Comprehensive Annual Financial Report

For the year ended December 31, 2010

TOWN OF WINDSOR

COLORADO

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http://www.windsorgov.com

TOWN OF
Windsor, Colorado

COMPREHENSIVE ANNUAL FINANCIAL REPORT
December 31, 2010

REPORT ISSUED BY: DEPARTMENT OF FINANCE
DEAN MOYER, DIRECTOR

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July 11, 2011

Citizens of Windsor, Colorado,
Honorable Mayor, Town Board Members, and Town Manager

The Comprehensive Annual Financial Report ("CAFR") of the Town of Windsor, Colorado (the "Town"), for the fiscal year ended December 31, 2010, is hereby submitted. The report was prepared by the Town's Finance Department.

Responsibility for the accuracy, completeness, and fairness of the presentation, including all disclosures, rests with the Town. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to fairly present the financial position and changes in financial position of the Town, on a Government-wide and Fund basis. All disclosures necessary to enable the reader to gain an understanding of the Town's financial activities have been included.

The Town of Windsor's financial statements have been audited by Anton Collins Mitchell LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town for the year ended December 31, 2010 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the Town of Windsor's financial statements for the year ended December 31, 2010 are fairly presented in conformity with accounting principles generally accepted in the United States of America. The independent auditors' report is presented as the first component of the financial section of this report.

Profile of the Town

The Town of Windsor incorporated in 1890, and adopted its Home Rule Charter in 2003 providing for a Board-Manager form of government. Windsor is situated midway between the state capitals of Denver, Colorado and Cheyenne, Wyoming. Windsor is located along the northern Front Range of Colorado in western Weld County and eastern Larimer County. Windsor's city limits extend west to Interstate 25, a major north-south regional highway corridor, and the major cities surrounding Windsor include Greeley, Loveland, and Fort Collins. The population of the Town is approximately 19,000.

The Town provides general government; police services, public records, cultural programs, museums, recreational programs, sports facilities, parks, trails and open space, forestry services and a cemetery. The Town's development services include planning, building inspections, and code enforcement. Administrative services include management, human resources, finance and information technology. The Town supplies potable and non-potable water, sewer, and storm sewer services, but electricity, gas and trash service are provided by private companies.

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The Town maintains budgetary controls; the objective of which is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Town Board. Activities of all funds are included in the annual appropriated budget. The appropriations for all funds lapse at year-end, including those funds for the Capital Fund. Projects included in the Town of Windsor Five-Year Capital Improvement Program (CIP) are reviewed annually with projects extending beyond the current budget year end being approved in concept only. The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level.

The finance department maintains a financial management system, generating reports that assist with budgetary projections and control. By using these reports, necessary budget revisions and spending reductions can be anticipated. These reports help alert department heads when transactions exceed the appropriated budget so suitable action may be taken.

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the Town of Windsor operates.

Local economy. Nearly all of the Town's sources of revenue are affected by population and have seen tremendous increases in the past 15 years. The growth pattern that Windsor experienced since the mid 1990's slowed considerably from 2008 through 2010. Consequently, the Town has to provide and maintain the same level of service for a growing number of citizens using limited resources. Emphasis continues to be placed on water and sewer and road construction and maintenance to keep pace with the growing community and aging infrastructure. Parks and Recreation programs and facilities have also been important to the community, thus annual allocations are made to quality of life and recreational programs.

Sales and use tax is the primary source of general revenues (34.0%) followed by property tax (27.4%), totaling 61.4% of the general revenues for fiscal year 2010. Fortunately, Windsor sales tax base consists mostly of necessity-related vendors such as supermarkets, restaurants and utility companies (74%), providing revenue stability. It is anticipated that continued population growth will increase the sales and property tax revenues as well. As more people live in Windsor, and providing more places to shop, the Town should continue to see an increase in sales tax and property tax collections.

Please refer to the Management's Discussion and Analysis for additional background, analysis and information on the Town's operations during 2010.

Long-term financial planning. The Town adopted the use of a five-year modeling plan which has been refined continually since its original adoption. This five-year model serves as a financial management plan which will ensure long-term financial stability, planning for future replacement and maintenance of capital assets, maintaining current levels of services provided to Windsor citizens and address increasing service levels for the organization.

Primary issues facing the Town of Windsor are issues related to downtown revitalization, economic sustainability, public outreach, aging infrastructure and public safety.

Cash Management. Colorado Statutes specify investment instruments meeting defined rating and risk criteria in which local government entities may invest. The majority of the Town of Windsor's investment lies in local government investment pools, U.S. government obligations and collateralized repurchase agreements. The last several years have seen a sustained weakness in the rate of return on investment vehicles available to the Town of Windsor. All cash equivalents have an original maturity date of less than three months. The Town generally holds investments until maturity.

Risk Management. The Town of Windsor is a member of the Colorado Intergovernmental Risk Sharing Agency ("CIRSA"). CIRSA provides liability and property, and workers' compensation insurance coverage to the Town. The coverage is provided through joint self-insurance, insurance and reinsurance, or any combination thereof. The Town is subject to supplemental assessments in event of deficiencies and may receive credit in the event of a surplus.

CIRSA entered into various excess insurance contracts to limit large losses and minimize exposure on large risks. Excess of loss contracts in effect during 2010 limit CIRSA's per occurrence exposure to $1,000,000 for property coverage, $1,000,000 for excess property coverage, and provide coverage to specified upper limits. The excess of loss contract for workers' compensation coverage limits CIRSA's per occurrence exposure to $500,000 for 2010 and provides coverage to the State of Colorado statutory limits.

Report Format

The Comprehensive Annual Financial Report is presented in three sections.

1) The Introductory section includes the table of contents, this transmittal letter and the Town's organizational chart.

2) The Financial section includes the Auditors' Opinion, Management's Discussion and Analysis, Basic Financial Statements, Combining Statements and Supplemental Information.

3) The Statistical section includes selected financial and general information presented on a multi-year comparative basis.

Independent Audit

Article 11, Section 12 (11.12) of the Town of Windsor Home Rule Charter requires an independent annual audit. Anton Collins Mitchell LLP, a firm of independent certified public accountants, audited the financial statements for the year ended December 31, 2010. The independent auditors' report is included in the financial section of this report.

Reporting Achievements

The Government Finance Officers Association of the United States and Canada ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Windsor for its comprehensive annual financial report for the fiscal year ended December 31, 2009. This was the second year that the government achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

The Town also received the GFOA's Award for Distinguished Budget Presentation for its 2009 annual budget. To qualify for this award, the Town's budget document was judged to be proficient in several categories including as a policy document, a financial plan, an operations guide and a communications device. This is the fifth such award the Town has received. The 2011 annual budget was again submitted for this award.

Acknowledgements

The preparation of the comprehensive annual financial report on a timely basis was made possible by the cooperation and dedicated services of the staff of the Finance Department and of other Town departmental staff who contributed information in the report. Finally, we wish to thank the Mayor and Town Board for their continued support.

Respectfully submitted,

Dean Moyer
Director of Finance

TOWN OFFICIALS

TOWN BOARD MEMBERS THROUGH DECEMBER 31, 2010

4 Year Terms

		Term Expires
Mayor - *at-large*	John Vazquez	*Apr 2012*
Mayor Pro Tem *District 3*	Matthew A. O'Neill	*Apr 2012*
Town Board Member *District 1*	Jon D. Slater	*Apr 2012*
Town Board Member *District 2*	Don Thompson	*Apr 2014*
Town Board Member *District 4*	Kristie Melendez	*Apr 2014*
Town Board Member *District 5*	Robert Bishop-Cotner	*Apr 2012*
Town Board Member *District 6*	Mike Carrigan	*Apr 2014*

TOWN STAFF

Town Manager	Kelly Arnold
Town Attorneys	John Frey & Ian McCargar *of the Firm of Frey McCargar & Plock, LLC*
Municipal Judge	Mike Manning
Town Clerk/Customer Service Administrator	Patti Garcia
Director of Finance/Information Systems	Dean Moyer
Director of Human Resources	Mary Robins
Director of Planning	Joe Plummer
Director of Engineering	Dennis Wagner
Chief of Police	John Michaels
Director of Parks & Recreation	Melissa M. Chew
Director of Public Works	Terry Walker

TOWN OF WINDSOR
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Certificate of Achievement for Excellence in Financial Reporting

Presented to

Town of Windsor
Colorado

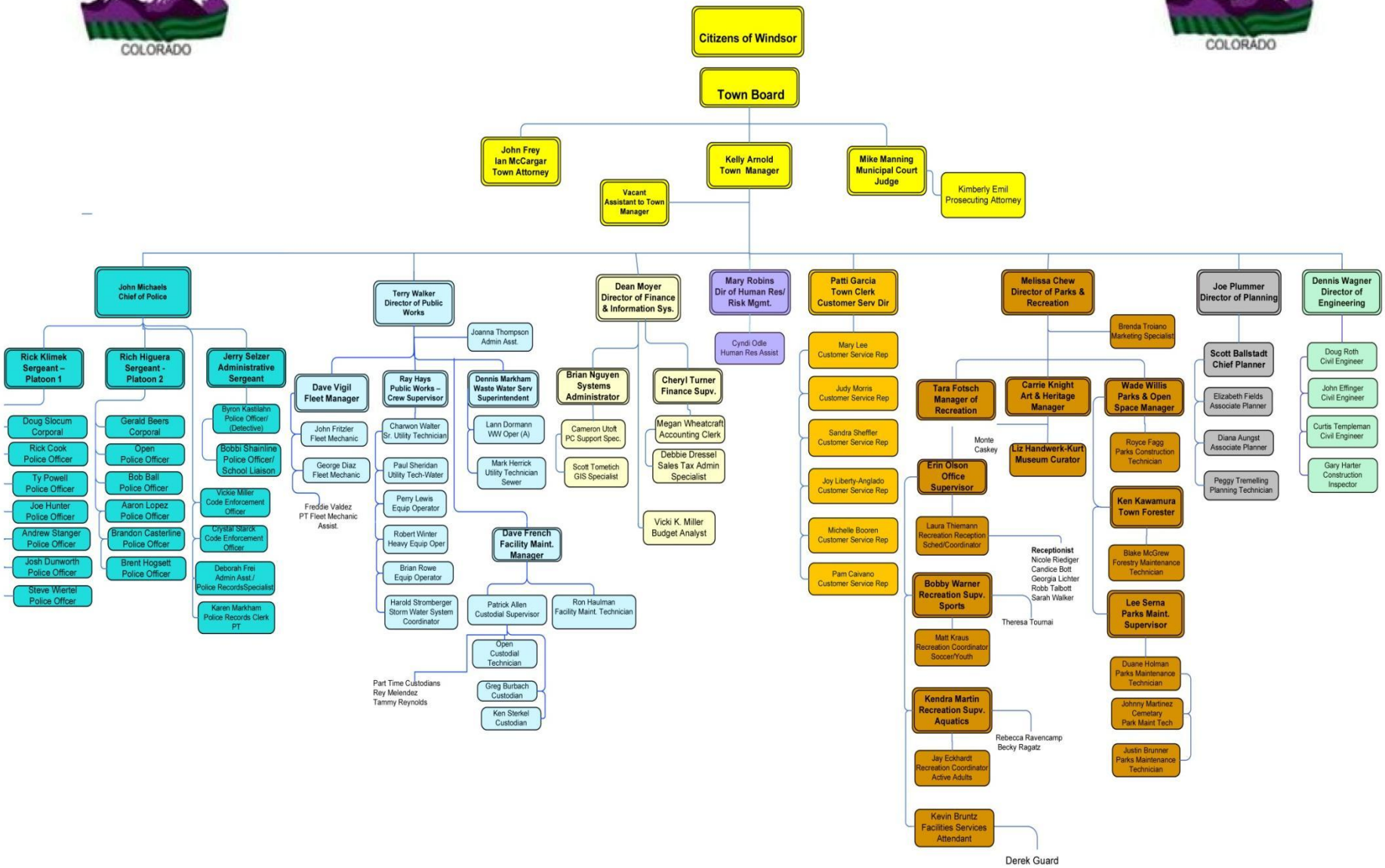
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2009

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

President

Executive Director

2010 Town of Windsor Organizational Chart



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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

TOWN OF WINDSOR

COLORADO

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ACM
Anton Collins Mitchell LLP
Accountants & Consultants

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and
Members of the Town Board of Trustees
Town of Windsor, Colorado

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Windsor, Colorado (the "Town"), as of and for the year ended December 31, 2010, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Windsor, Colorado, as of December 31, 2010, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 11, 2011, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and 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 the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 5 through 15 and 46 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements, schedule of debt service requirements, Local Highway Finance Report, and statistical section, are presented for

purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements. The combining and individual nonmajor fund financial statements, Local Highway Finance Report, schedule of debt service requirements, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Anton Collins Mitchell LLP

Greeley, Colorado
July 11, 2011

MANAGEMENT'S DISCUSSION AND ANALYSIS

TOWN OF WINDSOR

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As management of the Town of Windsor (the "Town"), we offer readers of the Town of Windsor's financial statements this narrative overview and analysis of the financial activities of the Town of Windsor for the fiscal year ended December 31, 2010.

FINANCIAL HIGHLIGHTS

- The assets of the Town of Windsor exceeded its liabilities at the close of 2010 by $167,221,782.

  Of this amount, $22,800,251 may be used to meet the Town's ongoing obligations to citizens and creditors.

- The Town's total net assets increased by $2,043,436.

- At the end of the current fiscal year, unreserved fund balance for the general fund was $4,849,941 or 46.1% of total general fund expenditures.

- The Town's total debt decreased by $697,989 during the current fiscal year. The decrease was primarily due to payments made towards developer reimbursement obligations and the annual principal payments applied to the Sales and Use Tax Revenue Bonds and the Colorado Resource and Power Development Authority Loan.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Town of Windsor's basic financial statements. The Town of Windsor's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the Town of Windsor's finances, in a manner similar to a private-sector business.

The *statement of net assets* presents information on all of the Town of Windsor's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Town of Windsor is improving or deteriorating.

The *statement of activities* presents information showing how the Town of Windsor's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Town of Windsor that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges

(*business-type activities*). The governmental activities of the Town of Windsor include general government, public safety, public works, cemetery operations, community development, culture, parks, and recreation. The business-type activities of the Town of Windsor include potable and non-potable water, sewer and storm water operations.

The government-wide financial statements can be found on pages 19-21 of this report.

Fund financial statements. A *fund* is a grouping of related accounts, used to maintain control over resources that have been segregated for specific activities or objectives. The Town of Windsor, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town of Windsor can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. Most of the Town's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending. The funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental funds statements provide a detailed short-term view to cash, the governmental fund operations, and the basic services it provides. These statements help you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. We describe the relationship (or differences) between governmental activities (reported in the s*tatement of net assets* and the *statement of activities*) and governmental funds in reconciliations on pages 23 and 25.

The basic governmental fund financial statements can be found on pages 22 through 25 of this report.

Proprietary funds. The Town of Windsor maintains two types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Town of Windsor uses enterprise funds to account for its water, sewer, non-potable water, and storm water operations. *Internal service funds* account for operations that provide services to other departments or agencies of the Town, or to other governments, on a cost-reimbursement basis. The Town has four internal service funds; the Fleet Management Fund, the Information Technology Fund, the Facility Services Fund, and the Windsor Building Authority (the Facilities Services Fund was established in January of 2011, and is therefore not included in these financial statements).

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for water, sewer and storm water operations, all of which are considered to be major funds of the Town of Windsor. The Non-potable Water Fund is a nonmajor enterprise fund, providing irrigation water services.

The basic proprietary fund financial statements can be found on pages 26-28 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 29-44 of this report.

Other information. The budgetary comparison for the General Fund can be found on page 46. The combining statements referred to earlier in connection with non-major governmental funds are presented as supplementary information. Combining statements can be found on pages 49-50 of this report. The budgetary comparison for the Capital Improvement Fund can be found on page 51. Also on pages 52-54 are the budgetary comparison schedules for the non-major governmental funds. The budgetary comparison schedule for the enterprise funds can be found on pages 55-58 and the combining statements for internal service funds are on pages 59-61. The budgetary comparison schedule for the internal service funds are on pages 62-63.

FINANCIAL ANALYSIS OF THE TOWN AS A WHOLE

As noted earlier net assets may serve over time as a useful indicator of a government's financial position. In the case of the Town of Windsor, assets exceeded liabilities by $167,221,782 at the close of 2010.

