304,691</b>	<b>\$ 4,169,636</b>

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2024*

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

**Notes from Direct Borrowings, continued**

**Business-type Activities**

*GEFA Loans*

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 (\$795,223 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.

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 (\$6,754,336 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.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2024*

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

**Notes from Direct Borrowings, continued**

**Business-type Activities (continued)**

*GEFA Loans, continued*

During the current year, the City entered into an agreement with the Georgia Environmental Finance Authority (GEFA) in the amount of \$14,000,000 to finance the costs of improvements 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 earlier of (1) the completion of the project, (2) February 1, 2027, or (3) the date that the loan is fully disbursed (the Amortization Commencement Date) for 240 months; interest at 1.63%. This loan is still in drawdown phase at the end of the current fiscal year (\$1,606,323 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.

*Financed Purchases*

The City has entered into multiple agreements with various financial institutions to finance the purchase and construction of certain vehicles, equipment and other property. The notes are secured by the vehicles, equipment, and other property. The balances of these agreements at the end of the current year are \$2,743,600. Individual notes outstanding at the end of the current year are listed below with their related interest rate and maturity.

- \$5,000,000 building construction and other property improvements financed purchase due in monthly installments of \$46,840 through December 2028, interest at 2.37%, \$2,411,716 outstanding.
- \$502,014 equipment financed purchase due in monthly installments of \$9,147 through December 2028, interest at 2.28%, \$331,838 outstanding.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2024*

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

**Notes from Direct Borrowings, continued**

**Business-type Activities (continued)**

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>
2025	\$ 1,319,716	\$ 122,137	\$ 1,441,853
2026	1,339,751	102,102	1,441,853
2027	1,230,560	81,830	1,312,390
2028	1,068,343	62,800	1,131,143
2029	784,771	45,106	829,877
2030-2034	2,304,586	152,433	2,457,019
2035-2039	2,245,386	47,785	2,293,171
Total	<u>\$ 10,293,113</u>	<u>\$ 614,193</u>	<u>\$ 10,907,306</u>

**Leases – Business-type Activities**

The City entered into an agreement to lease 74 golf carts during the current fiscal year. The lease agreement qualifies as other than short-term leases under GASB Statement No. 87, *Leases* and, therefore have been recorded at the present value of the future minimum lease payments at their inception. The outstanding balance at the end of the current fiscal year is \$141,014, due in monthly installments of \$5,122 through November 2026, interest at 4.2%.

Debt service requirements to maturity for leases are as follows:

<b>Fiscal Year Ending June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2025	\$ 56,623	\$ 4,841	\$ 61,464
2026	59,048	2,416	61,464
2027	25,343	267	25,610
Totals	<u>\$ 141,014</u>	<u>\$ 7,524</u>	<u>\$ 148,538</u>

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2024*

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

**Subscriptions – Governmental Activities**

The City has entered into agreements to subscribe to certain software. The subscription agreements qualify as subscriptions under GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, and have been recorded at the present value of the future minimum subscription payments at their inception. Subscription liabilities are comprised of the following individual subscriptions at the end of the current year:

- \$127,839 permitting and licensing software due in annual installments of \$25,550 to \$28,757 through September 2027, interest at 2.90%, \$102,360 outstanding.

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

<b>Year Ending June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2025	\$ 23,312	\$ 3,005	\$ 26,317
2026	24,785	2,321	27,106
2027	26,326	1,593	27,919
2028	27,937	820	28,757
Total	<u>\$ 102,360</u>	<u>\$ 7,739</u>	<u>\$ 110,099</u>

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2024**

**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:

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Deductions</b>	<b>Ending Balance</b>	<b>Due Within One Year</b>
<b>Governmental Activities</b>					
Notes from direct borrowings	\$ 4,520,655	\$ 0	\$ (655,710)	\$ 3,864,945	\$ 684,751
Subscription payable	0	127,839	(25,479)	102,360	23,312
Compensated absences	288,370	421,290	(345,298)	364,362	327,926
<b>Total Governmental Activities</b>	<b>\$ 4,809,025</b>	<b>\$ 549,129</b>	<b>\$ (1,026,487)</b>	<b>\$ 4,331,667</b>	<b>\$ 1,035,989</b>
<b>Business-type Activities</b>					
Revenue bonds	\$ 6,971,000	\$ 0	\$ (978,000)	\$ 5,993,000	\$ 994,000
Notes from direct borrowings	11,593,144	1,606,323	(1,300,031)	11,899,436	1,319,716
Leases	195,312	0	(54,298)	141,014	56,623
Compensated absences	120,659	8,220	(9,752)	119,127	107,214
<b>Total Business-type Activities</b>	<b>\$ 18,880,115</b>	<b>\$ 1,614,543</b>	<b>\$ (2,342,081)</b>	<b>\$ 18,152,577</b>	<b>\$ 2,477,553</b>

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 \$21,494 for governmental activities and \$205,834 for business-type activities.

**12. Capital Improvement Program**

The City of Winder has implemented a capital improvement program which includes upgrades and improvements to existing infrastructure and upgrades to equipment and vehicle fleet. These improvements will be financed through the existing net position of the City. Without formal action by the Mayor and Council, these funds are not available to be used to meet the City's ongoing obligations to its citizens and creditors. This plan is reviewed and adjusted annually based on the economic conditions and changing needs of the City.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2024*

**12. Capital Improvement Program (continued)**

A summary of the equity balances that the City has committed to this program at the end of the current year is as follows:

<b>Major Funds</b>			
<b>Governmental</b>			
SPLOST 2022	\$ 6,362,100		
<b>Enterprise</b>			
Water & Sewer	<u>23,620,206</u>	\$ 29,982,306	
<b>Nonmajor Governmental Funds</b>		4,817,095	
<b>Nonmajor Enterprise Funds</b>		<u>998,598</u>	
Total primary government		<u>\$ 35,797,999</u>	

**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>ARPA Grant</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Nonspendable:</b>				
Prepaid items	\$ 201,824	\$ 0	\$ 500	\$ 202,324
Inventories	32,541	0	0	32,541
Advances to other funds	250,212	0	0	250,212
Leases receivable	72,481	0	0	72,481
	<u>\$ 557,058</u>	<u>\$ 0</u>	<u>\$ 500</u>	<u>\$ 557,558</u>
<b>Restricted for:</b>				
Law enforcement	\$ 0	\$ 0	\$ 115,290	\$ 115,290
Opioid remediation			160,178	160,178
City festivals	0	0	87,952	87,952
Grant specifications	0	266,002	0	266,002
Capital projects	0	0	7,014,532	7,014,532
	<u>\$ 0</u>	<u>\$ 266,002</u>	<u>\$ 7,377,952</u>	<u>\$ 7,643,954</u>
<b>Assigned for:</b>				
Promoting trade and tourism	\$ 0	\$ 0	\$ 33,761	\$ 33,761

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2024*

**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	\$ 64,650,176	\$ 205,640,449
Accumulated depreciation/amortization	<u>(36,365,013)</u>	<u>(83,959,310)</u>
Book value	28,285,163	121,681,139
Notes payable	(3,864,945)	(11,899,436)
Bonds payable	0	(5,993,000)
Leases payable	0	(141,014)
Subscription payable	(102,360)	0
Deferred gain on refunding	0	(177,544)
Capital-related accounts payable	(57,514)	(1,225,559)
Retainages payable	0	(260,065)
Unspent debt proceeds	<u>0</u>	<u>856,452</u>
Net investment in capital assets	<u>\$ 24,260,344</u>	<u>\$ 102,840,973</u>

**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.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2024*

**15. Pension Plan (continued)**

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, 2024, the date of the most recent actuarial valuation, the plan consisting of the following:

Retirees and beneficiaries currently receiving benefits	118
Terminated vested participants entitled to but not yet receiving benefits	69
Active participants	48
Total number of participants	235

*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 \$988,593 or 26.29% 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.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2024**

**15. Pension Plan (continued)**

*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 \$6,982,211. The net pension liability was measured as of September 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2024. During the current fiscal year, the City recognized pension expense of \$1,145,036. Net pension liability for governmental activities is liquidated by the General Fund.