By far the largest portion of the Town of Windsor's net assets (85%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that are still outstanding and the associated accumulated depreciation. The Town uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Unrestricted net assets may be used to meet the Town's ongoing obligations to citizens and creditors. Our analysis below focuses on the net assets of the Town's governmental and business-type activities.

Table 1
Condensed Statement of Net Assets

	Governmental Activities		Business-Type Activities		Total	Total
	2010	**2009**	**2010**	**2009**	**2010**	**2009**
Assets						
Current Assets	$ 13,915,853	$ 14,049,929	$ 17,928,267	$ 16,606,363	$ 31,844,120	$ 30,656,292
Restricted Assets	146,090	3,078,890	-	455,435	146,090	3,534,325
Capital Assets, net	77,326,883	73,169,691	76,849,902	76,974,674	154,176,785	150,144,365
Total Assets	91,388,826	90,298,510	94,778,169	94,036,472	186,166,995	184,334,982
Liabilities						
Current Liabilities	5,358,849	5,808,596	169,662	383,380	5,528,511	6,191,976
Long-term Liabilities	9,300,785	8,723,104	4,115,917	4,241,556	13,416,702	12,964,660
Total Liabilities	14,659,634	14,531,700	4,285,579	4,624,936	18,945,213	19,156,636
Net Assets						
Invested in Capital Net of Related Debt	68,435,996	67,657,910	72,788,122	72,733,118	141,224,118	140,391,028
Restricted	3,197,413	3,002,668	-	-	3,197,413	3,002,668
Unrestricted	5,095,783	5,106,232	17,704,468	16,678,418	22,800,251	21,784,650
Total Net Assets	$ 76,729,192	$ 75,766,810	$ 90,492,590	$ 89,411,536	$ 167,221,782	$165,178,346

The restricted portion of net assets (1.9%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets* ($22,800,251) may be used to meet the Town's ongoing obligations to citizens and creditors.

Table 2 shows our next analysis focusing on changes in net assets of the Town's governmental and business-type activities. The Town presents comparative data from 2010 and 2009 as required by the Governmental Accounting Standards Board pronouncement 34 (GASB 34).

Table 2
Changes in Net Assets from Operating Results

	Governmental Activities		Business-Type Activities		Total	Total
	2010	**2009**	**2010**	**2009**	**2010**	**2009**
Revenues						
Program Revenues						
Charges for Services	$ 1,526,490	$ 1,247,010	$ 5,181,433	$ 5,071,876	$ 6,707,923	$ 6,318,886
Operating Grants & Contributions	629,751	136,533	-	-	629,751	136,533
Capital Grants & Contributions	2,207,216	6,435,751	2,069,869	5,534,074	4,277,085	11,969,825
General Revenues						
Property Taxes	4,158,343	3,412,104	-	-	4,158,343	3,412,104
Sales & Use Taxes	5,154,123	4,887,462	-	-	5,154,123	4,887,462
Other Taxes	2,826,429	3,205,878	-	-	2,826,429	3,205,878
Impact Fees	436,938	430,640	-	-	436,938	430,640
Interest	100,205	169,331	90,410	144,431	190,615	313,762
Other	2,498,478	3,264,808	28,187	26,547	2,526,665	3,291,355
Total Revenues	$ 19,537,973	$ 23,189,517	$ 7,369,899	$ 10,776,928	$ 26,907,872	$ 33,966,445
Expenses						
General Government	$ 2,469,265	$ 2,340,659	-	-	$ 2,469,265	$ 2,340,659
Public Safety	2,430,053	2,310,299	-	-	2,430,053	2,310,299
Public Works	5,261,225	5,245,719	-	-	5,261,225	5,245,719
Parks and Recreation	4,604,283	4,525,218	-	-	4,604,283	4,525,218
Community Development	1,489,965	1,497,962	-	-	1,489,965	1,497,962
Safety and Loss Control	7,599	8,793	-	-	7,599	8,793
Small Equipment & Maintenance	954,012	1,068,229	-	-	954,012	1,068,229
Loss on disposal of capital	44,071	-	-	-	44,071	-
Interest on Long-term Debt	201,024	656,591	-	-	201,024	656,591
Water	-	-	$ 2,849,014	$ 2,765,244	2,849,014	2,765,244
Sewer	-	-	1,587,205	1,594,425	1,587,205	1,594,425
Storm Drainage	-	-	725,892	825,013	725,892	825,013
Storm Drainage Impairment Loss	-	-	-	1,923,217	-	1,923,217
Non-potable Water	-	-	138,887	481,335	138,887	481,335
Other	-	-	987,846	487,184	987,846	487,184
Total Expenses	$ 17,461,497	$ 17,653,470	$ 6,288,844	$ 8,076,418	$ 23,750,341	$ 25,729,888
Increase in Net Assets	$ 2,076,476	$ 5,536,047	$ 1,081,055	$ 2,700,510	$ 3,157,531	$ 8,236,557

Governmental Activities. The largest change was due to less development of streets contributed by developers. The cost for these contributed streets was determined to be $584,637 as compared to $4,732,370 in 2009. There was also a Storm Drainage impairment loss relating to the Kern Reservoir claimed in 2009 for $1,923,217.

Business-type Activities. Again, the largest change was due to the infrastructure and raw water shares dedicated by developers in the water, sewer and storm drainage funds. There was less development in 2010 and thus less in developer contributions amounting to $3,464,205 less than 2009.

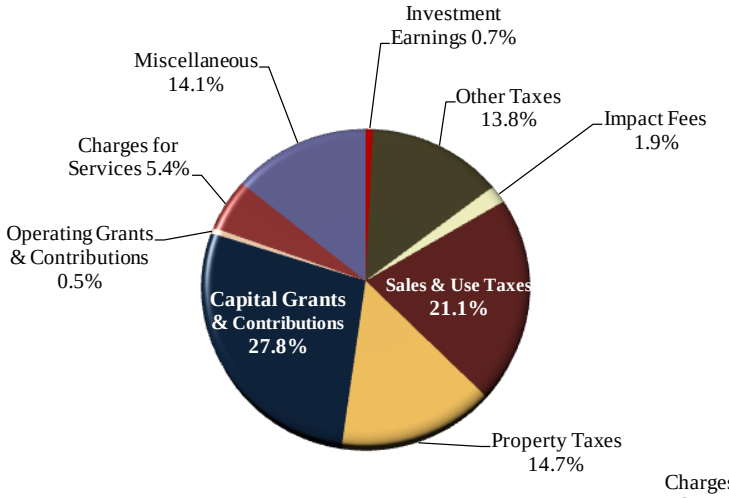
Overall, the change in net assets of about $3.2 million is related to lower revenue in 2010 due in part to the less development and the state of the national economy, and also the impairment loss declared in 2009.

Financial Analysis of the Town's Funds

As noted earlier, the Town of Windsor uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the Town of Windsor's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Town of Windsor's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, the Town of Windsor's governmental funds reported combined ending fund balances of $10,328,528. Approximately 68.7% of this total amount ($7,096,115) constitutes *unreserved fund balance*, which is available for spending at the government's discretion. The remainder of fund balance is *reserved* to indicate that it is not available for new spending because it has already been committed. There is $2,741,694 reserved for capital improvements, $35,000 reserved for prepayments and $455,719 reserved for emergencies.

TABLE 3
Revenues by Source-Governmental Activities 2009



Although 2010 Property tax is up from 2009, it is expected with the new reappraisals the numbers will be lower going forward.

2010 had less revenue from insurance proceeds related to the tornado damage of 2008. There also was less development due to the economic downturn reducing the contributions for 2010.

TABLE 3
Revenues by Source-Governmental Activities 2010

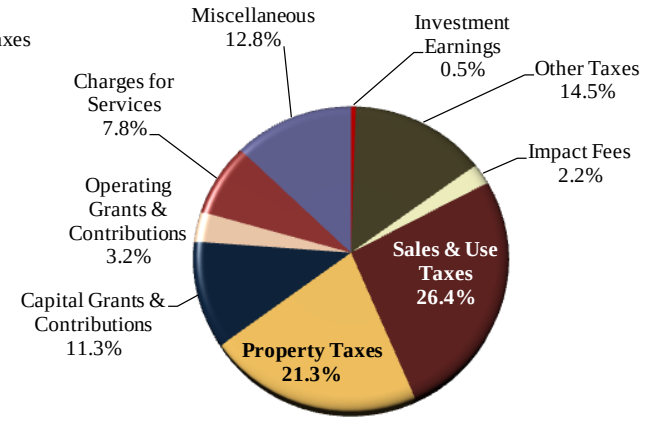


TABLE 4
2009 Expenditures by Category
Governmental Activities

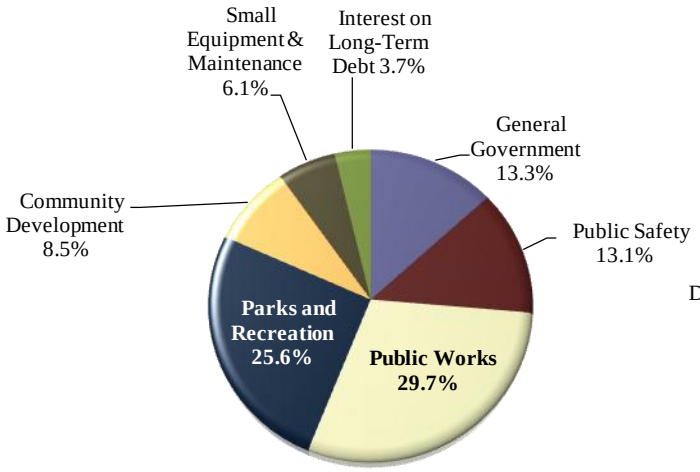
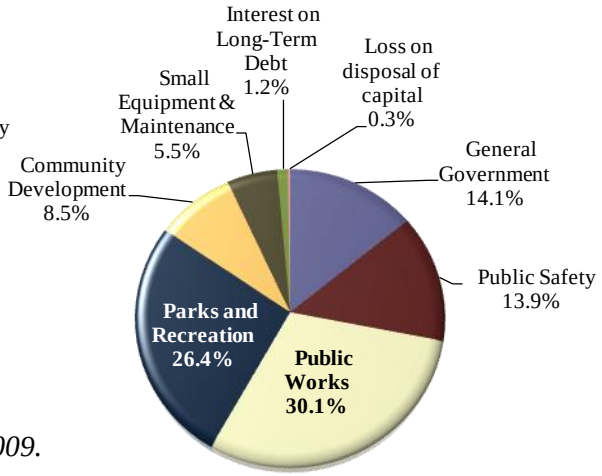


TABLE 4
2010 Expenditures by Category
Governmental Activities



The distribution of expenses remains about the same as 2009.

Proprietary funds. The Town of Windsor's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net assets of the water, sewer, storm drainage and non-potable water operations at the end of the year were $12,309,634, $4,708,374, $653,483 and ($178,688), respectively. Other factors concerning the finances of these four funds have already been addressed in the discussion of the Town of Windsor's business-type activities.

TABLE 5
Revenues by Source-Business-Type Activities
2009

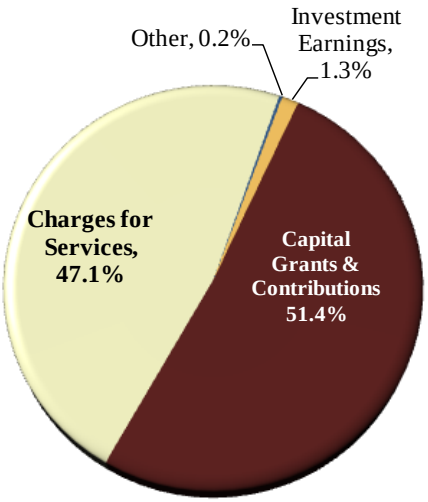
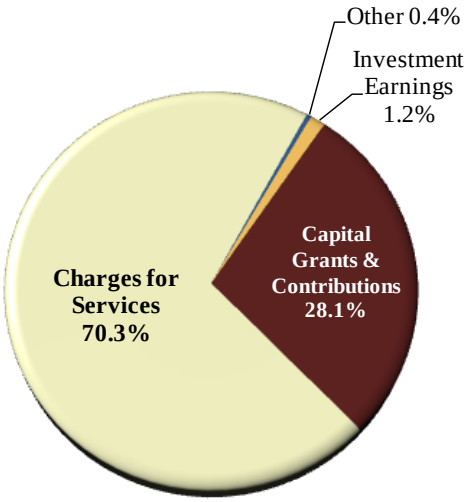


TABLE 5
Revenues by Source-Business-Type Activities
2010



Grants and Contributions are about $3.5 million lower in 2010 due to less development, thus are a smaller percent of the total Business-Type revenue activity. Charges for services were only slightly higher in 2010 but reflect a larger percent of the whole. Total revenues are down in 2010.

TABLE 6
Expenditures by Source-Business-Type Activities 2009

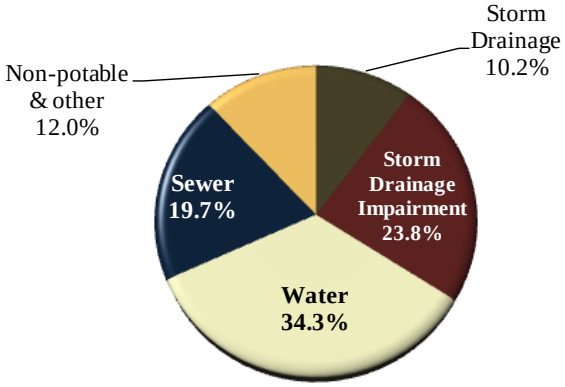
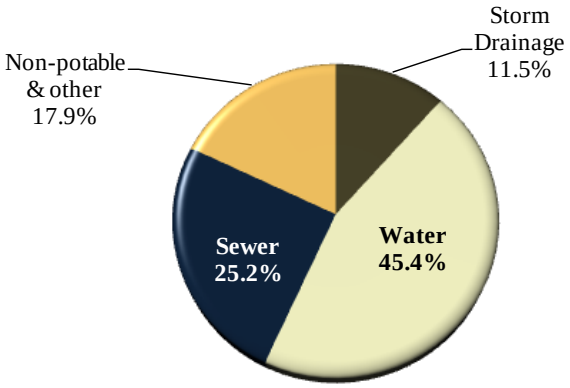


TABLE 6
Expenditures by Source-Business-Type Activities 2010



2009 total expenditures reflect an impairment loss of $1,923,217 associated with the contribution of a reservoir which skews the comparison. Without this impairment, distributions would be close to the same.

General Fund Budgetary Highlights. The General Fund is the chief operating fund of the Town of Windsor. The General Fund accounts for all the general services provided by the Town of Windsor. At the end of 2010, the *unreserved* fund balance of the General Fund totaled $4,849,941, while the total fund balance was $5,216,175. As a measure of the general fund's liquidity, it is useful to compare both unreserved fund balance and total fund balance to total fund expenditures. For 2010, unreserved fund balance represents 46.1% of total fund expenditures while total fund balance represents 49.6% of that same amount.

TABLE 7
Revenues by Source
General Fund 2009

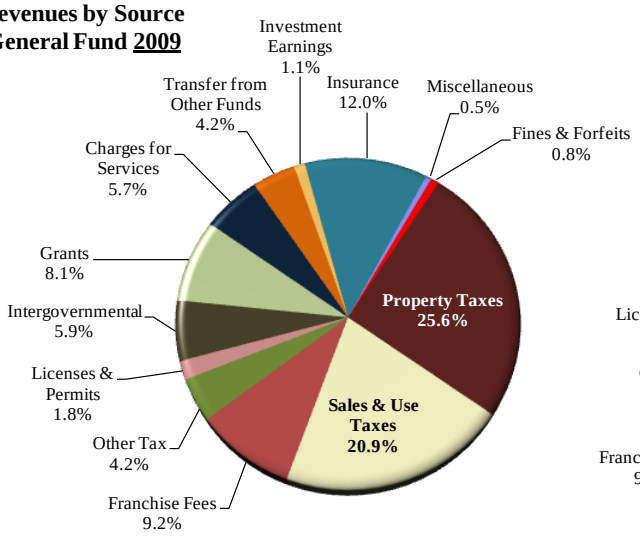
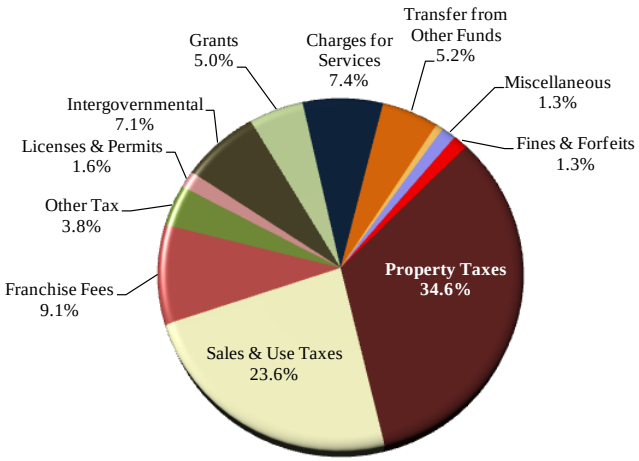


TABLE 7
Revenues by Source
General Fund 2010



2010 General Fund did not receive insurance proceeds for tornado damage as did 2009.

General government expenditures include all administrative functions of the Town (i.e., Town Board, Town Clerk, Municipal Court, Town Manager, Finance, Town Attorney, and Human Resources).

TABLE 8
Expenditures by Type
General Fund 2009

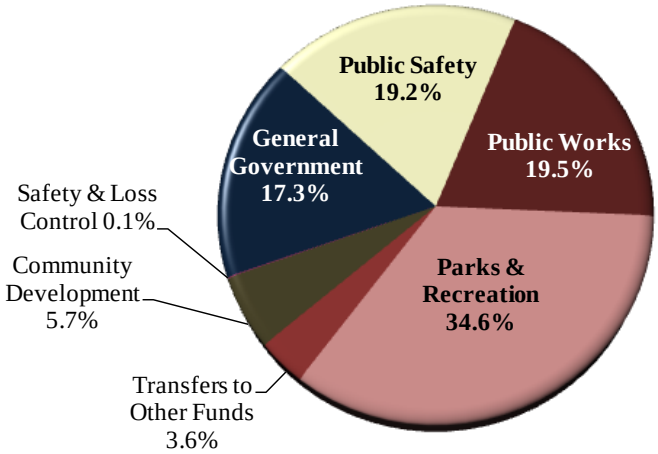
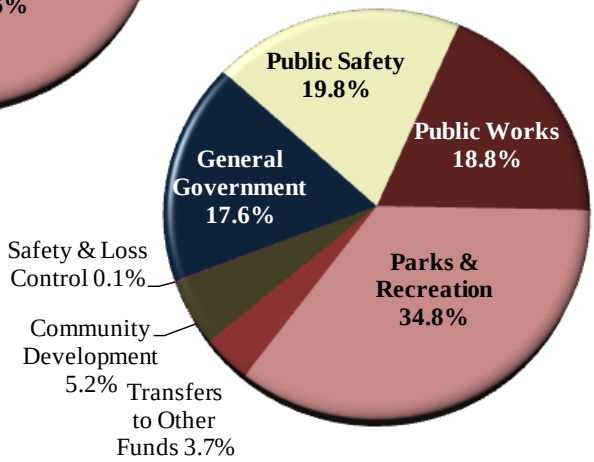


TABLE 8
Expenditures by Type
General Fund 2010



CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. The Town of Windsor's investment in capital assets for its governmental and business type activities as of December 31, 2010, amounts to $154,176,785 (net of accumulated depreciation). This investment in capital assets includes land, buildings, and system improvements, machinery and equipment, park facilities, roads, highways, and bridges. The total increase in the Town of Windsor's investment in capital assets for the current fiscal year was 3.0% (a 6.3% increase for governmental activities and a 0.16% decrease for business-type activities).

Capital Assets, Net

	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
Construction in Progress	$ 30,355	$ 3,767,912	$ 1,102,528	$ 877,460	$ 1,132,883	$ 4,645,372
Land and Water Shares	2,303,737	2,303,737	16,285,773	20,289,123	18,589,510	22,592,860
Site Improvements	6,811,888	5,798,168	-	-	6,811,888	5,798,168
Buildings and Improvements	14,036,425	4,349,828	-	-	14,036,425	4,349,828
Streets and Improvements	45,874,079	47,571,175	-	-	45,874,079	47,571,175
Parks and Improvements	5,585,702	6,039,129	-	-	5,585,702	6,039,129
Machinery and Equipment	2,555,603	2,752,436	-	-	2,555,603	2,752,436
Furniture and Fixtures	129,094	159,207	-	-	129,094	159,207
Utility Systems and Equipment	-	-	59,461,601	55,808,092	59,461,601	55,808,092
Total	$ 77,326,883	$ 72,741,592	$76,849,902	$76,974,675	$154,176,785	$ 149,716,267

Additional information on the Town of Windsor's capital assets can be found in Note 1 on page 33 and Note 6 on pages 39-40 of this report.

Long-term debt. At the end of the current fiscal year, the Town of Windsor had total bonded debt outstanding of $3,880,000. The Town of Windsor's debt represents bonds secured solely by the specified revenue sources (i.e., sales and use tax revenue bonds), reimbursement obligations from developer agreements, a USDA loan for the police facility, and two combined loans related to the Kern Reservoir.

Town of Windsor's Outstanding Debt at Year End

	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
Revenue Bonds (backed by specific tax and fee revenue)	$ 3,880,000	$4,125,000	-	-	$ 3,880,000	$4,125,000
Developer Reimbursement Agreements	2,010,887	2,284,100	-	-	2,010,887	2,284,100
Note Payable to Financial Institution - Police Facility WBA Loan	-	3,000,000	-	-	-	3,000,000
USDA Community Facilities Loan	3,000,000	-	-	-	3,000,000	-
CWCB Loan (Kern Reservoir)	-	-	$4,061,780	$4,241,556	4,061,780	4,241,556
Total	$ 8,890,887	$9,409,100	$4,061,780	$4,241,556	$12,952,667	$13,650,656

This debt payable does not include compensated absences of $464,035 and $428,568, respectively for the year ended December 31, 2010 and 2009.

The Town's debt policy imposes a legal debt margin 10% of assessed valuation. The debt limit at December 31, 2010 was $35,635,998. The amount of debt applicable to the debt limit is $12,952,667 leaving a legal debt margin of $22,683,331.

Additional information on the Town of Windsor's long-term debt can be found in Note 7 on pages 39-42 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Town was hit by a tornado in May 2008 which severely damaged the Town Hall building at 301 Walnut Street. Reconstruction of this facility was completed in 2010, featuring a new Town Board meeting room, elevator and updated office and customer service areas. This project required that existing offices be relocated in multiple buildings throughout Windsor during construction. Funding for this project came from insurance reimbursements for damages and many grant opportunities as well as funding through the Town of Windsor Capital Improvement Fund.

A second major construction project for 2010 was the completion of a new Police Facility, next to the Town's Community Recreation Center. The Town established the Windsor Building Authority in 2009 to administer this project. Funding for this project came in the form of a USDA loan and State grants.

The annual Budget assures the efficient, effective and economic uses of Town's resources, as well as establishing the highest priority objectives. Through the budget, the Town Board sets the direction for the Town, allocates its resources, and establishes its priorities.

The 2011 Budget was approved and adopted by the Town Board on November 22, 2010, appropriating $30,862,130 for expenditures representing a 6.5% decrease over the original 2010 Budget. Fund balances should decrease moderately as a result of capital project expenditures and revenues remaining flat. Property tax will increase while retail sales tax and use taxes are expected to remain at the 2007 levels. Water rates are expected to increase in 2011 to keep pace with the increased cost of services provided by the Town.

There were no wage increases in the 2011 Budget, but a few positions and programs were added. A Facility Services division was created as an internal service fund, eliminating the need for contractual services while adding four employees. The Town hopes to better track and reduce expenses associated with internal facility maintenance and custodial services. A new Business Development and Retention position was also added to focus on economic development with the expectation of increasing revenue for the Town. Also, a part-time Special Events and Communication Coordinator was added to enhance the special events program for future years.

Parks and Recreation programs and facilities have also been important to our growing community. A total of $6,817,407 has been allocated to quality of life and recreational programs. Windsor Lake shoreline stabilization, a concession/bath house at Boardwalk Park, and initial improvements at Diamond Valley, along with park and trail upgrades will be the focus of parks and recreation expenditures in 2011.

Improving infrastructure is a primary concern in 2011 with several projects. A wastewater treatment plant pump station and headworks facility will begin construction in 2011 with completion in 2012. Funds are allocated to improve the intersection of I-25/SH392, a joint project with Larimer County and

Colorado Department of Transportation. Also, a Law Basin drainage channel design will begin in 2011 with construction in 2012. Many of these projects are supported with offsetting grants.

Contacting the Town's Financial Management

This financial report is designed to provide a general overview of the Town of Windsor's finances for all those with an interest in the Town's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Town of Windsor
Director of Finance
301 Walnut Street
Windsor, CO 80550

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BASIC FINANCIAL STATEMENTS

TOWN OF WINDSOR

COLORADO

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TOWN OF WINDSOR
COLORADO

TOWN OF **WINDSOR,** COLORADO

STATEMENT OF NET ASSETS

December 31, 2010

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and cash equivalents	$ 1,626,002	$ 9,145,083	$ 10,771,085
Equity in pooled cash and cash equivalents	3,219,168	4,596,067	7,815,235
Investments	3,093,173	3,734,448	6,827,621
Receivables	5,843,054	419,692	6,262,746
Internal balances	(32,977)	32,977	-
Prepaid expenses	35,000	-	35,000
Deferred charges	132,433	-	132,433
Restricted assets:			
Investments	146,090	-	146,090
Capital assets, not being depreciated	2,334,092	17,388,301	19,722,393
Capital assets, being depreciated, net	74,992,791	59,461,601	134,454,392
Total assets	91,388,826	94,778,169	186,166,995
Liabilities			
Accounts payable and other liabilities	348,035	121,049	469,084
Accrued payroll	494,730	14,561	509,291
Accrued interest payable	20,944	34,052	54,996
Unearned revenue	4,495,140	-	4,495,140
Noncurrent liabilities:			
Accrued compensated absences	409,898	54,137	464,035
Due within one year	1,779,167	96,821	1,875,988
Due in more than one year	7,111,720	3,964,959	11,076,679
Total liabilities	14,659,634	4,285,579	18,945,213
Net assets			
Invested in capital assets, net of related debt	68,435,996	72,788,122	141,224,118
Restricted for:			
Capital projects	2,741,694	-	2,741,694
TABOR emergency reserve	455,719	-	455,719
Unrestricted	5,095,783	17,704,468	22,800,251
Total net assets	$ 76,729,192	$ 90,492,590	$ 167,221,782

The accompanying notes are an integral part of these financial statements.

TOWN OF **WINDSOR,** COLORADO

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2010

Functions/programs	Expenses	Program Revenues: Charges for Service	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Governmental activities:				
General government	$ 2,469,265	$ -	$ 618,993	$ 757,428
Public safety	2,430,053	19,043	-	961,660
Public works	5,261,225	97,137	-	417,385
Parks and recreation	4,604,283	1,410,310	-	4,984
Community development	1,489,965	-	10,758	65,759
Safety and loss control	7,599	-	-	-
Small equipment and maintenance	954,012	-	-	-
Loss on disposal of capital assets	44,071	-	-	-
Interest on long-term debt	201,024	-	-	-
Total government activities	17,461,497	1,526,490	629,751	2,207,216
Business-type activities:				
Water	2,849,014	3,080,212	-	975,929
Sewer	1,587,205	1,610,672	-	403,367
Storm drainage	725,892	292,357	-	645,240
Non-potable water	138,887	198,192	-	45,333
Total business-type activities	5,300,998	5,181,433	-	2,069,869
Total primary government	$ 22,762,495	$ 6,707,923	$ 629,751	$ 4,277,085

General revenues

Taxes:

Property taxes

Sales and use taxes

Franchise taxes

Other taxes

Intergovernmental

Earnings on investments

Other revenues

Subtotal general revenues

Special Item - Insurance proceeds

Transfers in (out)

Total general revenues, special items, and transfers

Changes in net assets

Net assets at beginning of year, previously reported

Prior period adjustments

Net assets at end of year

The accompanying notes are an integral part of these financial statements.

Net (Expenses) Revenue and Changes in Net Assets		
Governmental Activities	Business-Type Activities	Total
$ (1,092,844)	$ -	$ (1,092,844)
(1,449,350)	-	(1,449,350)
(4,746,703)	-	(4,746,703)
(3,188,989)	-	(3,188,989)
(1,413,448)	-	(1,413,448)
(7,599)	-	(7,599)
(954,012)	-	(954,012)
(44,071)	-	(44,071)
(201,024)	-	(201,024)
(13,098,040)	-	(13,098,040)
-	1,207,127	1,207,127
-	426,834	426,834
-	211,705	211,705
-	104,638	104,638
-	1,950,304	1,950,304
(13,098,040)	1,950,304	(11,147,736)
4,158,343	-	4,158,343
5,154,123	-	5,154,123
1,123,574	-	1,123,574
1,702,855	-	1,702,855
1,074,207	-	1,074,207
100,205	90,410	190,615
545,073	28,187	573,260
13,858,380	118,597	13,976,977
328,290	-	328,290
987,846	(987,846)	-
15,174,516	(869,249)	14,305,267
2,076,476	1,081,055	3,157,531
75,766,811	89,411,535	165,178,346
(1,114,095)	-	(1,114,095)
$ 76,729,192	$ 90,492,590	$ 167,221,782

TOWN OF **WINDSOR,** COLORADO

BALANCE SHEET

GOVERNMENTAL FUNDS

December 31, 2010

	General	Capital Improvement	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	$ -	$ 1,485,165	$ 140,837	$ 1,626,002
Equity in pooled cash and cash equivalents	-	382,042	2,124,214	2,506,256
Investments	2,557,829	535,344	-	3,093,173
Receivables	5,353,917	416,611	47,686	5,818,214
Interfund receivable	2,398,764	160,522	-	2,559,286
Prepaid expenses	35,000	-	-	35,000
Total assets	$ 10,345,510	$ 2,979,684	$ 2,312,737	$ 15,637,931
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	$ 150,846	$ 143,849	$ 24,838	$ 319,533
Accrued liabilities	483,349	-	11,381	494,730
Deferred revenue	4,495,140	-	-	4,495,140
Total liabilities	5,129,335	143,849	36,219	5,309,403
Fund balances				
Reserved for emergencies	$331,234	$94,141	30,344	455,719
Reserved for prepayments	35,000	-	-	35,000
Reserves for capital improvements	-	2,741,694	-	2,741,694
Unreserved	4,849,941	-	2,246,174	7,096,115
Total fund balances	5,216,175	2,835,835	2,276,518	10,328,528
Total liabilities and fund balances	$ 10,345,510	$ 2,979,684	$ 2,312,737	$ 15,637,931

The accompanying notes are an integral part of these financial statements.

TOWN OF **WINDSOR,** COLORADO

RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET WITH THE GOVERNMENT-WIDE STATEMENT OF NET ASSETS
December 31, 2010

Amounts reported for governmental activities in the Statement of Net Assets are different because:		
Total fund balances - governmental funds		$ 10,328,528
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.		
The cost of capital assets, net of accumulated depreciation		71,086,489
Long-term liabilities, bond payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year-end consist of:		
Long-term debt	$ 5,890,887	
Accrued interest payable	20,944	
Accrued compensated absences	387,466	(6,299,297)
Internal service funds are used by management to charge the cost of services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.		1,613,472
Total Net Assets of Governmental Activities		$ 76,729,192

TOWN OF **WINDSOR,** COLORADO

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2010

	General	Capital Improvement	Other Governmental Funds	Total Governmental Funds
Revenues				
Taxes and assessments	$ 8,654,023	$ 3,112,347	$ 372,525	$ 12,138,895
Licenses and permits	194,424	-	-	194,424
Intergovernmental	877,920	-	196,287	1,074,207
Grants and contributions	618,235	2,213,105	4,984	2,836,324
Charges for services	904,482	-	622,008	1,526,490
Fines and forfeitures	165,410	-	-	165,410
Earnings on investments	82,065	21,710	2,361	106,136
Miscellaneous	162,805	3,986	9,597	176,388
Total revenues	11,659,364	5,351,148	1,207,762	18,218,274
Expenditures				
Current:				
General government	1,923,694	-	-	1,923,694
Public safety	2,160,243	-	-	2,160,243
Public works	2,046,832	-	-	2,046,832
Parks and recreation	3,812,658	-	-	3,812,658
Community development	564,351	-	678,825	1,243,176
Safety and loss control	7,599	-	-	7,599
Small equipment and maintenance	-	936,012	18,000	954,012
Debt service	-	458,178	424,480	882,658
Capital outlay	-	4,415,006	163,806	4,578,812
Total expenditures	10,515,377	5,809,196	1,285,111	17,609,684
Revenues over (under) expenditures	1,143,987	(458,048)	(77,349)	608,590
Other financing sources (uses)				
Capital contributions subject to reimbursement	-	167,252	-	167,252
Transfers in	644,760	420,000	744,920	1,809,680
Transfers out	(400,000)	(295,000)	(126,834)	(821,834)
Total other financing sources (uses)	244,760	292,252	618,086	1,155,098
Special Item - Insurance proceeds	-	328,290	-	328,290
Net changes in fund balances	1,388,747	162,494	540,737	2,091,978
Fund balance at beginning of year	3,827,428	2,673,341	1,735,781	8,236,550
Fund balance at end of year	$ 5,216,175	$ 2,835,835	$ 2,276,518	$ 10,328,528

The accompanying notes are an integral part of these financial statements.