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	\$ 305,933	\$ 0
Changes in participant fund allocation	94,987	(94,987)
Net difference between projected and actual earnings on pension plan investments	900,605	0
City contributions subsequent to the measurement date	823,831	0
Totals	\$ 2,125,356	\$ (94,987)

The \$823,831 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>		
2025	\$	418,791
2026		192,461
2027		827,958
2028		(232,672)
Totals	\$	1,206,538

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2024**

**15. Pension Plan (continued)**

*Actuarial Assumptions.* The total pension liability in the January 1, 2024 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%

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, 2024 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.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2024*

**15. Pension Plan (continued)**

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, 2023 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%	6.91%
International equity	20%	7.21%
Domestic fixed income	20%	1.61%
Real estate	10%	3.61%
Global fixed income	5%	1.67%
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, 2024**

**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 September 30, 2022</b>	<b>\$ 26,427,338</b>	<b>\$ 18,599,127</b>	<b>\$ 7,828,211</b>
<b>Changes for the year:</b>			
Service cost	145,927	0	145,927
Interest	1,901,587	0	1,901,587
Differences between expected and actual experience	611,865	0	611,865
Contributions—employer	0	1,029,326	(1,029,326)
Contributions—employee	0	0	0
Net investment income	0	2,513,432	(2,513,432)
Benefit payments, including refunds of employee contributions	(1,578,070)	(1,578,070)	0
Administrative expense	0	(37,379)	37,379
<b>Net changes</b>	<b>1,081,309</b>	<b>1,927,309</b>	<b>(846,000)</b>
<b>Balances at September 30, 2023</b>	<b>\$ 27,508,647</b>	<b>\$ 20,526,436</b>	<b>\$ 6,982,211</b>

Plan fiduciary net position as a percentage of the total pension liability	74.62%
Covered payroll	\$ 3,124,228
Employer's net pension liability as a percentage of covered payroll	223.49%

*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%	\$ 10,281,752
Current discount rate	7.375%	6,982,211
1% increase	8.375%	4,212,033

*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, 2024*

**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. The plan is administered by 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 \$351,141 to the plan based on covered salaries of \$7,175,560. Plan members made voluntary contributions of \$266,365 to the plan. Total payroll was \$12,231,114.

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, 2024*

**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, 2023, the City plan membership consisted of the following:

Retirees and beneficiaries currently receiving benefits	3
Vested terminated members entitled to but not yet receiving benefits	0
Active participants	162
Total number of participants	165

*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 \$100,409, or 0.82% 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, 2024*

**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 (Assets), 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 (asset) of (\$231,287). The net OPEB liability (asset) was measured as of June 30, 2023, and the total OPEB liability (asset) used to calculate the net OPEB liability (asset) was determined from actuarial valuations using data as of January 1, 2023 and measured by an actuarial valuation as of June 30, 2023. During the current fiscal year, the City recognized OPEB expense (income) of (\$5,660) .

The components of the net OPEB liability (asset) are as follows:

	<b>Total OPEB Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Net OPEB Liability</b>
	<b>(a)</b>	<b>(b)</b>	<b>(a) - (b)</b>
<b>Balances at June 30, 2022</b>	<b>\$ 1,275,559</b>	<b>\$ 1,229,364</b>	<b>\$ 46,195</b>
<b>Changes for the year:</b>			
Service cost	37,089	0	37,089
Interest	95,509	0	95,509
Change of benefit terms	16,820	0	16,820
Differences between expected and actual experience	(119,353)	0	(119,353)
Changes of assumptions	(59,015)	0	(59,015)
Contributions—employer	0	122,202	(122,202)
Net investment income	0	133,361	(133,361)
Benefit payments, including refunds of employee contributions	(35,852)	(35,852)	0
Administrative expense	0	(7,031)	7,031
<b>Net changes</b>	<b>(64,802)</b>	<b>212,680</b>	<b>(277,482)</b>
<b>Balances at June 30, 2023</b>	<b>\$ 1,210,757</b>	<b>\$ 1,442,044</b>	<b>\$ (231,287)</b>

Plan fiduciary net position as a percentage of the total pension liability	119.10%
Covered payroll	\$ 9,036,947
Employer's net pension liability as a percentage of covered payroll	-2.56%

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2024*

**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	\$ 22,917	\$ (97,628)
Differences between expected and actual experience	53,792	(251,557)
Differences between projected and actual earnings on OPEB plan investments	31,130	0
City contributions subsequent to the measurement date	100,409	0
Totals	\$ 208,248	\$ (349,185)

The \$100,409 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>		
2025	\$	(66,014)
2026		(76,497)
2027		(21,482)
2028		(47,625)
2029		(29,728)
Totals	\$	(241,346)

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2024*

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

*Actuarial Assumptions.* The total OPEB liability in the June 30, 2023 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	11.20% for CY2023, then 7.00% trended down to 4.50% by 2034
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, 2023 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, 2024**

**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, 2023 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%	6.91%
International equity	20%	7.21%
Fixed income - core	20%	1.61%
Real estate	10%	3.61%
Global fixed income	5%	3.71%
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%	\$ (112,613)
Current discount rate	7.375%	(231,287)
1% increase	8.375%	(334,456)
		<b>Net OPEB Liability</b>
<u>Healthcare Cost Trend Rates</u>		<u>Net OPEB Liability</u>
1% decrease		\$ (319,386)
Current discount rate		(231,287)
1% increase		(128,243)

*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, 2024*

**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 \$2,000,000 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, 2024**

**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	\$ 324,154
Disbursements to Chamber of Commerce, Festivals, and other tourism and visitor programs	\$298,187 98% 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.

**21. Transportation Expenditures**

Amounts expended on transportation include transportation maintenance and operation costs and correspond with classifications and subclassifications specified in the local government uniform chart of accounts under subsection (e) of Code Section 36-81-3 within section 4200, including noncapital expenditures within sections 4210-4290.

Total general fund expenditures within these categories totaled \$2,608,443 for the current fiscal year.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2024**

**22. 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

**23. Commitments**

The City has committed to planning, designing, and constructing a 1.1 billion-gallon pump storage reservoir. This project will be funded in part by loan proceeds from GEFA.

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 \$4,829,881 pertaining to this project since its inception.

**24. Subsequent Events**

Subsequent to June 30, 2024, the City was approved for funding from the Georgia Environmental Finance Authority (GEFA) in the form of a Note from Direct Borrowing in the amount of \$10,000,000. These funds will be used to transform a former quarry into a raw water storage pond.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2024*

**24. Subsequent Events (continued)**

Subsequent to June 30, 2024, the City was approved for funding from the Georgia Environmental Finance Authority (GEFA) in the form of a Note from Direct Borrowing in the amount of \$8,000,000. These funds will be used to transform a former quarry into a raw water storage pond.

**25. Deficit Fund Balances**

At the end of the current fiscal year, the following funds have deficit fund balances due to excess of expenditures over revenues:

<b>Major Funds</b>	
SPLOST 2022	\$ (1,091,177)
<b>Nonmajor Funds</b>	
<b>Governmental</b>	
Cemetery	(1,973)
Library assessment	(33,133)
CDBG	<u>(65,930)</u>
Total primary government	<u>\$ (1,192,213)</u>

The City plans to liquid the deficit fund balances through increasing revenues in the subsequent fiscal years.

**26. New Accounting Pronouncements**

The City implemented GASB Statement No. 100, *Accounting Changes and Error Corrections—an Amendment of GASB Statement No. 62*, effective for the City's current fiscal year. The requirements of this statement are effective for periods beginning after June 15, 2023. The implementation of this new standard had no impact on the City's net position.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2024*

**27. Changes in Beginning Balances**

***Changes To or Within Financial Reporting Entity***

**Environmental Protection Fund**

The City changed the presentation of the Environmental Protection Fund from major fund presentation to nonmajor fund presentation during the current fiscal year.

**CDBG Fund**

The City changed the presentation of the CDBG Fund from special revenue fund presentation to capital projects fund presentation during the current fiscal year.