TOWN OF **WINDSOR,** COLORADO

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES WITH THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2010

Amounts reported for governmental activities in the Statement of Activities are different because:

Total net change in fund balance - governmental funds.		$ 2,091,978
Decrease in accrued interest receivable reflected as a decrease in income on the Statement of Activities and not shown in the governmental funds.		(6,947)
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Assets and allocated over their estimated useful lives as annual depreciation expense in the Statement of Activities. This is the amount by which depreciation expense exceeded capital outlay during the period:		
Capital outlay	$ 4,578,812	
Depreciation expense	(4,835,481)	(256,669)
Capital asset disposals resulting in a loss are reflected in the Statement of Activities. However, there is no adjustment in the governmental funds.		(44,071)
Developer contributions subject to reimbursement are reported as an other financing source in the governmental funds. However, for governmental activities, they are reflected as increases in long-term obligations.		(167,252)
The repayment of bonded principal and developer reimbursement obligations are an expenditure in the Statement of Revenues, Expenditures and Changes in Fund Balances. However, these are reflected as reductions of liabilities in the Statement of Net Assets and do not affect the Statement of Activities.		685,465
Increase in accrued interest payable reflected as an expense on the Statement of Activities and not reflected an expense on the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances.		(3,831)
Increase in accrued compensated absences reflected as a reduction of expense on the Statement of Activities and not reflected in the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances.		(22,537)
Internal service funds are used by management to charge the cost of services to individuals funds. The net revenue of certain activities of internal service funds is reported with governmental activities.		(199,660)
Change in Net Assets of Governmental Activities		$ 2,076,476

TOWN OF **WINDSOR,** COLORADO

STATEMENT OF NET ASSETS

PROPRIETARY FUNDS

December 31, 2010

	Business-Type Activities - Enterprise Funds					Governmental Activities
	Water	Sewer	Storm Drainage	Non-potable Water	Total	Internal Service Funds
ASSETS						
Current assets						
Cash and cash equivalents	$ 5,744,870	$ 2,981,954	$ 418,259	$ -	$ 9,145,083	$ -
Equity in pooled cash and cash equivalents	2,925,483	1,424,238	246,346	-	4,596,067	712,912
Investments	3,518,881	215,567	-	-	3,734,448	-
Accounts receivable	229,725	132,399	40,807	-	402,931	24,840
Accrued interest receivable	14,726	2,035	-	-	16,761	-
Total current assets	12,433,685	4,756,193	705,412	-	17,895,290	737,752
Noncurrent assets						
Restricted cash and investments	-	-	-	-	-	146,090
Deferred charges	-	-	-	-	-	132,433
Capital assets:						
Land	67,955	84,083	9,000	-	161,038	157,853
Watershares	16,124,735	-	-	-	16,124,735	-
Utility system	25,065,159	28,606,851	19,951,824	130,079	73,753,913	-
Buildings and improvements	163,319	887,725	-	-	1,051,044	4,994,533
Machinery and equipment	776,286	730,034	184,882	-	1,691,202	1,829,911
Construction in progress	534,678	326,032	164,394	77,424	1,102,528	-
Less: accumulated depreciation	(6,482,231)	(8,367,889)	(2,180,342)	(4,096)	(17,034,558)	(741,903)
					-	
Total capital assets, net	36,249,901	22,266,836	18,129,758	203,407	76,849,902	6,240,394
					-	
Total noncurrent assets	36,249,901	22,266,836	18,129,758	203,407	76,849,902	6,518,917
Total assets	48,683,586	27,023,029	18,835,170	203,407	94,745,192	7,256,669
LIABILITIES						
Current liabilities						
Interfund payable	-	-	-	178,688	178,688	2,380,598
Accounts payable	90,017	16,392	14,640	-	121,049	15,099
Accrued expenses	5,564	7,274	35,775	-	48,613	13,403
Loans payable - current	-	-	96,821	-	96,821	33,146
Total current liabilities	95,581	23,666	147,236	178,688	445,171	2,442,246
Noncurrent liabilities						
Accrued compensated absences	28,470	24,153	1,514	-	54,137	22,432
Loans payable	-	-	3,964,959	-	3,964,959	2,966,854
Total noncurrent liabilities	28,470	24,153	3,966,473	-	4,019,096	2,989,286
Total liabilities	124,051	47,819	4,113,709	178,688	4,464,267	5,431,532
NET ASSETS						
Invested in capital assets, net of related debt	36,249,901	22,266,836	14,067,978	203,407	72,788,122	3,240,394
Unrestricted	12,309,634	4,708,374	653,483	(178,688)	17,492,803	(1,415,257)
Total net assets	$ 48,559,535	$ 26,975,210	$ 14,721,461	$ 24,719	90,280,925	$ 1,825,137

Amounts reported for business-type activities in the Statement of Net Assets are different because

Cumulative portion of internal service funds net operating income (loss) attributed to business-type activities	211,665
	$ 90,492,590

The accompanying notes are an integral part of these financial statements.

TOWN OF **WINDSOR,** COLORADO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

PROPRIETARY FUNDS

For the Year Ended December 31, 2010

	Business-Type Activities - Enterprise Funds					Governmental Activities
	Water	Sewer	Storm Drainage	Non-potable Water	Total	Internal Service Funds
Operating revenues						
Charges for services	$ 2,913,926	$ 1,610,672	$ 290,469	$ 198,192	$ 5,013,259	$ 1,216,130
Miscellaneous	166,286	-	1,888	-	168,174	10,198
Total operating revenues	3,080,212	1,610,672	292,357	198,192	5,181,433	1,226,328
Operating expenses						
Wages and benefits	148,327	193,961	60,717	-	403,005	387,047
Operating costs	2,108,046	623,402	163,038	136,285	3,030,771	703,848
Depreciation	582,505	753,333	285,054	2,602	1,623,494	367,398
Total operating expenses	2,838,878	1,570,696	508,809	138,887	5,057,270	1,458,293
Operating income (loss)	241,334	39,976	(216,452)	59,305	124,163	(231,965)
Nonoperating revenues (expenses)						
Earnings on investments	74,591	13,256	1,216	-	89,063	1,016
Other income	-	28,187	-	-	28,187	-
Interest expense	-	-	(211,735)	-	(211,735)	-
Total nonoperating revenues (expenses)	74,591	41,443	(210,519)	-	(94,485)	1,016
Income (loss) before contributions and transfers	315,925	81,419	(426,971)	59,305	29,678	(230,949)
Capital contributions	975,831	403,367	645,240	45,333	2,069,771	741
Transfers in	-	-	-	75,000	75,000	-
Transfers out	(648,605)	(384,241)	-	(30,000)	(1,062,846)	-
Change in net assets	643,151	100,545	218,269	149,638	1,111,603	(230,208)
Net assets at beginning of year	47,916,384	26,874,665	14,503,192	(124,919)		2,055,345
Net assets at end of year	$ 48,559,535	$ 26,975,210	$ 14,721,461	$ 24,719		$ 1,825,137

Amounts reported for business-type activities in the Statement of Activities are different because

Internal service funds increase to expenses for costs in excess of charges to the business-type activities	(30,548)
	$ 1,081,055

The accompanying notes are an integral part of these financial statements.

TOWN OF **WINDSOR,** COLORADO

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

For the Year Ended December 31, 2010

	Business-Type Activities - Enterprise Funds					Governmental Activities
	Water	Sewer	Storm Drainage	Non-potable Water	Total	Internal Service Funds
Cash flows from operating activities						
Cash received from customers	$ 2,870,467	$ 1,659,811	$ 470,300	$ 198,192	$ 5,198,770	$ 1,255,221
Cash payments to suppliers	(2,057,210)	(643,036)	(153,593)	(150,355)	(3,004,194)	(739,201)
Cash payments to employees	(137,457)	(168,621)	(61,190)	-	(367,268)	(355,146)
Net cash flows from operating activities	675,800	848,154	255,517	47,837	1,827,308	160,874
Cash flows from non-capital financing activities						
Other income	-	28,187	-	-	28,187	-
Net change in interfund balances due	242,456	-	-	(60,746)	181,710	-
Transfers from other funds	-	-	-	75,000	75,000	-
Transfers to other funds	(648,605)	(384,241)	-	(30,000)	(1,062,846)	-
Net cash flows from non-capital financing activities	(406,149)	(356,054)	-	(15,746)	(777,949)	-
Cash flows from capital and related financing activities						
Capital contributions	401,651	328,967	363,834	45,333	1,139,785	741
Net change in interfund balances due	-	-	-	-	-	1,974,491
Principal paid on debt	-	-	(179,776)	-	(179,776)	-
Interest paid on debt	-	-	(433,630)	-	(433,630)	-
Acquisition of capital assets	(322,914)	(128,792)	(39,606)	(77,424)	(568,736)	(5,253,428)
Net cash flows from capital and related financing activities	78,737	200,175	(289,178)	(32,091)	(42,357)	(3,278,196)
Cash flows from investing activities						
Proceeds from sales of investments	6,662,422	210,303	-	-	6,872,725	-
Purchases of investments	(8,099,384)	(215,567)	-	-	(8,314,951)	-
Net change in restricted cash	-	455,435	-	-	455,435	2,932,800
Earnings on investment	74,591	13,256	1,216	-	89,063	1,016
Net cash flows from investing activities	(1,362,371)	463,427	1,216	-	(897,728)	2,933,816
Net change in cash and cash equivalents	(1,013,983)	1,155,702	(32,445)	-	109,274	(183,506)
Cash and cash equivalents at beginning of year	9,684,336	3,250,490	697,050	-	13,631,876	896,418
Cash and cash equivalents at end of year	$ 8,670,353	$ 4,406,192	$ 664,605	$ -	$ 13,741,150	$ 712,912
Reconciliation of operating income (loss) to net cash flows from operating activities						
Operating income (loss)	$ 241,334	$ 39,976	$ (216,452)	$ 59,305	$ 124,163	$ (231,965)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:						
Depreciation expense	582,505	753,333	285,054	2,602	1,623,494	367,398
Changes in operating assets and liabilities:						
Accounts receivable	(209,745)	49,139	177,943	-	17,337	28,893
Accounts payable and accrued expenses	61,706	5,706	8,972	(14,070)	62,314	(3,452)
Net cash flows from operating activities	$ 675,800	$ 848,154	$ 255,517	$ 47,837	$ 1,827,308	$ 160,874
Non-cash investing, capital and financing activities						
Contributed capital assets	$ 574,180	$ 74,400	$ 284,106	$ -	$ 932,686	$ -

The accompanying notes are an integral part of these financial statements.

Note 1 - Summary of Significant Accounting Policies

The financial statements of the Town of Windsor (the "Town") have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") as applied to government units. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial principles. The more significant of the Town's accounting policies are described below.

Reporting Entity

The Town was incorporated in 1890 and adopted its Home Rule Charter during 2003 (the "Charter"). The Charter provides that the Mayor shall be the chief executive officer of the Town, the Town Board shall be the policy making authority, and a Town Manager, to be appointed by the Town Board shall be the chief administrative official of the Town. The following services are authorized by its charter: general administrative services, public safety (police protection), public works, culture, parks and recreation, community development and water and sewer services.

Management has considered all potential component units in defining the Town for financial reporting purposes. As required by generally accepted accounting principles, these financial statements present the Town of Windsor (the primary government) and its component unit. The component unit discussed below is included in the Town's reporting entity because of the significance of their operational or financial relationships with the Town.

Blended Component Unit
The Windsor Building Authority (the "Authority") was created as a nonprofit corporation under Colorado law on February 21, 2009. The Authority was created for the purpose of assisting with projects that are beneficial to the Town of Windsor such as borrowing or lending funds to assist in the building of Town facilities. Members of the Board of Directors of the Authority are appointed by the Town Board and provide services entirely to the Town. The Town has the ability to modify or approve the Authority's annual operating budget. The Town also has the ability to appoint, hire, reassign, or dismiss those individuals responsible for the day-to-day operations of the Authority.

Basic Financial Statements

The basic financial statements include both government-wide financial statements (based on the Town as a whole) and fund financial statements. Both the government-wide and fund financial statements categorize activities as either governmental activities or business-type activities. In the government-wide Statement of Net Assets, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, and (b) are reported on a full accrual economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

The government-wide Statement of Activities demonstrates the degree to which the direct expenses of a given function or activity are offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function or activity. 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 activity and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or activity. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Note 1 - Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Measurement focus refers to what is being measured and basis of accounting refers to when revenues and expenses or expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the time 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.

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. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. Debt service expenditures and expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

Property, franchise, sales and hotel occupancy taxes and investment income (including unrealized gains and losses) are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. The portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when the government receives cash.

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked funds (special revenue funds), and the capital projects fund. The following are the Town's major and nonmajor governmental funds:

General Fund - The General Fund (a major fund) is the Town's general operating fund and is used to account for all financial transactions except those required to be accounted for in another fund. Major revenue sources include local property, sales, and franchise taxes and other intergovernmental revenues. Expenditures include all costs associated with the daily operation of general government, public safety, public works, parks and recreation and community development.

Capital Improvement Fund - This major fund is a capital projects fund type which is established to account for financial resources segregated for the acquisition or construction of capital facilities other than those financed by enterprise operations.

The other governmental funds (nonmajor funds) are Special Revenue Funds (Park Improvement, Community and Recreation Center, and Conservation Trust) and are established to account for revenues derived from recreation fees and specific taxes or other earmarked revenue sources which finance specific activities as required by law or administrative action.

Proprietary funds focus on the determination of the changes in net assets, financial position and cash flows and are classified as enterprise funds and internal service funds. Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services.

The Town's major enterprise funds are the Water, Sewer and Storm Drainage Funds. These funds account for the financial transactions related to the water, sewer and storm drainage service operations of the Town. The Town has one nonmajor enterprise fund, the Non-potable Water Fund, which provides non-potable irrigation water services to its customers.

Note 1 - Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Internal service funds account for operations that provide services to other departments or agencies of the Town, or to other governments, on a cost-reimbursement basis. The Town has three internal service funds; the Fleet Management Fund, Information Technology Fund, and the Windsor Building Authority.

There are no fiduciary funds included in this report.

Private-sector standards of accounting and financial reporting issued prior to November 30, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the GASB. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The Town has elected not to follow subsequent private-sector guidance.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services, and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water, Sewer, Storm Drainage and Non-potable Water funds and the government's internal service funds are charges to customers for sales and services. Operating expenses 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 nonoperating revenues and expenses.

Budgets and Budgetary Accounting

An annual budget and appropriation ordinance is adopted by the Board of Trustees in accordance with Colorado state statutes. Budgets are adopted on a basis consistent with GAAP, except for the following: proceeds from long-term debt are budgeted as revenue in the proprietary funds; note, lease and bond principal payments are budgeted as expenses in the proprietary funds; and purchases of fixed assets are budgeted as capital outlay expenses in the proprietary funds.

On or about October 15, the Town staff submits to the Board of Trustees a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. Also, public hearings are conducted at a special meeting and at regular Town Board meetings to obtain taxpayer comments. Prior to December 15, the budget is legally adopted by the Town Board.

Colorado law requires that all funds have legally adopted budgets and total expenditures for each fund cannot exceed the amount appropriated. The fund level of classification is the level of classification at which expenditures may not legally exceed appropriations.

All appropriations lapse at the end of each fiscal year. Appropriations for a fund may be increased provided they are offset by unanticipated resources.

Note 1 - Summary of Significant Accounting Policies (Continued)

Budgets and Budgetary Accounting (Continued)

Budgeted amounts reported in the accompanying financial statements are as originally adopted and as amended by the Town Board throughout the year. Following is a summary of the original budget, total revisions and revised budget for those funds with amended budgets for the year ended December 31, 2010:

	Original Budget	Total Revisions	Revised Budget
Governmental funds:			
General fund	$ 10,650,043	$ 300,033	$ 10,950,076
Special revenue funds:			
Park improvement fund	357,662	-	357,662
Conservation trust fund	165,000	-	165,000
Community and recreation center fund	1,146,781	-	1,146,781
Capital projects funds:			
Capital improvements fund	6,318,038	5,017,947	11,335,985
Business-type funds:			
Water fund	4,060,053	574,180	4,634,233
Sewer fund	7,067,561	74,400	7,141,961
Storm drainage fund	559,986	281,406	841,392
Non-potable water fund	746,300	-	746,300
Internal service funds:			
Fleet management fund	1,152,598	-	1,152,598
Information technology fund	784,100	-	784,100
Total funds	$ 33,008,122	$ 6,247,966	$ 39,256,088

Cash, Cash Equivalents and Temporary Investments

To improve cash management, cash received by the Town is pooled and invested. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the Town's records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents" on the financial statements. Investments of the District's cash management pool and investments with an original maturity of three months or less at the time they are purchased by the District are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as investments.

Short-Term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables, if any, are classified as internal balances on the government-wide statement of net assets and, classified as due from other funds or due to other funds on the balance sheet.

Deferred Charges

Bond issue costs are recorded as deferred charges in the accounts of the internal service funds. They are amortized over the term of the bonds using the effective-interest method.

Note 1 - Summary of Significant Accounting Policies (Continued)

Capital Assets

Capital assets, which include land, buildings, equipment, vehicles, and furniture and fixtures, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Property and equipment of the Town is depreciated using the straight-line method over the following estimated useful lives:

Description	Governmental Activities Estimated Lives	Business-type Activities Estimated Lives
Site Improvements	20 Years	N/A
Buildings and Improvements	20 Years	N/A
Streets and Improvements	20 Years	N/A
Parks and Improvements	20 Years	N/A
Machinery and Equipment	10 Years	5 Years
Furniture and Fixtures	10 Years	N/A
Utility Systems	N/A	5-50 Years

Interest costs incurred that relate to the acquisition or construction of property and equipment acquired with tax-exempt debt is capitalized. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the project, with interest earned on invested debt proceeds over the same period. Capitalized interest cost is prorated to completed projects based on the completion date of each project. During the year ended December 31, 2010, the Town capitalized $69,459 of interest costs in the Windsor Building Authority financial statements.

Impairment of Capital Assets

GASB Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries* ("GASB No 42"), establishes accounting and financial reporting standards for impairment of capital assets. A capital asset is considered impaired when its service utility has declined significantly and unexpectedly. The Town is required to evaluate prominent events or changes in circumstances affecting capital assets to determine whether impairment of a capital asset has occurred. Management of the Town has determined that there are no indications of impairment of capital assets as of December 31, 2010.

Accrued Compensated Absences Payable

In accordance with the provisions of the GASB Statement No. 16, *Accounting for Compensated Absences*, vested or accumulated vacation pay that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation pay that are not expected to be liquidated with expendable available financial resources are reported on the government-wide financial statements. Compensated absences are reported in governmental funds only if they have matured.

Note 1 - Summary of Significant Accounting Policies (Continued)

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

In general, except for accrued compensated absences, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current financial resources. In general payment made within sixty days after year-end are considered to have been made with current available financial resources. Bonds payable, accrued compensated absences, and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements until they become due.

Fund Balance Reserves/Designations

The Town reserves those portions of fund equity which are legally segregated for a specific future use or which do not represent available expendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund equity, which is available for appropriation in future periods.

Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consist of capital assets, net of accumulated depreciation reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are liabilities imposed on their use either through the enabling legislation adopted by the Town or through external restrictions imposed by creditors, grantors or laws or regulation of other governments.

If applicable, the Town applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

Contribution of Capital

Contributions of capital in proprietary funds financial statements arise from outside contributions of capital assets, or from grants or outside contributions of resources to capital acquisition and construction.

Interfund Transactions

Interfund services provided and used are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Town Board and that are either unusual in nature or infrequent in occurrence. During 2010, the Town insurance proceeds totaling $328,290 relating to the damage suffered in the 2008 tornado, which have been reflected as a special item in the accompanying financial statements. There were no extraordinary items during 2010.

Note 2 - Prior Period Adjustment

During 2010, management of the Town determined that the balance due to a specific developer, and the corresponding capital assets contributed to the Town, were overstated by approximately $430,000. Both amounts have been reduced by this amount, with no resulting adjustment to net assets or fund balances. Additionally, management determined that other developer reimbursement obligations had not been properly recorded in prior years. The beginning balances of these obligations have been adjusted to correct this error, resulting in a decrease in the government-wide governmental activities beginning net assets of approximately $1.1 million.

Note 3 - Cash, Cash Equivalents and Investments

The composition of the Town's cash, cash equivalents and investments, including restricted cash and investments, on December 31, 2010, is as follows:

Cash and Investments	Fair Value	Weighted Average Maturity Date (in days)	Concentration of Credit Risk
Cash on hand	$ 2,620	-	N/A
Cash held by County Treasurer	35,440	-	N/A
Cash in financial institution	9,827,287	-	N/A
Certificates of deposit	2,684,892	155	17.1%
U.S. Treasury Notes	198,555	844	1.3%
FHLMC	524,029	3,369	3.3%
FNMA	910,471	1,027	5.8%
Other U.S. instrumentalities	740,286	3,650	4.7%
Municipal bonds	1,060,360	1,340	6.8%
Corporate securities	854,747	1,236	5.4%
COLOTRUST	6,179,952	N/A	39.4%
CSAFE	2,541,392	N/A	16.2%
Total cash and investments	$ 25,560,031		

Note 3 - Cash, Cash Equivalents and Investments (Continued)

Cash and Investments	S&P Rating	Moody Rating
U.S. Treasury Notes	AAA	Aaa
FHLMC	AAA	Aaa
FNMA	AAA	Aaa
Other U.S. instrumentalities	AAA	Aaa
Municipal bonds	AA+	Aa2 to Aa3
Other municipal bonds	AA- to AA	Aa2
Corporate securities	AA+ to AAA	Aaa
Other corporate securities	NR	NR
COLOTRUST	AAA	Aaa
CSAFE	AAA	Aaa

Cash and investments per the government-wide Statement of Net Assets are as follows:

Cash and cash equivalents	$ 10,771,085
Equity in pooled cash and cash equivalents	7,815,235
Investments	6,827,621
Restricted cash and cash equivalents	146,090
Total cash and investments	$ 25,560,031

Custodial Credit Risk – Deposits

For deposits, custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The Town's bank accounts and certificates of deposit as of December 31, 2010 were entirely covered by federal depository insurance or by collateral held by the Town's custodial banks under provisions of the Colorado Public Deposit Protection Act (the "PDPA"). The PDPA requires financial institutions to pledge collateral having a market value of at least 102% of the aggregate public deposits not insured by federal depository insurance. Eligible collateral includes municipal bonds, U.S. government securities, mortgages, and deeds of trust.

Custodial Credit Risk - Investments

For investments, custodial credit risk is the risk that in the event of a failure of a counter party, the Town would not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town does not have a specific policy for custodial credit risk. As of December 31, 2010, the Town had no investments exposed to custodial credit risk outside of its investment in the Colorado Secure Assets Fund discussed below.

Credit Risk - Investments

State statues and the Town's investment policies authorize the Town to invest in obligations of the U.S. Treasury and U.S. agencies, obligations of the State of Colorado or of any county, school, authority, and certain towns and cities therein, notes or bonds secured by insured mortgages or trust deeds, obligations of national mortgage associations, and certain repurchase agreements.

Note 3 - Cash, Cash Equivalents and Investments (Continued)

Local Government Investment Pools

At December 31, 2010, the Town had invested $8,721,344 in the Colorado Secure Assets Fund ("CSAFE") and COLOTRUST, local government investment pools established in Colorado to pool surplus funds for investment purposes. These funds operate similarly to a money market fund and each share is equal in value to $1.00. The designated custodial bank of the pooled investments provides safekeeping and depository services in connection with the direct investment and withdrawal functions of the pooled investments. All securities owned by pooled investments are held by the Federal Reserve Bank in the account maintained for the custodial banks. Investments of pooled investments consist of U.S. Treasury bills, notes and note strips and repurchase agreements collateralized by U.S. Treasury Notes. The final maturity of any and all securities purchased by pooled investments may not exceed one year. Pooled investments are rated AAA by Standard & Poor's and Aaa by Moody's. The investment policy of CSAFE and COLOTRUST does not include investing in derivatives.

Interest Rate Risk

Colorado Revised Statutes and the Town's investment policies limit investment maturities to five years or less from the date of purchase. This limit on investment maturities is a means of limiting exposure to fair values arising from increasing interest rates. The approximate weighted average yield to maturity for investments held at December 31, 2010 is 2.37% and the weighted average remaining term of investments is approximately 1,213 days.

Note 4 - Receivables and Interfund Loan

Receivables at December 31, 2010, consist of the following:

Receivables	General	Special Revenue	Capital Projects	Enterprise	Internal Service	Total
Taxes	$ 4,441,336	$ -	$ -	$ -	$ -	$ 4,441,336
Trade accounts	775,210	-	-	395,361	-	1,170,571
Intergovernmental	68,287	47,686	416,611	-	24,840	557,424
Other	69,084	-	-	24,331	-	93,415
Total	$ 5,353,917	$ 47,686	$ 416,611	$ 419,692	$ 24,840	$ 6,262,746

During 2004 the Town Board passed ordinance number 2004-1197 which provides for a loan from the Water Fund to the Park Improvement Fund of an amount not to exceed $1,400,000, with repayment no later than the last day of the fifth full year following the completion of construction of Windsor Highland Park. The loan also provides for annual payments with interest at 3.42%. The balance was fully repaid during 2010.

Note 5 - Interfund Transfers

The following table summarizes interfund transfers for the year ended December 31, 2010:

	Transfers In	Transfers Out
Governmental funds:		
Major funds:		
General	$ 644,760	$ 400,000
Capital Improvement	420,000	295,000
Total major funds	1,064,760	695,000
Nonmajor funds	744,920	126,834
Total governmental funds:	1,809,680	821,834
Proprietary funds:		
Enterprise funds:		
Water	-	648,605
Sewer	-	384,241
Non-potable Water	75,000	30,000
Total proprietary funds	75,000	1,062,846
Total transfers	$ 1,884,680	$ 1,884,680

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service funds as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Contributed capital between the governmental funds and proprietary funds is shown within the transfer line for financial statement presentation.

Note 6 - Capital Assets

Capital asset activity for the year ended December 31, 2010 for governmental activities was as follows:

	Beginning Balance (Restated)	Increases	(Decreases) Transfers	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	$ 2,303,737	$ -	$ -	$ 2,303,737
Construction in progress	3,767,912	69,548	(3,807,105)	30,355
Total capital assets, not being depreciated	6,071,649	69,548	(3,807,105)	2,334,092
Capital assets, being depreciated:				
Site improvements	7,317,776	1,348,315	-	8,666,091
Buildings and improvements	9,558,310	10,301,167	-	19,859,477
Streets and improvements	63,622,582	1,376,416	-	64,998,998
Parks and improvements	9,683,540	30,000	-	9,713,540
Machinery and equipment	6,627,199	506,590	(49,056)	7,084,733
Furniture and fixtures	444,855	7,310	-	452,165
Total capital assets, being depreciated	97,254,262	13,569,798	(49,056)	110,775,004
Less accumulated depreciation for:				
Site improvements	(1,519,608)	(334,595)	-	(1,854,203)
Buildings and improvements	(5,208,482)	(614,570)	-	(5,823,052)
Streets and improvements	(16,051,407)	(3,073,512)	-	(19,124,919)
Parks and improvements	(3,644,411)	(483,427)	-	(4,127,838)
Machinery and equipment	(3,874,763)	(659,352)	4,985	(4,529,130)
Furniture and fixtures	(285,648)	(37,423)	-	(323,071)
Total accumulated depreciation	(30,584,319)	(5,202,879)	4,985	(35,782,213)
Total capital assets, being depreciated, net	66,669,943	8,366,919	(44,071)	74,992,791
Governmental activities capital assets, net	$ 72,741,592	8,436,467	$ (3,851,176)	$ 77,326,883

Depreciation expense was charged to function/programs of the Town's governmental activities as follows:

Governmental Activities:	
General government	$ 483,548
Public safety	241,774
Public works	3,143,063
Parks and recreation	725,322
Community development	241,774
Capital assets held by internal service funds are charged to the various functions based on usage	367,398
Total depreciation expense - governmental activities	$ 5,202,879

Note 6 - Capital Assets (Continued)

Capital asset activity for the year ended December 31, 2010 for business-type activities was as follows:

	Beginning Balance	Increases	(Decreases) Transfers	Ending Balance
Business-type activities:				
Capital assets:				
Construction in progress	$ 877,460	$ 225,068	$ -	$ 1,102,528
Land and water rights	15,789,123	496,650	-	16,285,773
Utility systems and equipment	75,719,156	777,003	-	76,496,159
Less: accumulated depreciation	(15,411,064)	(1,623,494)	-	(17,034,558)
Business-type activities capital assets, net	$ 76,974,675	$ (124,773)	$ -	$ 76,849,902

Depreciation expense was charged to function/programs of the Town's business-type activities as follows:

Business-type activities:	
Water	$ 582,505
Sewer	753,333
Storm drainage	285,054
Non-potable water	2,602
Total depreciation expense - business-type activities	$ 1,623,494

Note 7 - Long-Term Debt

Governmental Activities

Revenue Bonds
Sales and Use Tax Revenue Bonds, Series 2002, due serially on December 1, with interest from 2.75% to 4.8% payable semiannually. Bonds maturing after December 1, 2013 are callable prior to maturity. The principal balance due as of December 31, 2010 is $3,880,000.

Construction Loan
In December 2009, the Authority entered into a construction loan agreement with a national financial institution for the construction of a new police facility (the "Construction Loan"). The Construction Loan allows for draws from restricted funds up to $3,000,000 in aggregate; bears interest at 4.625%; and is due at maturity, December 22, 2010. The Construction Loan is secured by the property under construction, and any and all rents or revenues received by the Authority.

In connection with the Note Payable, the Authority entered into a Letter of Conditions with the United States ("US") Department of Agriculture ("USDA"), whereby the Construction Loan was fully repaid on December 17, 2010, and converted to a term note payable (the "Term Loan"). The Term Loan is payable in monthly principal and interest payments over a 40 year term, accruing interest at an interest rate of 3.75%. The principal balance due as of December 31, 2010 is $3,000,000

Note 7 - Long-Term Debt (Continued)

Developer Reimbursement Obligations

The Town has executed a number of developer reimbursement agreements, whereby the Town has agreed to reimburse certain private and public developers for costs incurred on assets constructed by the developers, and subsequently conveyed to the Town. These costs will be reimbursed out of future road impact fees collected by the Town.

The Town follows guidance provided in GASB No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues* ("GASB No. 48"), to account for the assets received, and payments made in connection with these agreements. Accordingly, the pledged revenues are treated as an obligation of the Town, until fully repaid. The assets have been capitalized and are depreciated over their useful lives in the government-wide financial statements. The entire balance is reflected as current (except where scheduled payment terms exist), as reimbursements are made as revenues are collected, and there is no stated maturity. As of December 31, 2010, the balance due relating to these agreements was $2,010,887.