***Correction of an Error***

**General Fund**

The City adjusted beginning fund balance to add a lease receivable and related deferred inflow of resources related to leases. To correct this error the City increased beginning fund balance in the amount of \$23,166.

**CDBG Fund**

The City adjusted beginning fund balance to remove an intergovernmental receivable. To correct this error the City decreased beginning fund balance in the amount of \$89,140.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2024**

**27. Changes in Beginning Balances (continued)**

A summary of the changes in beginning balances is presented below:

	<u>Beginning As Previously Reported</u>	<u>Error Correction</u>	<u>Changes to or within Reporting Entity</u>	<u>Ending As Restated</u>
<b>Government-Wide</b>				
Governmental Activities	\$ 32,284,419	\$ (65,974)	\$ 0	\$ 32,218,445
Business-Type Activities	134,302,979	0	0	134,302,979
<b>Total Primary Government</b>	<u>\$ 166,587,398</u>	<u>\$ (65,974)</u>	<u>\$ 0</u>	<u>\$ 166,521,424</u>
<b>Governmental Funds</b>				
Major Fund				
General	\$ 5,605,055	\$ 23,166	\$ 0	\$ 5,628,221
Nonmajor	7,192,293	(89,140)	0	7,103,153
<b>Total Governmental Funds</b>	<u>\$ 12,797,348</u>	<u>\$ (65,974)</u>	<u>\$ 0</u>	<u>\$ 12,731,374</u>
<b>Proprietary Funds</b>				
Major Fund				
Environmental Protection	\$ 134,302,979	\$ 0	\$ (3,921,034)	\$ 130,381,945
Nonmajor	8,586,370	0	3,921,034	12,507,404
<b>Total Proprietary Funds</b>	<u>\$ 142,889,349</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 142,889,349</u>

This page intentionally left blank.

***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, 2024**  
**(Unaudited)**

	Fiscal Year End			
	2024	2023	2022	2021
<b>Total pension liability</b>				
Service cost	\$ 145,927	\$ 148,061	\$ 183,625	\$ 155,280
Interest	1,901,587	1,893,319	1,860,405	1,703,034
Differences between expected and actual experience	611,865	(331,453)	8,409	1,729,167
Changes of assumptions	0	0	0	0
Benefit payments, including refunds of employee contributions	(1,578,070)	(1,613,304)	(1,527,868)	(1,436,104)
Net change in total pension liability	1,081,309	96,623	524,571	2,151,377
Total pension liability - beginning	26,427,338	26,330,715	25,806,144	23,654,767
<b>Total pension liability - ending (a)</b>	<b><u>\$ 27,508,647</u></b>	<b><u>\$ 26,427,338</u></b>	<b><u>\$ 26,330,715</u></b>	<b><u>\$ 25,806,144</u></b>
<b>Plan fiduciary net position</b>				
Contributions - employer	\$ 1,029,326	\$ 1,190,175	\$ 957,499	\$ 996,453
Contributions - employee	0	18,182	0	6,685
Net investment income	2,513,432	(3,646,235)	4,538,463	1,675,230
Benefit payments, including refunds of employee contributions	(1,578,070)	(1,613,304)	(1,527,868)	(1,436,104)
Administrative expense	(37,379)	(37,638)	(38,595)	(36,925)
Net change in plan fiduciary net position	1,927,309	(4,088,820)	3,929,499	1,205,339
Plan fiduciary net position - beginning	18,599,127	22,687,947	18,758,448	17,553,109
<b>Plan fiduciary net position - ending (b)</b>	<b><u>\$ 20,526,436</u></b>	<b><u>\$ 18,599,127</u></b>	<b><u>\$ 22,687,947</u></b>	<b><u>\$ 18,758,448</u></b>
<b>Net pension liability (asset) - ending : (a) - (b)</b>	<b><u>\$ 6,982,211</u></b>	<b><u>\$ 7,828,211</u></b>	<b><u>\$ 3,642,768</u></b>	<b><u>\$ 7,047,696</u></b>
Plan's fiduciary net position as a percentage of the total pension liability	74.62%	70.38%	86.17%	72.69%
Covered payroll	\$ 3,124,228	\$ 3,114,200	\$ 3,088,285	\$ 3,661,543
Net pension liability as a percentage of covered payroll	223.49%	251.37%	117.95%	192.48%

**Fiscal Year End**

<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
\$ 159,256	\$ 148,204	\$ 173,051	\$ 179,037	\$ 236,833	\$ 328,917
1,671,280	1,549,264	1,506,920	1,474,422	1,412,604	1,443,234
(965,738)	350,657	268,580	67,694	463,073	(652,819)
1,348,241	888,088	402,748	0	0	(240,685)
<u>(1,365,515)</u>	<u>(1,275,242)</u>	<u>(1,298,321)</u>	<u>(1,305,321)</u>	<u>(1,324,394)</u>	<u>(1,223,348)</u>
847,524	1,660,971	1,052,978	415,832	788,116	(344,701)
<u>22,807,243</u>	<u>21,146,272</u>	<u>20,093,294</u>	<u>19,677,462</u>	<u>18,889,346</u>	<u>19,234,047</u>
<u><u>\$ 23,654,767</u></u>	<u><u>\$ 22,807,243</u></u>	<u><u>\$ 21,146,272</u></u>	<u><u>\$ 20,093,294</u></u>	<u><u>\$ 19,677,462</u></u>	<u><u>\$ 18,889,346</u></u>
\$ 1,003,136	\$ 961,342	\$ 988,953	\$ 1,032,165	\$ 1,228,670	\$ 1,409,342
31,816	12,084	0	26,847	0	59,823
506,528	1,590,479	2,138,768	1,461,014	151,347	1,334,881
(1,365,515)	(1,275,242)	(1,298,321)	(1,305,321)	(1,324,394)	(1,223,348)
<u>(37,164)</u>	<u>(39,142)</u>	<u>(45,297)</u>	<u>(22,393)</u>	<u>(24,301)</u>	<u>(19,349)</u>
138,801	1,249,521	1,784,103	1,192,312	31,322	1,561,349
<u>17,414,308</u>	<u>16,164,787</u>	<u>14,380,684</u>	<u>13,188,372</u>	<u>13,157,050</u>	<u>11,595,701</u>
<u><u>\$ 17,553,109</u></u>	<u><u>\$ 17,414,308</u></u>	<u><u>\$ 16,164,787</u></u>	<u><u>\$ 14,380,684</u></u>	<u><u>\$ 13,188,372</u></u>	<u><u>\$ 13,157,050</u></u>
<u><u>\$ 6,101,658</u></u>	<u><u>\$ 5,392,935</u></u>	<u><u>\$ 4,981,485</u></u>	<u><u>\$ 5,712,610</u></u>	<u><u>\$ 6,489,090</u></u>	<u><u>\$ 5,732,296</u></u>
74.21%	76.35%	76.44%	71.57%	67.02%	69.65%
\$ 3,482,985	\$ 3,505,675	\$ 3,730,435	\$ 3,845,923	\$ 4,034,416	\$ 4,658,538
175.18%	153.83%	133.54%	148.54%	160.84%	123.05%

**CITY OF WINDER, GEORGIA**  
**SCHEDULE OF PENSION CONTRIBUTIONS**  
**LAST TEN FISCAL YEARS**  
**June 30, 2024**  
**(Unaudited)**

	<b>Fiscal Year End</b>			
	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
Actuarially determined contribution	\$ 988,593	\$ 1,037,472	\$ 1,104,226	\$ 1,043,562
Contributions in relation to the actuarially determined contribution	(988,593)	(1,037,472)	(1,192,090)	(956,599)
Contribution deficiency (excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (87,864)</u>	<u>\$ 86,963</u>
Covered payroll	\$ 3,760,761	\$ 3,453,539	\$ 3,401,044	\$ 3,661,543
Contributions as a percentage of covered payroll	26.29%	30.04%	32.47%	26.13%