A summary of changes in governmental long-term debt obligation is as follows:

	Beginning Balance (Restated)	Additions	Reductions	Ending Balance	Amounts Due in One Year
Governmental activities:					
Note Payable to Financial Institution - WBA Loan	$ 3,000,000	$ -	$ (3,000,000)	$ -	$ -
USDA Community Facilities Loan	-	3,000,000	-	3,000,000	33,146
Sales and use tax revenue bonds payable	4,125,000	-	(245,000)	3,880,000	250,000
Developer reimbursement obligations	2,284,100	167,252	(440,465)	2,010,887	1,496,021
Total long term debt	$ 9,409,100	$ 3,167,252	$ (3,685,465)	$ 8,890,887	$ 1,779,167

The annual requirements to amortize governmental activities debt outstanding as of December 31, 2010, are as follows:

Year Ending December 31	Principal	Interest	Total
2011	$ 1,779,167	$ 295,626	$ 2,074,793
2012	554,610	279,972	834,582
2013	570,389	263,594	833,983
2014	327,086	246,000	573,086
2015	338,501	232,259	570,760
2016 - 2020	1,920,691	933,621	2,854,312
2021 - 2025	1,055,097	522,513	1,577,610
2026 - 2030	313,645	411,755	725,400
2031 - 2035	378,218	347,182	725,400
2036 - 2040	456,084	269,316	725,400
2041 - 2045	549,982	175,418	725,400
2046 - 2050	647,417	62,200	709,617
Total	$ 8,890,887	$ 4,039,456	$ 12,930,343

Note 7 - Long-Term Debt (Continued)

Business-type Activities

On January 16, 2009, Greenspire Metropolitan District Nos. 1-3, each a quasi-municipal corporation and political subdivision of the State of Colorado ("Greenspire"), contributed to the Town all remaining shares in the Kern Reservoir, totaling 14 shares, resulting in the Town's ownership of 100% of all outstanding shares of the Kern Reservoir. The estimated fair market value of the Kern Reservoir was $4,500,000. In prior years, the Town had capitalized $2,453,833 related to previously donated shares. In connection with the transfer of the shares, Greenspire also transferred two debt instruments related to the Kern Reservoir, with a combined principal balance due of $4,241,556, payable to the Colorado Water Conservation Board, accruing interest at 5.1% payable in equal annual combined installments of $303,972, with a maturity date of November 1, 2033 ("CWCB Loan").

A summary of changes in business-type activities long-term debt obligations is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due in One Year
Business-type activities:					
CWCB Loan	$ 4,241,556	$ -	$ (179,776)	$ 4,061,780	$ 96,821

The annual requirements to amortize all debt outstanding as of December 31, 2010, are as follows:

Year Ending December 31	Principal	Interest	Total
2011	$ 96,821	$ 207,151	$ 303,972
2012	101,759	202,213	303,972
2013	106,949	197,023	303,972
2014	112,403	191,569	303,972
2015	118,136	185,836	303,972
2016 - 2020	687,439	832,422	1,519,861
2021 - 2025	881,552	638,309	1,519,861
2026 - 2030	1,130,477	389,384	1,519,861
2031 - 2033	826,244	85,674	911,918
Total	$ 4,061,780	$ 2,929,581	$ 6,991,361

Note 8 - Employees' Retirement Plans

Defined Contribution Plan - The Town provides a retirement plan (the "Employees' Retirement Plan") that is qualified under Section 401(a) of the ICMA Retirement Corporation ("ICMA-RC"). In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. All full-time employees who have been employed at least one year are eligible to participate in the Employees' Retirement Plan. The Town contributes 3% of the employee annual salary to the Plan. In addition, if the employee chooses to contribute 2% of their annual salary to the Town's 457 Deferred Compensation Retirement Plan (the "457 Plan"), the Town contributes an additional 2% to the 401(a) Plan for a total Town contribution of 5%.

Note 8 - Employees' Retirement Plans (Continued)

As of December 31, 2010, there were 83 plan members. The following table shows payroll and contribution related data for the years ending December, 31:

Year	Total Payroll	Total Covered Payroll	Town Contribution
2010	$ 5,828,183	$ 5,408,143	$ 234,854
2009	5,766,729	5,355,172	209,775
2008	5,383,116	5,031,040	194,717

Defined Contribution Police Pension Plan - In addition to the Employees' Retirement Plan, all sworn police officers are required to participate in Colorado Fire and Police Pension Association ("FPPA") pension plan. This affiliation began in May 2005. The contribution for 2010 required the eligible officer to contribute 4% of their earnings and the Town of Windsor to match that 4% contribution. There were 19 sworn officers participating as of December 31, 2010. The following table shows payroll and contribution related data for the years ending December, 31:

Year	Total Covered Payroll	Town Contribution	Contribution Percentage
2010	$ 1,171,525	$ 46,861	4.0%
2009	1,129,576	45,183	4.0%
2008	1,013,089	40,524	4.0%

The Town's only obligation to the aforementioned plans, is to contribute to the plans in the qualified employees' name. The Town has no control over the types of plan investments, etc. Plan provisions and contribution requirements are established and may be amended by the Town Board.

Note 9 - Contingency

The Town is self insured for property and liability insurance. In order to mitigate risk, the Town is a member of the Colorado Intergovernmental Risk Sharing Agency ("CIRSA") and Colorado Intergovernmental Risk Sharing Agency Workmen's Compensation ("CIRSA/WC"). CIRSA and CIRSA/WC have a legal obligation for claims against their members to the extent that funds are available in their annually established loss fund and amounts are available from insurance providers under excess specific and aggregate insurance contracts. Losses incurred in excess of loss funds and amounts recoverable from excess insurance are direct liabilities of the participating members. CIRSA and CIRSA/WC have indicated that the amount of any excess losses would be billed to members in proportion to their contributions in the year such excess occurs, although they are not legally required to do so. Additionally, the Town may receive credit on future contributions in the event of a surplus.

The ultimate liability to the Town resulting from claims not covered by CIRSA and CIRSA/WC is not presently determinable. Management is of the opinion that the final outcome of such claims, if any, will not have a material adverse effect on the Town's financial statements.

Note 10 – Developer Receivable

In August 2008, the Town entered into an intergovernmental agreement with a local metropolitan district (the "District"), to provide for the delivery of non-potable water to the property owners within the boundaries of the District. Pursuant to this agreement, the District agreed to reimburse the Town, in the form of a capital contribution, for one-half of the estimated costs of required system development charges incurred by the Town, totaling approximately $650,000. During 2008, the Town was paid approximately $150,000 of the balance due.

Note 10 – Developer Receivable (Continued)

This agreement was amended in March of 2010, to revise the payment terms pursuant to the original agreement. Under the amendment to this agreement, the Town was paid approximately $45,000 representing interest incurred from August 1, 2008, through April 1, 2010, at Bank Prime, plus one-percent (6.0% at August 1, 2008). The Town will receive payments of $50,000, principal and interest, on March 1, 2011 and 2012, with the remaining principal and interest payable on March 1, 2013. The remaining balance due at December 31, 2010 is approximately $500,000. Due to the uncertainty surrounding the collection of this amount, the Town will recognize capital contributions, as principal payments are made.

Note 11 - Risk Management

CIRSA has entered into various excess insurance contracts to limit large losses and minimize exposure on large risks. Excess of loss contracts in effect during 2008 limit CIRSA's per occurrence exposure to $1,000,000 for property coverage, $1,000,000 for excess property coverage and provide coverage to specified upper limits. The excess of loss contract for workers' compensation coverage limits CIRSA's per occurrence exposure to $500,000 for 2009 and provides coverage to statutory limits for the State of Colorado. The Town's 2010 contributions were $147,577 and $106,251 and share of surplus at December 31, 2010, amounted to approximately $251,127 and $51,306 for the property and casualty pool and the workers' compensation pool, respectively.

Note 11 - Taxes, Spending, and Debt Limitations

In November 1992, Colorado voters passed an amendment (the “Amendment” or “TABOR”) to the State Constitution (Article X, Section 20) which limits the revenue raising and spending abilities of state and local governments. The limits on property taxes, revenue, and “fiscal year spending” include allowable annual increases tied to inflation and local growth in construction valuation. Fiscal year spending, as defined by the Amendment, excludes spending from certain revenue and financing sources such as federal funds, gifts, property sales, fund transfers, damage awards, and fund reserve (balances). The Amendment requires voter approval for any increase in mill levy or tax rates, new taxes, or creation of multi-year debt. Revenue earned in excess of the “spending limit” must be refunded or approved to be retained by the Town under specified voting requirements by the entire electorate.

The Amendment also requires local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by the amendment, exclude economic conditions, revenue shortfalls, or salary of fringe benefit increase. These reserves are required to be 3% or more of fiscal year spending (excluding bonded debt service). The Town has reserved $457,193 for this purpose.

On April 6, 2004, the voting citizens of the Town of Windsor authorized the Town “to retain and expend all revenues generated in 2003 and each year thereafter for the purposes of police protection; parks and recreation capital projects and maintenance thereof; construction, reconstruction and maintenance of streets; capital equipment purchases; capital improvements; and debt service payments, notwithstanding any restriction on fiscal year spending, including, without limitation, the restrictions of Article X, Section 20, of the Colorado Constitution, or other laws of the State of Colorado.” This effectively removed all revenue and spending limits imposed by TABOR.

Note 12 - Violations of State Statute

During 2010, a budget was not prepared for the Windsor Building Authority, which is a blended component unit of the Town, accounted for as an internal service fund (see Note 1), which may be a violation of Colorado state statutes.

Note 13 - Subsequent Events

Management of the Town has evaluated subsequent events through June 27, 2011, the date that the financial statements were available to be issued. No transactions or events that would require adjustment to, or disclosure in the financial statements were identified.

REQUIRED SUPPLEMENTARY INFORMATION
GENERAL FUND BUDGETARY COMPARISON SCHEDULE

This financial statement presents budget and actual comparisons for the Town's General Fund.

TOWN OF **WINDSOR,** COLORADO

GENERAL FUND

BUDGETARY COMPARISON SCHEDULE

For the Year Ended December 31, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Taxes	$ 7,764,301	$ 8,223,413	$ 8,654,023	$ 430,610
Licenses and permits	179,143	179,143	194,424	15,281
Intergovernmental	945,120	945,120	877,920	(67,200)
Grants and contributions	-	594,416	618,235	23,819
Charges for services	941,670	941,670	904,482	(37,188)
Fines and forfeitures	98,079	98,079	165,410	67,331
Earnings on investments	-	-	82,065	82,065
Miscellaneous	76,565	76,565	162,805	86,240
Total revenues	10,004,878	11,058,406	11,659,364	600,958
Expenditures				
General government				
Legislative	224,460	224,460	288,583	(64,123)
Judicial	19,938	19,938	17,985	1,953
Elections	-	-	35,316	(35,316)
Administrative and finance	1,426,589	1,448,589	1,092,745	355,844
Town clerk	480,544	480,544	489,065	(8,521)
Public safety	2,108,550	2,108,550	2,160,243	(51,693)
Public works				
Streets and alleys	812,097	1,040,130	897,933	142,197
Administration	397,707	397,707	472,334	(74,627)
Cemetery	101,179	101,179	97,421	3,758
Engineering	546,709	546,709	579,144	(32,435)
Parks and recreation	3,552,580	3,552,580	3,812,658	(260,078)
Community development	563,490	613,490	564,351	49,139
Safety and loss control	16,200	16,200	7,599	8,601
Total expenditures	10,250,043	10,550,076	10,515,377	34,699
Revenues over (under) expenditures	(245,165)	508,330	1,143,987	635,657
Other financing sources (uses)				
Transfers in	644,760	814,098	644,760	(169,338)
Transfers out	(400,000)	(400,000)	(400,000)	-
Total other financing sources (uses)	244,760	414,098	244,760	(169,338)
Special Item - Insurance proceeds	340,000	340,000	-	(340,000)
Net changes in fund balances	$ 339,595	$ 922,428	1,388,747	$ 466,319
Fund balance at beginning of year			3,827,428	
Fund balance at end of year			$ 5,216,175	

See accompanying independent auditors' report.

OTHER SUPPLEMENTARY INFORMATION
COMBINING, INDIVIDUAL FUND STATEMENTS AND SCHEDULES

These financial statements present more detailed information, such as budget and actual comparisons for the major capital project fund and individual nonmajor funds in a format that segregates information by fund type.

TOWN OF WINDSOR

COLORADO

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TOWN OF **WINDSOR,** COLORADO

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2010

	Park Improvement	Community Recreation Center	Conservation Trust	Total
ASSETS				
Cash and cash equivalents	$ 52,891	$ 5,457	$ 82,489	$ 140,837
Equity in pooled cash and cash equivalents	1,926,442	174,546	23,226	2,124,214
Receivables	8,630	39,056	-	47,686
Total assets	$ 1,987,963	$ 219,059	$ 105,715	$ 2,312,737
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	$ 1,300	$ 23,538	$ -	$ 24,838
Other liabilities	-	11,381	-	11,381
Total liabilities	1,300	34,919	-	36,219
Fund balances				
Reserved for emergencies	16,386	13,953	5	30,344
Unreserved	1,970,277	170,187	105,710	2,246,174
Total fund balances	1,986,663	184,140	105,715	2,276,518
Total liabilities and fund balances	$ 1,987,963	$ 219,059	$ 105,715	$ 2,312,737

See accompanying independent auditors' report.

TOWN OF **WINDSOR,** COLORADO

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2010

	Park Improvement	Community Recreation Center	Conservation Trust	Total
Revenues				
Taxes and assessments	$ -	$ 372,525	$ -	$ 372,525
Intergovernmental	57,345	-	138,942	196,287
Charges for services	539,274	82,734	-	622,008
Earnings on investments	1,958	253	150	2,361
Grants and contributions	4,984	-	-	4,984
Miscellaneous		9,597	-	9,597
Total revenues	603,561	465,109	139,092	1,207,762
Expenditures				
Small equipment and maintenance	-	-	18,000	18,000
Community center	-	669,233	-	669,233
Capital outlay	30,000	-	133,806	163,806
Debt service	-	424,480	-	424,480
Miscellaneous	9,592	-	-	9,592
Total expenditures	39,592	1,093,713	151,806	1,285,111
Revenues over (under) expenditures	563,969	(628,604)	(12,714)	(77,349)
Other financing sources (uses)				
Transfers in	49,920	695,000	-	744,920
Transfers out	(76,914)	-	(49,920)	(126,834)
Total other financing sources (uses)	(26,994)	695,000	(49,920)	618,086
Net changes in fund balances	536,975	66,396	(62,634)	540,737
Fund balance at beginning of year	1,449,688	117,744	168,349	1,735,781
Fund balance at end of year	$ 1,986,663	$ 184,140	$ 105,715	$ 2,276,518

See accompanying independent auditors' report.

TOWN OF **WINDSOR,** COLORADO

CAPITAL IMPROVEMENT FUND

BUDGETARY COMPARISON SCHEDULE

For the Year Ended December 31, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Taxes	$ 2,068,483	$ 2,665,734	$ 3,111,098	$ 445,364
Assessments	282,975	282,975	1,249	(281,726)
Grants and contributions	2,338,787	2,923,424	2,213,105	(710,319)
Earnings on investments	46,784	46,784	21,710	(25,074)
Miscellaneous	-	-	3,986	3,986
Total revenues	4,737,029	5,918,917	5,351,148	(567,769)
Expenditures				
Small equipment and maintenance	1,108,685	1,108,685	936,012	172,673
Capital outlay	4,845,353	9,863,300	4,415,006	5,448,294
Debt service	364,000	364,000	458,178	(94,178)
Total expenditures	6,318,038	11,335,985	5,809,196	5,526,789
Revenues over (under) expenditures	(1,581,009)	(5,417,068)	(458,048)	4,959,020
Other financing sources (uses)				
Capital contributions subject to reimbursement	-	-	167,252	167,252
Transfers in	-	-	420,000	420,000
Transfers out	-	-	(295,000)	(295,000)
Total other financing sources (uses)	-	-	292,252	292,252
Special Item - Insurance proceeds	-	-	328,290	328,290
Net change in fund balance	$ (1,581,009)	$ (5,417,068)	162,494	$ 5,579,562
Fund balance at beginning of year			2,673,341	
Fund balance at end of year			$ 2,835,835	

See accompanying independent auditors' report.

TOWN OF **WINDSOR,** COLORADO

PARK IMPROVEMENT FUND

BUDGETARY COMPARISON SCHEDULE

For the Year Ended December 31, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Charges for services	$ 373,572	$ 373,572	$ 539,274	$ 165,702
Intergovernmental	-	-	57,345	57,345
Grants and contributions	-	-	4,984	4,984
Earnings on investments	17,271	17,271	1,958	(15,313)
Total revenues	390,843	390,843	603,561	212,718
Expenditures				
Parks and recreation	-	-	9,592	(9,592)
Capital outlay	30,000	30,000	30,000	-
Total expenditures	30,000	30,000	39,592	(9,592)
Revenues over (under) expenditures	360,843	360,843	563,969	203,126
Transfers in	-	-	49,920	49,920
Transfers out	(327,662)	(327,662)	(76,914)	250,748
Net change in fund balance	$ 33,181	$ 33,181	536,975	$ 503,794
Fund balance at beginning of year			1,449,688	
Fund balance at end of year			$ 1,986,663	

See accompanying independent auditors' report.