**Fiscal Year End**

<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
\$ 1,096,701 (1,096,701)	\$ 970,814 (970,814)	\$ 956,718 (957,818)	\$ 997,298 (999,098)	\$ 1,042,387 (1,042,387)	\$ 1,292,164 (1,469,165)
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (1,100)</u>	<u>\$ (1,800)</u>	<u>\$ 0</u>	<u>\$ (177,001)</u>
\$ 3,729,981	\$ 3,658,954	\$ 3,844,876	\$ 3,871,009	\$ 3,880,640	\$ 4,188,210
29.40%	26.53%	24.88%	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, 2024**  
**(Unaudited)**

	Fiscal Year End		
	2024	2023	2022
<b>Total OPEB liability</b>			
Service cost	\$ 37,089	\$ 36,421	\$ 32,191
Interest	95,509	93,027	96,830
Change of benefit terms	16,820	0	0
Differences between expected and actual experience	(119,353)	(55,224)	(193,639)
Changes in assumptions	(59,015)	(4,432)	45,833
Benefit payments, including refunds of member contributions	(35,852)	(37,713)	(36,344)
Net change in total OPEB liability	(64,802)	32,079	(55,129)
Total OPEB liability - beginning	1,275,559	1,243,480	1,298,609
<b>Total OPEB liability - ending (a)</b>	<b>\$ 1,210,757</b>	<b>\$ 1,275,559</b>	<b>\$ 1,243,480</b>
<b>Plan fiduciary net position</b>			
Contributions - employer	\$ 122,202	\$ 126,330	\$ 118,144
Net investment income	133,361	(154,992)	306,749
Benefit payments, including refunds of member contributions	(35,852)	(37,713)	(36,344)
Administrative expenses	(7,031)	(1,777)	(685)
Other	0	0	(6,818)
Net change in plan fiduciary net position	212,680	(68,152)	381,046
Plan fiduciary net position - beginning	1,229,364	1,297,516	916,470
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 1,442,044</b>	<b>\$ 1,229,364</b>	<b>\$ 1,297,516</b>
<b>Net OPEB liability (asset) - ending : (a) - (b)</b>	<b>\$ (231,287)</b>	<b>\$ 46,195</b>	<b>\$ (54,036)</b>
Plan's fiduciary net position as a percentage of the total OPEB liability	119.10%	96.38%	104.35%
Covered employee payroll	\$ 9,036,947	\$ 6,700,859	\$ 6,553,407
Plan net OPEB liability as a percentage of covered employee payroll	-2.56%	0.69%	-0.82%

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

**Fiscal Year End**

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
\$ 31,482	\$ 41,301	\$ 40,300	\$ 44,900
94,520	87,670	79,400	68,700
0	0	0	0
(55,386)	284,951	35,100	0
0	(255,552)	(1,300)	(49,000)
<u>(43,539)</u>	<u>(28,938)</u>	<u>(59,300)</u>	<u>(57,800)</u>
27,077	129,432	94,200	6,800
1,271,532	1,142,100	1,047,900	1,041,100
<u>\$ 1,298,609</u>	<u>\$ 1,271,532</u>	<u>\$ 1,142,100</u>	<u>\$ 1,047,900</u>
\$ 125,339	\$ 124,338	\$ 134,300	\$ 132,800
36,075	46,100	55,000	64,300
(43,539)	(28,938)	(59,300)	(57,800)
(2,105)	(1,800)	(600)	(900)
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
115,770	139,700	129,400	138,400
800,700	661,000	531,600	393,200
<u>\$ 916,470</u>	<u>\$ 800,700</u>	<u>\$ 661,000</u>	<u>\$ 531,600</u>
<u>\$ 382,139</u>	<u>\$ 470,832</u>	<u>\$ 481,100</u>	<u>\$ 516,300</u>
70.57%	62.97%	57.88%	50.73%
\$ 7,228,982	\$ 6,952,819	\$ 6,952,800	\$ 6,489,900
5.29%	6.77%	6.92%	7.96%

**CITY OF WINDER, GEORGIA**  
**SCHEDULE OF OPEB CONTRIBUTIONS**  
**LAST TEN FISCAL YEARS**  
**June 30, 2024**  
**(Unaudited)**

	<b>Fiscal Year End</b>		
	<b>2024</b>	<b>2023</b>	<b>2022</b>
Actuarially determined contribution	\$ 47,335	\$ 40,402	\$ 36,828
Contributions in relation to the actuarially determined contribution	<u>(100,409)</u>	<u>(122,202)</u>	<u>(126,330)</u>
Contribution deficiency (excess)	<u>\$ (53,074)</u>	<u>\$ (81,800)</u>	<u>\$ (89,502)</u>
Covered employee payroll	\$ 12,227,864	\$ 9,036,947	\$ 8,201,653
Contributions as a percentage of covered employee payroll	0.82%	1.35%	1.54%

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

**Fiscal Year End**

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
\$ 57,959	\$ 62,929	\$ 59,300	\$ 57,800
<u>(111,327)</u>	<u>(125,339)</u>	<u>(124,338)</u>	<u>(134,292)</u>
<u>\$ (53,368)</u>	<u>\$ (62,410)</u>	<u>\$ (65,038)</u>	<u>\$ (76,492)</u>
\$ 7,740,746	\$ 7,109,257	\$ 6,952,819	\$ 6,950,672
1.44%	1.76%	1.79%	1.93%

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**June 30, 2024**

**Pension Plan**

**1. Valuation Date**

The actuarially determined contribution rate was determined as of January 1, 2024, 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, 2025.

**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 12 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, 2024**

**Pension Plan (continued)**

**3. Changes in Benefits**

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

**4. Changes of Assumptions**

There were no changes in assumptions in the last two fiscal years.

**OPEB Plan**

**1. Valuation Date**

The actuarially determined contribution rates are determined as of July 1, 2023 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

Inflation = 2.25%

Discount rate = 7.375%

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**June 30, 2024**

**OPEB Plan (continued)**

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

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**

Effective January 1, 2023, the HRA plan has been eliminated and replaced by an HSA plan.

**4. Changes of Assumptions**

Healthcare trend rates were updated to reflect recent experience.

***COMBINING STATEMENTS***

***Nonmajor Governmental Funds***

***Nonmajor Enterprise Funds***

This page intentionally left blank.

## **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.

Cemetery Fund – This fund is used to account for revenues and expenditures related to cemetery operations by the city.

Library Assessment Fund – This fund is used to account for the library assessment collections and expenditures related to the library.

Opioid Settlement Fund – This fund is used to account for the opioid settlement collections and expenditures.

### **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).

CDBG Fund – This fund is used to account for revenues and expenditures related to the Community Development Block Grant program.

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.

2018 Special Purpose Local Option Sales Tax Fund – This fund is used to account for the expenditures of the 2018 SPLOST.

2023 Transportation Special Purpose Local Option Sales Tax Fund – This fund is used to account for the expenditures of the 2023 TSPLOST.

Capital Grants Fund – This fund is used to account for revenues and expenditures of the capital-related grants received by the City.

**CITY OF WINDER, GEORGIA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
June 30, 2024**

	Special Revenue					
	Hotel/ Motel Tax	Police Escrow	City Festivals	Cemetery	Library Assessment	Opioid Settlement
<b>ASSETS</b>						
Cash and cash equivalents	\$ 31,289	\$ 115,290	\$ 91,224	\$ 0	\$ 0	\$ 141,424
Receivables						
Accounts	0	0	0	0	0	438,024
Taxes	27,915	0	0	0	11,027	0
Intergovernmental	0	0	0	0	0	0
Prepaid items	0	0	500	0	0	0
<b>Total assets</b>	<u>\$ 59,204</u>	<u>\$ 115,290</u>	<u>\$ 91,724</u>	<u>\$ 0</u>	<u>\$ 11,027</u>	<u>\$ 579,448</u>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>Liabilities</b>						
Accounts payable	\$ 25,443	\$ 0	\$ 444	\$ 850	\$ 84	\$ 0
Accrued salaries and payroll liabilities	0	0	2,828	1,123	0	0
Due to other funds	0	0	0	0	35,918	0
<b>Total liabilities</b>	<u>25,443</u>	<u>0</u>	<u>3,272</u>	<u>1,973</u>	<u>36,002</u>	<u>0</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue						
Taxes	0	0	0	0	8,158	0
Fines, fees and forfeitures	0	0	0	0	0	419,270
<b>Total deferred inflows of resources</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>8,158</u>	<u>419,270</u>
<b>Fund balances</b>						
Nonspendable prepaids	0	0	500	0	0	0
Restricted for:						
Public Safety	0	115,290	0	0	0	160,178
Culture and Recreation	0	0	87,952	0	0	0
Capital Outlay	0	0	0	0	0	0
Assigned for Housing and Development	33,761	0	0	0	0	0
Unassigned	0	0	0	(1,973)	(33,133)	0
<b>Total fund balances</b>	<u>33,761</u>	<u>115,290</u>	<u>88,452</u>	<u>(1,973)</u>	<u>(33,133)</u>	<u>160,178</u>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<u>\$ 59,204</u>	<u>\$ 115,290</u>	<u>\$ 91,724</u>	<u>\$ 0</u>	<u>\$ 11,027</u>	<u>\$ 579,448</u>

Capital Projects						Total Nonmajor Governmental Funds
CDBG	LMIG	SPLOST 2012	SPLOST 2018	TSPLOST 2023	Capital Grants	
\$ 0	\$ 100,183	\$ 983,954	\$ 5,857,624	\$ 224,743	\$ 0	\$ 7,545,731
0	0	0	0	0	0	438,024
0	0	0	0	0	0	38,942
0	0	0	0	484,030	804,952	1,288,982
0	0	0	0	0	0	500
<u>\$ 0</u>	<u>\$ 100,183</u>	<u>\$ 983,954</u>	<u>\$ 5,857,624</u>	<u>\$ 708,773</u>	<u>\$ 804,952</u>	<u>\$ 9,312,179</u>
\$ 1,100	\$ 0	\$ 1,242	\$ 0	\$ 0	\$ 0	\$ 29,163
0	0	0	0	0	0	3,951
64,830	0	13,277	619,301	2,182	804,952	1,540,460
<u>65,930</u>	<u>0</u>	<u>14,519</u>	<u>619,301</u>	<u>2,182</u>	<u>804,952</u>	<u>1,573,574</u>
0	0	0	0	0	0	8,158
0	0	0	0	0	0	419,270
0	0	0	0	0	0	427,428
0	0	0	0	0	0	500
0	0	0	0	0	0	275,468
0	0	0	0	0	0	87,952
0	100,183	969,435	5,238,323	706,591	0	7,014,532
0	0	0	0	0	0	33,761
(65,930)	0	0	0	0	0	(101,036)
<u>(65,930)</u>	<u>100,183</u>	<u>969,435</u>	<u>5,238,323</u>	<u>706,591</u>	<u>0</u>	<u>7,311,177</u>
<u>\$ 0</u>	<u>\$ 100,183</u>	<u>\$ 983,954</u>	<u>\$ 5,857,624</u>	<u>\$ 708,773</u>	<u>\$ 804,952</u>	<u>\$ 9,312,179</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, 2024**

	Special Revenue					
	Hotel/ Motel Tax	Police Escrow	City Festivals	Cemetery	Library Assessment	
<b>REVENUES</b>						
Taxes	\$ 324,155	\$ 0	\$ 0	\$ 0	\$ 252,268	\$ 0
Intergovernmental	0	0	0	0	0	0
Charges for services	0	0	11,147	41,700	0	0
Fines, fees, and forfeitures	0	0	0	0	0	99,001
Contributions	0	0	55,048	0	0	0
Interest	0	0	0	0	0	0
<b>Total revenues</b>	<u>324,155</u>	<u>0</u>	<u>66,195</u>	<u>41,700</u>	<u>252,268</u>	<u>99,001</u>
<b>EXPENDITURES</b>						
Current						
Public Safety	0	4,854	0	0	0	0
Public Works	0	0	0	73,141	0	0
Culture and Recreation	0	0	332,502	0	254,324	0
Housing and Development	91,764	0	0	0	0	0
Capital Outlay	0	0	0	0	0	0
Debt Service	0	0	0	0	0	0
<b>Total expenditures</b>	<u>91,764</u>	<u>4,854</u>	<u>332,502</u>	<u>73,141</u>	<u>254,324</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	<u>232,391</u>	<u>(4,854)</u>	<u>(266,307)</u>	<u>(31,441)</u>	<u>(2,056)</u>	<u>99,001</u>
Other financing sources (uses)						
Transfers in	0	0	206,423	33,449	10,965	61,177
Transfers out	(206,423)	0	0	0	0	0
<b>Total other financing sources (uses)</b>	<u>(206,423)</u>	<u>0</u>	<u>206,423</u>	<u>33,449</u>	<u>10,965</u>	<u>61,177</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>25,968</u>	<u>(4,854)</u>	<u>(59,884)</u>	<u>2,008</u>	<u>8,909</u>	<u>160,178</u>
Fund balances, July 1, as previously reported	<u>7,793</u>	<u>120,144</u>	<u>148,336</u>	<u>(3,981)</u>	<u>(42,042)</u>	<u>0</u>
Error Correction	0	0	0	0	0	0
Change within reporting entity	0	0	0	0	0	0
Fund balances, July 1, restated	<u>7,793</u>	<u>120,144</u>	<u>148,336</u>	<u>(3,981)</u>	<u>(42,042)</u>	<u>0</u>
<b>Fund balances, June 30</b>	<u>\$ 33,761</u>	<u>\$ 115,290</u>	<u>\$ 88,452</u>	<u>\$ (1,973)</u>	<u>\$ (33,133)</u>	<u>\$ 160,178</u>

Special Revenue	Capital Projects						Total Nonmajor Governmental Funds							
	CDBG	CDBG	LMIG	SPLOST 2012	SPLOST 2018	TSPLOST 2023		Capital Grants						
\$	\$	0	\$	0	\$	0	\$	0	\$	576,423				
		0		231,148		0		708,766		804,952	1,744,866			
		0		0		0		0		0	52,847			
		0		0		0		0		0	99,001			
		0		0		0		0		0	55,048			
		0		0		22,538		132,112		7	154,657			
		0		231,148		22,538		132,112		708,773	804,952	2,682,842		
		0		0		0		0		0	4,854			
		0		0		0		0		0	73,141			
		0		0		0		0		0	586,826			
		127,670		0		0		0		0	219,434			
		0		198,469		0		205,557		2,182	120	406,328		
		0		0		0		621,355		0	0	621,355		
		127,670		198,469		0		826,912		2,182	120	1,911,938		
		(127,670)		32,679		22,538		(694,800)		706,591	804,832	770,904		
		150,880		0		0		0		0	1,000,120	1,463,014		
		0		0		(14,519)		0		0	(1,804,952)	(2,025,894)		
		150,880		0		(14,519)		0		0	(804,832)	(562,880)		
		23,210		32,679		8,019		(694,800)		706,591	0	208,024		
		0		67,504		961,416		5,933,123		0	0	7,192,293		
		(89,140)		0		0		0		0	0	(89,140)		
		89,140		(89,140)		0		0		0	0	0		
		(89,140)		67,504		961,416		5,933,123		0	0	7,103,153		
\$	\$	(65,930)	\$	100,183	\$	969,435	\$	5,238,323	\$	706,591	\$	0	\$	7,311,177

**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, 2024**

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance</b>
<b>REVENUES</b>			
Hotel/motel taxes	\$ 366,660	\$ 324,155	\$ (42,505)
<b>EXPENDITURES</b>			
<b>Current</b>			
Housing and Development	93,791	91,764	2,027
Excess (deficiency) of revenues over (under) expenditures	272,869	232,391	(40,478)
Other financing sources (uses)			
Transfers out	(272,869)	(206,423)	66,446
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	25,968	25,968
Fund balances, July 1	0	7,793	7,793
<b>Fund balances, June 30</b>	<b>\$ 0</b>	<b>\$ 33,761</b>	<b>\$ 33,761</b>