TOWN OF **WINDSOR,** COLORADO

COMMUNITY/RECREATION CENTER FUND

BUDGETARY COMPARISON SCHEDULE

For the Year Ended December 31, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Taxes	$ 299,104	$ 369,522	$ 372,525	$ 3,003
Charges for services	86,800	86,800	82,734	(4,066)
Earnings on investments	2,295	2,295	253	(2,042)
Miscellaneous	-	-	9,597	9,597
Total revenues	388,199	458,617	465,109	(3,105)
Expenditures				
Community center				
Wages and benefits	448,304	448,304	345,969	102,335
Operating costs	256,563	256,563	323,264	(66,701)
Debt service	441,914	441,914	424,480	17,434
Total expenditures	1,146,781	1,146,781	1,093,713	53,068
Revenues over (under) expenditures	(758,582)	(688,164)	(628,604)	49,963
Transfers in	695,020	695,020	695,000	(20)
Net change in fund balance	$ (63,562)	$ 6,856	66,396	$ 49,963
Fund balance at beginning of year			117,744	
Fund balance at end of year			$ 184,140	

See accompanying independent auditors' report.

TOWN OF **WINDSOR,** COLORADO

CONSERVATION TRUST FUND

BUDGETARY COMPARISON SCHEDULE

For the Year Ended December 31, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Intergovernmental	$ 210,564	$ 210,564	$ 138,942	$ (71,622)
Earnings on investments	2,295	2,295	150	(2,145)
Total operating revenues	212,859	212,859	139,092	(73,767)
Expenditures				
Small equipment and maintenance	20,000	20,000	18,000	2,000
Capital outlay	145,000	145,000	133,806	11,194
Total operating expenditures	165,000	165,000	151,806	13,194
Revenues over (under) expenditures	47,859	47,859	(12,714)	(60,573)
Transfers out	-	-	(49,920)	(49,920)
Net change in fund balance	$ 47,859	$ 47,859	(62,634)	$ (110,493)
Fund balance at beginning of year			168,349	
Fund balance at end of year			$ 105,715	

See accompanying independent auditors' report.

TOWN OF **WINDSOR,** COLORADO

WATER FUND

BUDGETARY COMPARISON SCHEDULE

For the Year Ended December 31, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Charges for services	$ 3,529,321	$ 3,529,321	$ 2,913,926	$ (615,395)
Miscellaneous	35,000	35,000	166,286	131,286
Total operating revenues	3,564,321	3,564,321	3,080,212	(484,109)
Budgetary expenditures				
Wages and benefits	189,563	189,563	148,327	41,236
Operating costs	1,731,660	1,731,660	2,108,046	(376,386)
Capital outlay	1,439,324	2,013,504	322,914	1,690,590
Total budgetary expenditures	3,360,547	3,934,727	2,579,287	1,355,440
Operating revenues over (under) budgetary expenditures	203,774	(370,406)	500,925	871,331
Nonoperating revenue				
Earnings on investments	111,536	111,536	74,591	(36,945)
Total nonoperating revenue	111,536	111,536	74,591	(36,945)
Income (loss) before contributions and transfers	315,310	(258,870)	575,516	834,386
Transfers in	250,748	250,748	-	(250,748)
Transfers out	(699,506)	(699,506)	(648,605)	50,901
Contributed capital	-	574,180	975,831	401,651
Income (loss) budgetary basis	$ (133,448)	$ (133,448)	902,742	$ 1,036,190
Reconciliation to GAAP basis				
Depreciation			(582,505)	
Capital outlay			322,914	
Change in net assets - GAAP basis			643,151	
Net assets at beginning of year			47,916,384	
Net assets at end of year			$ 48,559,535	

See accompanying independent auditors' report.

TOWN OF **WINDSOR,** COLORADO

SEWER FUND

BUDGETARY COMPARISON SCHEDULE

For the Year Ended December 31, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Operating revenues				
Charges for services	$ 1,800,519	$ 1,800,519	$ 1,610,672	$ (189,847)
Total operating revenues	1,800,519	1,800,519	1,610,672	(189,847)
Budgetary expenditures				
Wages and benefits	234,087	234,087	193,961	40,126
Operating costs	431,545	431,545	623,402	(191,857)
Capital outlay	5,553,778	5,628,178	128,792	5,499,386
Debt service	463,910	463,910	-	463,910
Total budgetary expenditures	6,683,320	6,757,720	946,155	5,811,565
Operating revenues over budgetary expenditures	(4,882,801)	(4,957,201)	664,517	5,621,718
Nonoperating revenues				
Earnings on investments	35,011	35,011	13,256	(21,755)
Loan proceeds	5,059,508	5,059,508	-	(5,059,508)
Other income	38,324	38,324	28,187	(10,137)
Total nonoperating revenues	5,132,843	5,132,843	41,443	(5,091,400)
Income before contributions and transfers	250,042	175,642	705,960	530,318
Transfers out	(384,241)	(384,241)	(384,241)	-
Contributed capital	-	74,400	403,367	328,967
Income budgetary basis	$ (134,199)	$ (134,199)	725,086	$ 859,285
Reconciliation to GAAP basis				
Depreciation			(753,333)	
Capital outlay			128,792	
Change in net assets - GAAP basis			100,545	
Net assets at beginning of year			26,874,665	
Net assets at end of year			$ 26,975,210	

See accompanying independent auditors' report.

TOWN OF **WINDSOR,** COLORADO

STORM DRAINAGE FUND

BUDGETARY COMPARISON SCHEDULE

For the Year Ended December 31, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Operating revenues				
Charges for services	$ 621,167	$ 621,167	$ 290,469	$ (330,698)
Miscellaneous	-	-	1,888	1,888
Total operating revenues	621,167	621,167	292,357	(328,810)
Budgetary expenditures				
Wages and benefits	75,996	75,996	60,717	15,279
Operating costs	108,333	108,333	163,038	(54,705)
Debt Service	26,857	26,857	391,511	(364,654)
Capital outlay	348,800	630,206	39,606	590,600
Total budgetary expenditures	559,986	841,392	654,872	186,520
Operating revenues over (under) budgetary expenditures	61,181	(220,225)	(362,515)	(142,290)
Nonoperating revenue				
Earnings on investments	4,738	4,738	1,216	(3,522)
Total nonoperating revenue	4,738	4,738	1,216	(3,522)
Income (loss) before contributions	65,919	(215,487)	(361,299)	(145,812)
Contributed capital	-	281,406	645,240	363,834
Income budgetary basis	$ 65,919	$ 65,919	283,941	$ 218,022
Reconciliation to GAAP basis				
Depreciation			(285,054)	
Principal payments on long-term debt			179,776	
Capital outlay			39,606	
Change in net assets - GAAP basis			218,269	
Net assets at beginning of year			14,503,192	
Net assets at end of year			$ 14,721,461	

See accompanying independent auditors' report.

TOWN OF **WINDSOR,** COLORADO

NON-POTABLE WATER FUND

BUDGETARY COMPARISON SCHEDULE

For the Year Ended December 31, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Operating revenues				
Charges for services	$ 202,203	$ 202,203	$ 198,192	$ (4,011)
Total operating revenues	202,203	202,203	198,192	(4,011)
Budgetary expenditures				
Operating costs	-	89,000	136,285	(47,285)
Capital outlay	716,300	627,300	77,424	549,876
Total budgetary expenditures	716,300	716,300	213,709	502,591
Income (loss) before contributions and transfers	(514,097)	(514,097)	(15,517)	498,580
Transfers in	75,000	75,000	75,000	-
Transfers out	(30,000)	(30,000)	(30,000)	-
Grants and contributions	146,250	146,250	45,333	(100,917)
Income (loss) budgetary basis	$ (322,847)	$ (322,847)	74,816	$ 397,663
Reconciliation to GAAP basis				
Depreciation expense			(2,602)	
Capital outlay			77,424	
Change in net assets - GAAP basis			149,638	
Net assets at beginning of year			(124,919)	
Net assets at end of year			$ 24,719	

See accompanying independent auditors' report.

TOWN OF **WINDSOR,** COLORADO

COMBINING STATEMENT OF NET ASSETS

INTERNAL SERVICE FUNDS

December 31, 2010

	Information Technology Fund	Fleet Services Fund	Windsor Building Authority	Total
ASSETS				
Current assets				
Equity in pooled cash and cash equivalents	$ 210,344	$ 502,568	$ -	$ 712,912
Accounts receivable	24,750	-	90	24,840
Total current assets	235,094	502,568	90	737,752
Noncurrent assets				
Restricted investments	-	-	146,090	146,090
Deferred charges	-	-	132,433	132,433
Capital assets:				
Land	-	-	157,853	157,853
Buildings and improvements	6,924	-	4,987,609	4,994,533
Machinery and equipment	479,046	1,350,865	-	1,829,911
Less accumulated depreciation	(142,284)	(544,793)	(54,826)	(741,903)
Total capital assets, net	343,686	806,072	5,090,636	6,240,394
Total noncurrent assets	343,686	806,072	5,369,159	6,518,917
Total assets	578,780	1,308,640	5,369,249	7,256,669
LIABILITIES				
Current liabilities				
Interfund payable	-	-	2,380,598	2,380,598
Accounts payable	3,974	11,125	-	15,099
Accrued expenses	6,401	7,002	-	13,403
Loans payable - current	-	-	33,146	33,146
Total current liabilities	10,375	18,127	2,413,744	2,442,246
Noncurrent liabilities				
Accrued compensated absences	6,600	15,832	-	22,432
Loan payable	-	-	2,966,854	2,966,854
Total noncurrent liabilities	6,600	15,832	2,966,854	2,989,286
Total liabilities	16,975	33,959	5,380,598	5,431,532
NET ASSETS				
Invested in capital assets, net of related debt	343,686	806,072	2,090,636	3,240,394
Unrestricted	218,119	468,609	(2,101,985)	(1,415,257)
Total net assets	$ 561,805	$ 1,274,681	$ (11,349)	$ 1,825,137

See accompanying independent auditors' report.

TOWN OF **WINDSOR,** COLORADO

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

INTERNAL SERVICE FUNDS

For the Year Ended December 31, 2010

	Information Technology Fund	Fleet Services Fund	Windsor Building Authority	Total
Operating revenues				
Charges for services	$ 676,571	$ 539,559	$ -	$ 1,216,130
Miscellaneous	-	10,108	90	10,198
Total operating revenues	676,571	549,667	90	1,226,328
Operating expenses				
Wages and benefits	182,768	204,279	-	387,047
Operating costs	297,578	290,865	115,405	703,848
Depreciation	70,799	241,773	54,826	367,398
Total operating expenses	551,145	736,917	170,231	1,458,293
Operating income (loss)	125,426	(187,250)	(170,141)	(231,965)
Nonoperating revenue				
Earnings on investments	-	-	1,016	1,016
Total nonoperating revenue	-	-	1,016	1,016
Income (loss) before grants and contributions	125,426	(187,250)	(169,125)	(230,949)
Grants and contributions	-	741	-	741
Change in net assets	125,426	(186,509)	(169,125)	(230,208)
Net assets at beginning of year	436,379	1,461,190	157,776	2,055,345
Net assets at end of year	$ 561,805	$ 1,274,681	$ (11,349)	$ 1,825,137

See accompanying independent auditors' report.

TOWN OF **WINDSOR,** COLORADO

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended December 31, 2010

	Information Technology Fund	Fleet Services Fund	Windsor Building Authority	Total
Cash flows from operating activities				
Cash received from customers	$ 651,821	$ 603,400	$ -	$ 1,255,221
Cash payments to suppliers	(290,335)	(323,327)	(125,539)	(739,201)
Cash payments to employees	(189,053)	(166,093)	-	(355,146)
Net cash flows from operating activities	172,433	113,980	(125,539)	160,874
Cash flows from capital and related financing activities				
Capital grants and contributions	-	741	-	741
Net change in interfund balances due	-	-	1,974,491	1,974,491
Acquisition of capital assets	(139,581)	(331,079)	(4,782,768)	(5,253,428)
Net cash flows from capital and related financing activities	(139,581)	(330,338)	(2,808,277)	(3,278,196)
Cash flows from investing activities				
Net change in restricted cash and investments	-	-	2,932,800	2,932,800
Earnings on investments	-	-	1,016	1,016
Net cash flows from investing activities	-	-	2,933,816	2,933,816
Net change in cash and cash equivalents	32,852	(216,358)	-	(183,506)
Cash and cash equivalents at beginning of year	177,492	718,926	-	896,418
Cash and cash equivalents at end of year	$ 210,344	$ 502,568	$ -	$ 712,912
Reconciliation of operating income (loss) to net cash flows from operating activities				
Operating income (loss)	$ 125,426	$ (187,250)	$ (170,141)	$ (231,965)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:				
Depreciation expense	70,799	241,773	54,826	367,398
Changes in operating assets and liabilities:				
Accounts receivable	(24,750)	53,733	(90)	28,893
Accounts payable and accrued expenses	958	5,724	(10,134)	(3,452)
Net cash flows from operating activities	$ 172,433	$ 113,980	$ (125,539)	$ 160,874

See accompanying independent auditors' report.

TOWN OF **WINDSOR,** COLORADO

INFORMATION TECHNOLOGY FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Operating revenues				
Charges for services	$ 667,821	$ 667,821	$ 676,571	$ 8,750
Total operating revenues	667,821	667,821	676,571	8,750
Budgetary expenditures				
Wages and benefits	242,050	242,050	182,768	59,282
Operating costs	365,550	365,550	297,578	67,972
Capital outlay	176,500	176,500	139,580	36,920
Total budgetary expenditures	784,100	784,100	619,926	164,174
Income (loss) budgetary basis	$ (116,279)	$ (116,279)	56,645	$ 172,924
Reconciliation to GAAP basis				
Depreciation expense			(70,799)	
Capital outlay			139,580	
Change in net assets - GAAP basis			125,426	
Net assets at beginning of year			436,379	
Net assets at end of year			$ 561,805	

See accompanying independent auditors' report.

TOWN OF **WINDSOR,** COLORADO

FLEET MANAGEMENT FUND

BUDGETARY COMPARISON SCHEDULE

For the Year Ended December 31, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Operating revenues				
Charges for services	$ 539,561	$ 539,561	$ 539,559	$ (2)
Miscellaneous	105,544	105,544	10,108	(95,436)
Total operating revenues	645,105	645,105	549,667	(95,438)
Budgetary expenditures				
Wages and benefits	243,344	243,344	204,279	39,065
Operating costs	361,678	361,678	290,865	70,813
Capital outlay	547,576	547,576	331,079	216,497
Total budgetary expenditures	1,152,598	1,152,598	826,223	326,375
Operating revenues under budgetary expenditures	(507,493)	(507,493)	(276,556)	230,937
Grants and contributions	55,376	55,376	741	(54,635)
Loss budgetary basis	$ (452,117)	$ (452,117)	(275,815)	$ 176,302
Reconciliation to GAAP basis				
Depreciation expense			(241,773)	
Capital outlay			331,079	
Change in net assets - GAAP basis			(186,509)	
Net assets at beginning of year			1,461,190	
Net assets at end of year			$ 1,274,681	

See accompanying independent auditors' report.