**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, 2024**

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance</b>
<b>REVENUES</b>			
Fines and forfeitures	\$ 19,500	\$ 0	\$ (19,500)
<b>EXPENDITURES</b>			
<b>Current</b>			
Public Safety	19,500	4,854	14,646
Excess (deficiency) of revenues over (under) expenditures	0	(4,854)	(4,854)
Fund balances, July 1	0	120,144	120,144
<b>Fund balances, June 30</b>	<b>\$ 0</b>	<b>\$ 115,290</b>	<b>\$ 115,290</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, 2024**

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance</b>
<b>REVENUES</b>			
Charges for services	\$ 35,700	\$ 11,147	\$ (24,553)
Contributions	35,000	55,048	20,048
<b>Total revenues</b>	<u>70,700</u>	<u>66,195</u>	<u>(4,505)</u>
<b>EXPENDITURES</b>			
<b>Current</b>			
Culture and Recreation	332,569	332,502	67
Excess (deficiency) of revenues over (under) expenditures	(261,869)	(266,307)	(4,438)
Other financing sources (uses)			
Transfers in	261,869	206,423	(55,446)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	(59,884)	(59,884)
Fund balances, July 1	<u>0</u>	<u>148,336</u>	<u>148,336</u>
<b>Fund balances, June 30</b>	<u><u>\$ 0</u></u>	<u><u>\$ 88,452</u></u>	<u><u>\$ 88,452</u></u>

**CITY OF WINDER, GEORGIA**  
**CEMETERY SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
*For the fiscal year ended June 30, 2024*

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Charges for services	\$ 74,000	\$ 41,700	\$ (32,300)
<b>EXPENDITURES</b>			
<b>Current</b>			
Public Works	94,438	73,141	21,297
Excess (deficiency) of revenues over (under) expenditures	(20,438)	(31,441)	(11,003)
Other financing sources (uses)			
Transfers in	20,438	33,449	13,011
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	2,008	2,008
Fund balances, July 1	0	(3,981)	(3,981)
<b>Fund balances, June 30</b>	<u>\$ 0</u>	<u>\$ (1,973)</u>	<u>\$ (1,973)</u>

**CITY OF WINDER, GEORGIA**  
**LIBRARY ASSESSMENT SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
*For the fiscal year ended June 30, 2024*

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance</b>
<b>REVENUES</b>			
Taxes	\$ 260,000	\$ 252,268	\$ (7,732)
<b>EXPENDITURES</b>			
<b>Current</b>			
Culture and Recreation	260,000	254,324	5,676
Excess (deficiency) of revenues over (under) expenditures	0	(2,056)	(2,056)
Other financing sources (uses)			
Transfers in	0	10,965	10,965
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	8,909	8,909
Fund balances, July 1	0	(42,042)	(42,042)
<b>Fund balances, June 30</b>	<b>\$ 0</b>	<b>\$ (33,133)</b>	<b>\$ (33,133)</b>

**CITY OF WINDER, GEORGIA**  
**OPIOID SETTLEMENT SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**For the fiscal year ended June 30, 2024**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Fines, fees, and forfeitures	\$ 99,001	\$ 99,001	\$ 0
<b>EXPENDITURES</b>			
<b>Current</b>			
Public Safety	<u>0</u>	<u>0</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	<u>99,001</u>	<u>99,001</u>	<u>0</u>
Other financing sources (uses)			
Transfers in	0	61,177	61,177
Contingency	<u>(99,001)</u>	<u>0</u>	<u>(99,001)</u>
Total other financing sources (uses)	<u>(99,001)</u>	<u>61,177</u>	<u>160,178</u>
Excess (deficiency) of revenues and other financial sources over (under) expenditures and other financing uses	0	160,178	160,178
Fund balances, July 1	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund balances, June 30</b>	<u><u>\$ 0</u></u>	<u><u>\$ 160,178</u></u>	<u><u>\$ 160,178</u></u>

This page intentionally left blank.

## ***NONMAJOR ENTERPRISE FUNDS***

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.

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

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.

**CITY OF WINDER, GEORGIA**  
**COMBINING STATEMENT OF NET POSITION**  
**NONMAJOR ENTERPRISE FUNDS**  
**June 30, 2024**

	Environmental Protection	Solid Waste Management	Special Facilities	Golf	Total Nonmajor Enterprise Funds
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	\$ 0	\$ 1,124,620	\$ 1,151,222	\$ 1,378,467	\$ 3,654,309
Accounts receivable (net)	72,080	373,548	3,943	3,600	453,171
Prepaid items	285	0	2,271	4,091	6,647
Inventories	0	0	0	111,135	111,135
Due from other funds	66,782	0	0	0	66,782
Total current assets	<u>139,147</u>	<u>1,498,168</u>	<u>1,157,436</u>	<u>1,497,293</u>	<u>4,292,044</u>
<b>Noncurrent assets</b>					
Net OPEB asset	5,140	3,084	0	33,922	42,146
Capital assets					
Non-depreciable	5,164,568	0	458,458	495,546	6,118,572
Depreciable (net)	2,634,593	484,275	3,778,737	787,916	7,685,521
Total noncurrent assets	<u>7,804,301</u>	<u>487,359</u>	<u>4,237,195</u>	<u>1,317,384</u>	<u>13,846,239</u>
<b>Total assets</b>	<u>7,943,448</u>	<u>1,985,527</u>	<u>5,394,631</u>	<u>2,814,677</u>	<u>18,138,283</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred outflows related to pensions	65,429	0	0	0	65,429
Deferred outflows related to other post employment benefits	4,628	2,777	0	30,543	37,948
<b>Total deferred outflows of resources</b>	<u>70,057</u>	<u>2,777</u>	<u>0</u>	<u>30,543</u>	<u>103,377</u>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Accounts payable	9,251	167,102	29,441	178,161	383,955
Accrued salaries and payroll liabilities	16,564	6,978	0	19,285	42,827
Compensated absences	10,005	2,060	0	15,042	27,107
Unearned revenue	0	0	0	33,246	33,246
Advances from other funds	0	0	0	75,000	75,000
Leases payable	0	0	0	56,623	56,623
Notes payable	0	70,831	0	0	70,831
Total current liabilities	<u>35,820</u>	<u>246,971</u>	<u>29,441</u>	<u>377,357</u>	<u>689,589</u>
<b>Noncurrent liabilities</b>					
Advances from other funds	0	0	0	555,212	555,212
Net pension liability	142,494	0	0	0	142,494
Compensated absences	1,112	229	0	1,671	3,012
Leases payable	0	0	0	84,391	84,391
Note payable	0	261,008	0	0	261,008
Total noncurrent liabilities	<u>143,606</u>	<u>261,237</u>	<u>0</u>	<u>641,274</u>	<u>1,046,117</u>
<b>Total liabilities</b>	<u>179,426</u>	<u>508,208</u>	<u>29,441</u>	<u>1,018,631</u>	<u>1,735,706</u>

**CITY OF WINDER, GEORGIA**  
**COMBINING STATEMENT OF NET POSITION**  
**NONMAJOR ENTERPRISE FUNDS**  
*June 30, 2024*

	<u>Environmental Protection</u>	<u>Solid Waste Management</u>	<u>Special Facilities</u>	<u>Golf</u>	<u>Total Nonmajor Enterprise Funds</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred inflows related to other post employment benefits	\$ 7,760	\$ 4,656	\$ 0	\$ 51,214	\$ 63,630
<b>NET POSITION</b>					
Net investment in capital assets	7,799,161	152,436	4,237,196	1,142,449	13,331,242
Restricted for net OPEB asset	5,140	3,084	0	33,922	42,146
Unrestricted	22,018	1,319,920	1,127,994	599,004	3,068,936
<b>Total net position</b>	<u>\$ 7,826,319</u>	<u>\$ 1,475,440</u>	<u>\$ 5,365,190</u>	<u>\$ 1,775,375</u>	<u>\$ 16,442,324</u>

**CITY OF WINDER, GEORGIA**  
**COMBINING STATEMENT OF REVENUES, EXPENSES,**  
**AND CHANGES IN NET POSITION**  
**NONMAJOR ENTERPRISE FUNDS**  
**For the fiscal year ended June 30, 2024**

	Formerly Major Environmental Protection	Solid Waste Management	Special Facilities	Golf	Total Nonmajor Enterprise Funds
<b>OPERATING REVENUES</b>					
Charges for sales and services	\$ 782,891	\$ 2,557,719	\$ 26,528	\$ 2,471,696	\$ 5,838,834
Other	0	0	11,760	2,618	14,378
<b>Total operating revenues</b>	<u>782,891</u>	<u>2,557,719</u>	<u>38,288</u>	<u>2,474,314</u>	<u>5,853,212</u>
<b>OPERATING EXPENSES</b>					
Costs of sales and services	733,431	2,295,010	167,237	959,071	4,154,749
Personal services	597,832	278,207	17,091	812,044	1,705,174
Depreciation	125,980	44,337	314,893	141,925	627,135
<b>Total operating expenses</b>	<u>1,457,243</u>	<u>2,617,554</u>	<u>499,221</u>	<u>1,913,040</u>	<u>6,487,058</u>
Operating income (loss)	<u>(674,352)</u>	<u>(59,835)</u>	<u>(460,933)</u>	<u>561,274</u>	<u>(633,846)</u>
Non-operating revenues (expenses)					
Interest expense	0	(8,744)	0	(7,166)	(15,910)
Gain (loss) on the sale of capital assets	0	0	0	5,039	5,039
<b>Total non-operating revenues (expenses)</b>	<u>0</u>	<u>(8,744)</u>	<u>0</u>	<u>(2,127)</u>	<u>(10,871)</u>
Net income (loss) before transfers	(674,352)	(68,579)	(460,933)	559,147	(644,717)
Transfers in (out)					
Transfers in	4,579,637	0	0	0	4,579,637
Change in net position	<u>3,905,285</u>	<u>(68,579)</u>	<u>(460,933)</u>	<u>559,147</u>	<u>3,934,920</u>
Net position, July 1, as previously reported	0	1,544,019	5,826,123	1,216,228	8,586,370
Change within financial reporting entity	3,921,034	0	0	0	3,921,034
Net position, July 1, corrected	<u>3,921,034</u>	<u>1,544,019</u>	<u>5,826,123</u>	<u>1,216,228</u>	<u>12,507,404</u>
<b>Net position, June 30</b>	<u>\$ 7,826,319</u>	<u>\$ 1,475,440</u>	<u>\$ 5,365,190</u>	<u>\$ 1,775,375</u>	<u>\$ 16,442,324</u>

**CITY OF WINDER, GEORGIA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**NONMAJOR ENTERPRISE FUNDS**  
**For the fiscal year ended June 30, 2024**

	<u>Environmental Protection</u>	<u>Solid Waste Management</u>	<u>Special Facilities</u>	<u>Golf</u>	<u>Total Nonmajor Enterprise Funds</u>
<b>Cash flows from operating activities:</b>					
Receipts from customers	\$ 753,650	\$ 2,446,527	\$ 24,414	\$ 2,472,056	\$ 5,696,647
Payments to suppliers	(741,434)	(2,254,147)	(144,808)	(882,697)	(4,023,086)
Payments to employees	(567,359)	(273,496)	(17,458)	(824,523)	(1,682,836)
Other receipts	0	0	11,760	2,618	14,378
	<u>0</u>	<u>0</u>	<u>11,760</u>	<u>2,618</u>	<u>14,378</u>
Net cash provided (used) by operating activities	(555,143)	(81,116)	(126,092)	767,454	5,103
<b>Cash flows from non-capital financing activities:</b>					
Receipts from other funds	1,245,204	0	0	0	1,245,204
Payments to other funds	0	0	0	(1,020,000)	(1,020,000)
	<u>0</u>	<u>0</u>	<u>0</u>	<u>(1,020,000)</u>	<u>(1,020,000)</u>
Net cash provided (used) by non-capital and related financing activities	1,245,204	0	0	(1,020,000)	225,204
<b>Cash flows from capital and related financing activities:</b>					
Acquisition of capital assets	(193,117)	0	(50,000)	(353,986)	(597,103)
Payment of capital related payables	(496,944)	0	0	0	(496,944)
Interest paid	0	(8,744)	0	(7,166)	(15,910)
Principal payments - leases payable	0	0	0	(54,298)	(54,298)
Principal payments - notes payable	0	(69,235)	0	0	(69,235)
	<u>0</u>	<u>(69,235)</u>	<u>0</u>	<u>0</u>	<u>(69,235)</u>
Net cash provided (used) by capital and related financing activities	(690,061)	(77,979)	(50,000)	(415,450)	(1,233,490)
Net increase (decrease) in cash and cash equivalents	0	(159,095)	(176,092)	(667,996)	(1,003,183)
Cash and cash equivalents, July 1	0	1,283,715	1,327,314	2,046,463	4,657,492
	<u>0</u>	<u>1,283,715</u>	<u>1,327,314</u>	<u>2,046,463</u>	<u>4,657,492</u>
<b>Cash and cash equivalents, June 30</b>	<u>\$ 0</u>	<u>\$ 1,124,620</u>	<u>\$ 1,151,222</u>	<u>\$ 1,378,467</u>	<u>\$ 3,654,309</u>

**CITY OF WINDER, GEORGIA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**NONMAJOR ENTERPRISE FUNDS**  
**For the fiscal year ended June 30, 2024**

	<u>Environmental Protection</u>	<u>Solid Waste Management</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)	\$ (674,352)	\$ (59,835)	\$ (460,933)	\$ 561,274	\$ (633,846)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation expense	125,980	44,337	314,893	141,925	627,135
(Increase) decrease in accounts receivable	(29,241)	(111,192)	(2,114)	0	(142,547)
(Increase) decrease in prepaid items	(285)	0	(2,271)	(700)	(3,256)
(Increase) decrease in inventories	0	0	0	(29,917)	(29,917)
(Increase) decrease in deferred outflows of resources	21,591	(2,777)	0	24,001	42,815
(Increase) decrease in net OPEB asset	(5,140)	(3,084)	0	(33,922)	(42,146)
Increase (decrease) in accounts payable	(7,718)	40,863	24,700	106,991	164,836
Increase (decrease) in unearned revenue	0	0	0	360	360
Increase (decrease) in accrued salaries	12,516	3,627	(367)	1,373	17,149
Increase (decrease) in compensated absences payable	4,581	2,289	0	3,079	9,949
Increase (decrease) in net pension liability	(2,473)	0	0	0	(2,473)
Increase (decrease) in net OPEB liability	(703)	0	0	(7,738)	(8,441)
Increase (decrease) in deferred inflows of resources	101	4,656	0	728	5,485
Total adjustments	<u>119,209</u>	<u>(21,281)</u>	<u>334,841</u>	<u>206,180</u>	<u>638,949</u>
Net cash provided (used) by operating activities	<u>\$ (555,143)</u>	<u>\$ (81,116)</u>	<u>\$ (126,092)</u>	<u>\$ 767,454</u>	<u>\$ 5,103</u>

***OTHER REPORTING SECTION***

This page intentionally left blank.

***SINGLE AUDIT SECTION***

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

**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, 2024, 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 June 30, 2025.

**Report on 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.

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 were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2024-001 to be a material weakness.

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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2024-002 and 2024-003 to be significant deficiencies.

**Report on Compliance and Other Matters**

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

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

*Government Auditing Standards* requires the auditor to perform limited procedures on the City of Winder, Georgia's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The City of Winder, Georgia's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **Purpose of This Report**

The purpose of this report is 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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Rushton, LLC*

Gainesville, Georgia  
June 30, 2025

**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**

***Opinion on Each Major Federal Program***

We have audited the City of Winder, Georgia’s compliance with the types of compliance requirements identified as subject to audit 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, 2024. 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.

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, 2024.

***Basis for Opinion on Each Major Federal Program***

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City of Winder, Georgia and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City of Winder, Georgia’s compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City of Winder, Georgia’s federal programs.

## ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City of Winder, Georgia's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City of Winder, Georgia's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City of Winder, Georgia's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City of Winder, Georgia's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the City of Winder, Georgia's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on 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 a 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 a 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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*

Gainesville, Georgia  
June 30, 2025

**CITY OF WINDER, GEORGIA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
*For the fiscal year ended June 30, 2024*

<u>Federal Grant/Pass-Through Grantor/Program Title</u>	<u>Federal Assistance Listing Number</u>	<u>Pass- Through Number</u>	<u>Total Federal Expenditures</u>
<b><u>U.S. Department of Transportation</u></b>			
Passed through Atlanta Regional Commission: Highway Planning and Construction	20.205	AR-038-2425	<u>\$ 136,606</u>
<b><u>U.S. Department of the Treasury</u></b>			
COVID-19 Coronavirus Relief Fund	21.027	N/A	66,782
Passed through Georgia Governor's Office of Planning and Budget: COVID-19 Coronavirus State and Local Fiscal Recovery Fund	21.027	GA-0011708	<u>804,952</u>
			<u>871,734</u>
<b><u>U.S. Environmental Protection Agency</u></b>			
Passed through Georgia Environmental Finance Authority: Drinking Water State Revolving Fund	66.468	DW2023028	<u>1,606,323</u>
<b>Total Expenditures of Federal Awards</b>			<u><u>\$ 2,614,663</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, 2024**

**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.

**4. Payments to Subrecipients**

For the current year, City of Winder, Georgia did not pass federal funds through to subrecipients.

**CITY OF WINDER, GEORGIA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the fiscal year ended June 30, 2024**

**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?	Yes
Significant deficiencies identified not considered material weaknesses?	Yes
Noncompliance material to financial statements noted?	No

**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:		
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds	
66.468	Drinking Water State Revolving 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, 2024**

**2. Financial Statement Findings**

**A. Current Year Audit Findings**

**2024-001**

*Condition:* The City lacks sufficient controls and procedures regarding year-end close to ensure timely and accurate financial reporting. This included significant adjustments during the audit process.

*Criteria:* Internal controls should be in place to ensure the City can perform timely and accurate year-end close procedures for the City to be able to produce its annual financial statements timely.

*Effect:* Failure to properly design and implement internal controls over year-end close procedures may lead to financial statements that are materially misstated and lead to delays in financial reporting.

*Cause:* Various posting and classification errors led to account balances not agreeing to subsidiary ledgers.

*Recommendation:* We recommend that the City's Finance Department continue to implement and/or strengthen internal controls over the year-end closeout procedures.

*Management Response:* Management concurs with this finding. City management has hired finance personnel proficient in the application and implementation of proper internal controls over the year-end closeout procedures. The Finance Department implemented policies and procedures that will ensure that account balances are reconciled monthly to the subsidiary ledgers. This action was taken prior to the issuance of this report, but subsequent to the year end closeout procedures and audit preparation.

**2024-002**

*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.

**CITY OF WINDER, GEORGIA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the fiscal year ended June 30, 2024**

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

**A. Current Year Audit Findings, continued**

**2024-002, continued**

*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.

**2024-003**

*Condition:* During audit procedures on journal entries, we noted manual journal entries being posted without evidence of proper approval.

*Criteria:* All manual journal entries should have approval by a member of management other than the employee who is posting the entry

*Effect:* Failure to properly approve manual journal entries subjects the assets of the City to greater risk of misappropriation.

*Cause:* The City's Finance Department experienced an abnormal amount of turnover after the current year fiscal year resulting in limited staffing. The City hired a 3<sup>rd</sup> party to complete the year-end close process at an accelerated pace with no member of management to properly approve journal entries.

*Recommendation:* To ensure that all manual journal entries are properly approved, the City should assign a member of management to review and approve journal entries.

*Management Response:* Management concurs with this finding. Management intends to evaluate the current policies and procedures to ensure that all manual journal entries have evidence of proper approval. This action was taken immediately upon receipt of the comment from our auditors.

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

**2023-001**

*Condition:* The City lacks sufficient controls and procedures regarding year-end close to ensure timely and accurate financial reporting. This included significant adjustments during the audit process.

Not corrected.

**2023-002**

*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.

**CITY OF WINDER, GEORGIA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the fiscal year ended June 30, 2024**

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

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

**2023-003**

*Condition:* While performing audit procedures at the City, we noted that approved employee pay rates are not maintained in personnel files or on a separately approved master list.

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*.

***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, 2024**

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	2,705,952	14,519	2,720,471
<b>Total</b>	<b>\$ 6,809,052</b>	<b>\$ 6,809,052</b>	<b>\$ 5,234,301</b>	<b>\$ 14,519</b>	<b>\$ 5,248,820</b>

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	\$ 2,513,807	\$ 236,667	\$ 2,750,474
Police Department Facilities and Equipment	1,501,282	1,501,282	455,736	0	455,736
Fire Department Facilities and Equipment	1,501,282	1,501,282	2,576,784	0	2,576,784
Recreation/Parks/Greenspace Projects	1,501,282	1,501,282	2,595,716	28,499	2,624,215
Administrative Facilities and Equipment	500,428	500,428	2,064,975	24,851	2,089,826
<b>Total</b>	<b>\$ 10,008,548</b>	<b>\$ 10,008,548</b>	<b>\$ 10,207,018</b>	<b>\$ 290,017</b>	<b>\$ 10,497,035</b>

Current year expenditures	\$ 290,017
Principal paid on notes payable	536,895
Total expenditures and transfers out of the SPLOST 2018 fund	<u>\$ 826,912</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**  
**SCHEDULE OF PROJECTS FINANCED WITH SPECIAL**  
**PURPOSE LOCAL OPTION SALES TAX**  
**For the fiscal year ended June 30, 2024**

Project	Estimated Cost *		Expenditures		
	Original	Current	Prior Years	Current Year	Total
<b>2022 SPLOST</b>					
Transportation Improvements	\$ 4,605,960	\$ 4,605,960	\$ 696,220	\$ 1,293,801	\$ 1,990,021
Police Department Facilities and Equipment	2,125,828	2,125,828	89,663	62,498	152,161
Fire Department Facilities and Equipment	2,125,828	2,125,828	116,024	100,142	216,166
Recreation/Parks/Cemetery/ Greenspace Projects	1,771,523	1,771,523	84,131	87,894	172,025
Stormwater Infrastructure	2,657,285	2,657,285	335,616	21,423	357,039
Administrative Facilities and Equipment	2,657,285	2,657,285	853,592	259,569	1,113,161
Sanitation/Solid Waste Facilities and Equipment	1,771,523	1,771,523	0	0	0
<b>Total</b>	<b><u>\$ 17,715,232</u></b>	<b><u>\$ 17,715,232</u></b>	<b><u>\$ 2,175,246</u></b>	<b><u>\$ 1,825,327</u></b>	<b><u>\$ 4,000,573</u></b>
Current year expenditures				\$ 1,825,327	
Principal paid on notes payable				118,815	
Total expenditures and transfers out of the SPLOST 2022 fund				<u>\$ 1,944,142</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**  
**SCHEDULE OF PROJECTS FINANCED WITH TRANSPORTATION**  
**SPECIAL PURPOSE LOCAL OPTION SALES TAX**  
**For the fiscal year ended June 30, 2024**

Project	Estimated Cost *		Expenditures		
	Original	Current	Prior Years	Current Year	Total
<b>2023 TSPLOST</b>					
Citywide Resurfacing/ Rehabilitation Program	\$ 5,000,000	\$ 5,000,000	\$ 0	\$ 2,182	\$ 2,182
Intersection & Roadway Improvements	4,000,000	4,000,000	0	0	0
Sims Road Realignment and Drainage Improvements	2,250,000	2,250,000	0	0	0
Intersection Improvements	1,500,000	1,500,000	0	0	0
Midland Avenue Operational Improvements	1,000,000	1,000,000	0	0	0
Road, Street, and Bridge Purposes	4,879,000	4,879,000	0	0	0
<b>Total</b>	<b>\$ 18,629,000</b>	<b>\$ 18,629,000</b>	<b>\$ 0</b>	<b>\$ 2,182</b>	<b>\$ 2,182</b>

This page intentionally left blank.



**City of Winder, Georgia  
Annual Financial Report  
June 30, 2024**