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OTHER FINANCIAL SCHEDULES

TOWN OF WINDSOR

COLORADO

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TOWN OF **WINDSOR,** COLORADO

SCHEDULE OF DEBT SERVICE REQUIREMENTS
December 31, 2010

GOVERNMENTAL ACTIVITIES

SALES & USE TAX REVENUE BONDS - Series 2002
COMMUNITY & RECREATION CENTER FUND
20 years

Year	Principal	Interest	Total Payment	Principal Balance
2003	$0	$418,540	$418,540	$5,000,000
2004	0	418,905	418,905	5,000,000
2005	0	418,905	418,905	5,000,000
2006	170,000	248,905	418,905	4,830,000
2007	220,000	204,230	424,230	4,610,000
2008	235,000	197,080	432,080	4,375,000
2009	250,000	188,855	438,855	4,125,000
2010	245,000	179,480	424,480	3,880,000
2011	250,000	170,292	420,292	3,630,000
2012	265,000	160,293	425,293	3,365,000
2013	275,000	149,692	424,692	3,090,000
2014	290,000	138,005	428,005	2,800,000
2015	300,000	125,680	425,680	2,500,000
2016-2020	1,705,000	423,910	2,128,910	7,525,000
2021-2022	795,000	57,210	852,210	405
TOTALS	$5,000,000	$3,499,982	$8,499,982	$0

USDA LOAN FOR POLICE FACILITY – January 2, 2011
WINDSOR BUILDING AUTHORITY FUND
Monthly payments at 3.750% interest

Year	Principal	Interest	Total Payment	Principal Balance
				$3,000,000
2011	$33,146	$111,934	$145,080	2,966,854
2012	34,410	110,670	145,080	2,932,444
2013	35,723	109,357	145,080	2,896,721
2014	37,086	107,994	145,080	2,859,635
2015	38,501	106,579	145,080	2,821,134
2016-2025	475,788	975,012	`1,450,800	2,345,346
2026-2035	691,863	758,937	1,450,800	1,653,483
2036-2045	1,006,066	444,734	1,450,800	647,417
2046-2050	647,416	62,200	709,616	0
TOTALS	$3,000,000	$2,787,416	$5,787,416	$0

TOWN OF **WINDSOR,** COLORADO

SCHEDULE OF DEBT SERVICE REQUIREMENTS

December 31, 2010

GOVERNMENTAL ACTIVITIES

DEVELOPER REIMBURSEMENT AGREEMENT- March 25, 2008
WATER VALLEY METRO DISTRICT NO. 2
CAPITAL IMPROVEMENT FUND

Year	Principal	Interest	Total Payment	Principal Balance
				$1,254,432
2009	$242,258	$21,953	$264,210	1,012,174
2010	246,497	17,713	264,210	765,677
2011	250,811	13,399	264,210	514,866
2012	255,200	9,010	264,210	259,666
2013	259,666	4,544	264,210	0
TOTALS	$1,254,432	$66,619	$1,321,051	$0

BUSINESS-TYPE ACTIVITIES

COLORADO WATER CONSERVATION LOAN REPAYMENT
FOR KERN RESERVOIR / WINDSOR LAKE
30-YEAR REPAYMENT AT 5.10% INTEREST
STORM DRAINAGE FUND

Year	Principal	Interest	Total Payment	Principal Balance
				$4,620,000
2004	$68,352	$235,620	$303,972	4,551,648
2005	71,838	232,134	303,972	4,479,810
2006	75,502	228,470	303,972	4,404,308
2007	79,352	224,620	303,972	4,324,955
2008	83,399	220,573	303,972	4,241,556
2009	87,653	216,319	303,972	4,153,903
2010	92,123	211,849	303,972	4,061,780
2011	96,821	207,151	303,972	3,964,959
2012	101,759	202,213	303,972	3,863,199
2013	106,949	197,023	303,972	3,756,250
2014	112,403	191,569	303,972	3,643,847
2015	118,136	185,836	303,972	3,525,711
2016-2025	1,568,991	1,470,731	3,039,722	3,401,550
2026-2033	1,956,720	475,058	2,431,778	0
TOTALS	$4,620,000	$4,499,166	$9,119,166	$0

TOWN OF **WINDSOR,** COLORADO

Financial Planning 02/01

The public report burden for this information collection is estimated to average 380 hours annually.

Form #350-050-36

LOCAL HIGHWAY FINANCE REPORT		City or County: Town of Windsor
		YEAR ENDING : December 2010
This Information From The Records Of:Town of Windsor	Prepared By: Phone:	Dean Moyer 970-674-2418

I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE

ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
1. Total receipts available				
2. Minus amount used for collection expenses				
3. Minus amount used for nonhighway purposes				
4. Minus amount used for mass transit				
5. Remainder used for highway purposes				

II. RECEIPTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	2,453,070
3. Other local imposts (from page 2)	630,556
4. Miscellaneous local receipts (from page 2)	186,774
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a. + b. + c.)	0
7. Total (1 through 6)	3,270,400
B. Private Contributions	584,637
C. Receipts from State government	
(from page 2)	1,282,093
D. Receipts from Federal Government	
(from page 2)	0
E. Total receipts (A.7 + B + C + D)	5,137,130

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	2,612,553
2. Maintenance:	892,141
3. Road and street services:	
a. Traffic control operations	
b. Snow and ice removal	
c. Other	
d. Total (a. through c.)	0
4. General administration & miscellaneous	483,923
5. Highway law enforcement and safety	1,148,513
6. Total (1 through 5)	5,137,130
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
2. Notes:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
3. Total (1.c + 2.c)	0
C. Payments to State for highways	
D. Payments to toll facilities	
E. Total disbursements (A.6 + B.3 + C + D)	5,137,130

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)				0
1. Bonds (Refunding Portion)				
B. Notes (Total)				0

V. LOCAL ROAD AND STREET FUND BALANCE

A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	5,137,130	5,137,130		0

Notes and Comments:

FORM FHWA-536 (Rev. 1-05) PREVIOUS EDITIONS OBSOLETE (Next Page)

TOWN OF **WINDSOR,** COLORADO

LOCAL HIGHWAY FINANCE REPORT	STATE: Colorado
	YEAR ENDING (mm/yy): December 2010

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		**A.4. Miscellaneous local receipts:**	
a. Property Taxes and Assessments		a. Interest on investments	9,926
b. Other local imposts:		b. Traffic Fines & Penalities	165,410
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees	436,938	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	11,438
5. Specific Ownership &/or Other	193,618	g. Other Misc. Receipts	
6. Total (1. through 5.)	630,556	h. Other	
c. Total (a. + b.)	630,556	i. Total (a. through h.)	186,774
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		**D. Receipts from Federal Government**	
1. Highway-user taxes	684,302	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	345,609	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant	252,182	e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	597,791	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	1,282,093	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities		584,637	584,637
(2). Capacity Improvements		460,279	460,279
(3). System Preservation		929,740	929,740
(4). System Enhancement & Operation		637,897	637,897
(5). Total Construction (1) + (2) + (3) + (4)	0	2,612,553	2,612,553
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	2,612,553	2,612,553
			(Carry forward to page 1)

Notes and Comments:

FORM FHWA-536 (Rev.1-05) PREVIOUS EDITIONS OBSOLETE

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STATISTICAL SECTION

This section of the Town of Windsor Comprehensive Annual Financial Report represents detailed information as a context for understanding the information in the financial statements, notes disclosures, and required supplementary information.

Contents **Pages**

Financial Trends 73-77
These schedules contain trend information to help the reader understand how the Town's financial condition has changed over time.

Revenue Capacity 78-85
These schedules contain information to help the reader assess the Town's largest revenue sources, sales and use taxes, and property tax.

Debt Capacity 86-91
These schedules present information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future.

Demographic and Economic Information 92-94
These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place.

Operating Information 95-97
These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs.

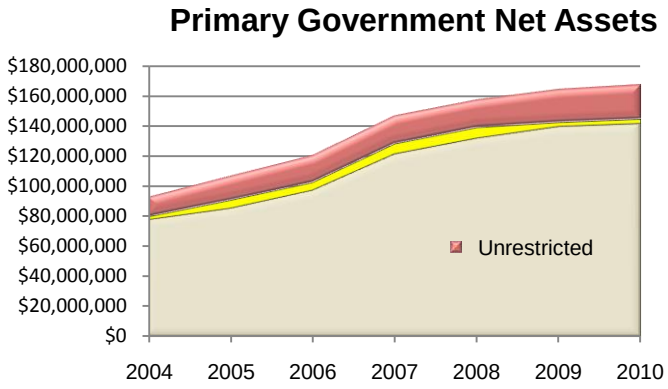
TOWN OF **WINDSOR,** COLORADO

NET ASSETS BY COMPONENT

Last Seven Fiscal Years

(accrual basis of accounting)
(Unaudited)

	Fiscal Year						
	2004	2005	2006	2007	2008	2009	2010
Governmental Activities							
Invested in capital assets, net of related debt	$34,594,472	$37,477,180	$43,845,310	$56,506,921	$60,621,653	$66,543,815	$68,435,996
Restricted	2,082,279	5,108,240	4,982,849	6,631,315	6,824,295	3,002,668	3,197,413
Unrestricted	529,970	1,048,560	1,944,243	2,546,618	2,995,044	5,106,232	5,095,783
Total governmental activities net assets	$37,206,721	$43,633,980	$50,772,402	$65,684,854	$70,440,992	$74,652,715	$76,729,192
Business-type Activities							
Invested in capital assets, net of related debt	$43,028,204	$47,705,989	$53,242,927	$64,597,102	$70,928,478	$72,733,118	$72,788,122
Restricted	327,344	542,653	540,490	379,247	522,895	-	-
Unrestricted	12,169,814	14,802,883	15,780,075	15,895,018	15,183,662	16,678,418	17,704,468
Total business-type activities net assets	$55,525,362	$63,051,525	$69,563,492	$80,871,367	$86,635,035	$89,411,536	$90,492,590
Primary Government							
Invested in capital assets, net of related debt	$77,622,676	$85,183,169	$97,088,237	$121,104,023	$131,550,131	$139,276,933	$141,224,118
Restricted	2,409,623	5,650,893	5,523,339	7,010,562	7,347,190	3,002,668	3,197,413
Unrestricted	12,699,784	15,851,443	17,724,318	18,441,636	18,178,706	21,784,650	22,800,251
Total primary government net assets	$92,732,083	$106,685,505	$120,335,894	$146,556,221	$157,076,027	$164,064,251	$167,221,782



Source: Current and prior years' financial statements.

Note: Change in format of CAFR. Ten-year history not available.
Government-wide financial statements have been prepared in accordance with the requirements of GASB 34. Financial Statements were not restated for previous years for purposes of providing ten-year trend data. In future years, as information becomes available, additional years will be presented.

GASB 34 implemented in 2004

TOWN OF **WINDSOR,** COLORADO

CHANGES IN NET ASSETS

Last Seven Fiscal Years

(accrual basis of accounting)
(Unaudited)

	Fiscal Year						
	2004	2005	2006	2007	2008	2009	2010
Expenses							
Governmental Activities:							
General Government	$1,108,030	$1,230,042	$1,456,925	$2,353,583	$3,098,522	$2,340,659	$2,469,265
Public Safety	1,322,454	1,429,746	1,526,803	2,469,482	2,110,123	2,310,299	2,430,053
Public Works	1,774,691	1,504,598	1,680,030	2,750,360	5,430,843	5,245,719	5,261,225
Parks and Recreation	1,679,863	1,695,122	1,879,918	3,524,975	7,352,667	4,525,218	4,604,283
Community Development	401,556	410,164	498,436	785,239	569,008	1,497,962	1,489,965
Safety and Loss Control	39,639	12,958	18,738	17,918	12,126	8,793	7,599
Community Center	350,073	661,819	783,973	576,472	700,766	-	-
Small Equipment & Maintenance	-	-	362,394	877,131	545,799	1,068,229	954,012
Loss on Disposal of Capital Assets	-	-	-	17,864	-	97,715	44,071
Interest on Long-Term Debt	418,905	418,905	287,364	127,674	196,395	656,591	201,024
Depreciation - Unallocated	1,952,237	2,614,112	2,979,398	-	-	-	-
Total governmental activities expenses	9,047,448	9,977,466	11,473,979	13,500,698	20,016,249	17,751,185	17,461,497
Business-type Activities:							
Water	2,015,194	2,331,388	2,650,247	2,956,272	2,782,882	2,765,244	2,849,014
Sewer	1,274,695	1,279,767	1,376,938	1,425,429	1,572,588	1,594,425	1,587,205
Storm Drainage	358,070	398,101	452,471	471,513	502,491	825,013	725,892
Non-Potable Water	-	-	-	-	-	481,335	138,887
Total business-type activities expenses	3,647,959	4,009,256	4,479,656	4,853,214	4,857,961	5,666,017	5,300,998
Total primary governmental expenses	$12,695,407	$13,986,722	$15,953,635	$18,353,912	$24,874,210	$23,417,202	$22,762,495
Program Revenues							
Governmental Activities:							
Charges for Services:							
General Government	$1,818,684	$2,007,550	$2,835,106	$1,354,233	$48,611	-	-
Public Safety	87,561	96,773	111,784	104,097	114,408	46,971	19,043
Public Works	40,935	64,385	47,850	-	1,284,342	48,600	97,137
Parks and Recreation	444,760	601,305	615,657	1,440,272	1,224,901	1,151,439	1,410,310
Community Development	17,395	-	11,210	35,010	332,346	-	-
Safety and Loss Control	-	-	24,978	-	-	-	-
Community Center	-	-	-	-	62,606	-	-
Operating Grants and Contributions	650,492	20,000	10,558	1,650	5,450	136,533	629,751
Capital Grants and Contributions	555,984	2,035,640	3,168,635	14,124,589	7,369,720	6,435,751	2,207,216
Total governmental activities program revenues	$3,615,811	$4,825,653	$6,825,778	$17,059,851	$10,442,384	$7,819,294	$4,363,457
Business-type Activities:							
Charges for Services:							
Water	$2,536,837	$2,718,173	$3,397,085	$3,196,801	$3,089,312	$2,766,843	$3,080,212
Sewer	1,377,631	1,412,571	1,521,857	1,514,479	1,607,461	1,631,304	1,610,672
Storm Drainage	142,335	185,294	228,780	254,244	242,688	317,313	292,357
Non-Potable Water	-	-	-	-	-	356,416	198,192
Operating Grants and Contributions	-	-	-	-	-	-	-
Capital Grants and Contributions	4,912,863	7,340,461	5,798,646	10,945,920	6,123,523	5,534,074	2,069,869
Total business-type activities program revenues	8,969,666	11,656,499	10,946,368	15,911,444	11,062,984	10,605,950	7,251,302
Total primary government program revenues	$12,585,477	$16,482,152	$17,772,146	$32,971,295	$21,505,368	$18,425,244	$11,614,759

TOWN OF **WINDSOR,** COLORADO

CHANGES IN NET ASSETS (continued)

Last Seven Fiscal Years

(accrual basis of accounting)
(Unaudited)

	Fiscal Year						
	2004	2005	2006	2007	2008	2009	2010
Net (Expense)/Revenue							
Governmental Activities	($5,431,637)	($5,151,813)	($4,648,201)	$3,559,153	($9,573,865)	($9,931,891)	($13,098,040)
Business-type Activities	5,321,707	7,647,243	6,466,712	11,058,230	6,205,023	4,939,933	1,950,304
Total primary government net expenses	($109,930)	$2,495,430	$1,818,511	$14,617,383	($3,368,842)	($4,991,958)	($11,147,736)
General Revenues and Other Changes in Net Assets							
Governmental Activities:							
Taxes							
Property Taxes	$1,539,851	$1,890,829	$2,180,922	$2,521,069	$3,065,778	$3,412,104	$4,158,343
Sales and Use Tax	4,741,722	5,988,163	6,116,371	6,174,594	4,937,949	4,887,462	5,154,123
Franchise Taxes	-	-	-	-	-	1,225,888	1,123,574
Other Taxes	526,452	1,309,402	1,567,286	1,579,716	2,390,730	1,979,990	1,702,855
Intergovernmental	-	-	-	-	-	943,578	1,074,207
Unrestricted Grants and Contributions	2,448,382	11,326	626,681	-	-	-	-
Investment Earnings	88,674	223,498	547,966	398,626	246,661	169,331	100,205
Other Revenue	267,851	1,714,817	225,010	127,745	144,070	2,359,401	873,363
Transfers	240,184	441,037	522,387	551,549	3,544,815	487,184	987,846
Total governmental activities	$9,853,116	$11,579,072	$11,786,623	$11,353,299	$14,330,003	$15,464,938	$15,174,516
Business-type Activities:							
Investment Income	$137,974	$319,957	$567,642	$801,195	$517,560	$144,431	$90,410
Other Revenue	-	-	-	-	-	26,547	28,187
Impairment Loss	-	-	-	-	-	(1,923,217)	-
Transfers	(240,184)	(441,037)	(522,387)	(551,549)	(958,915)	(487,184)	(987,846)
Total business-type activities	(102,210)	(121,080)	45,255	249,646	(441,355)	(2,239,423)	(869,249)
Total primary government	$9,750,906	$11,457,992	$11,831,878	$11,602,945	$13,888,648	$13,225,515	$14,305,267
Changes in Net Assets							
Governmental Activities	$4,421,479	$6,427,259	$7,138,422	$14,912,452	$4,756,138	$5,533,047	$2,076,476
Business-type Activities	5,219,497	7,526,163	6,511,967	11,307,876	5,763,668	2,700,510	1,081,055
Total primary government	$9,640,976	$13,953,422	$13,650,389	$26,220,328	$10,519,806	$8,233,557	$3,157,531

Source: Current and prior years' financial statements.

Note: Change in format of CAFR. Ten-year history is not available.
Government-wide financial statements have been prepared in accordance with the requirements of GASB 34. Financial Statements were not restated for previous years for purposes of providing ten-year trend data. In future years, as information becomes available, additional years will be presented.

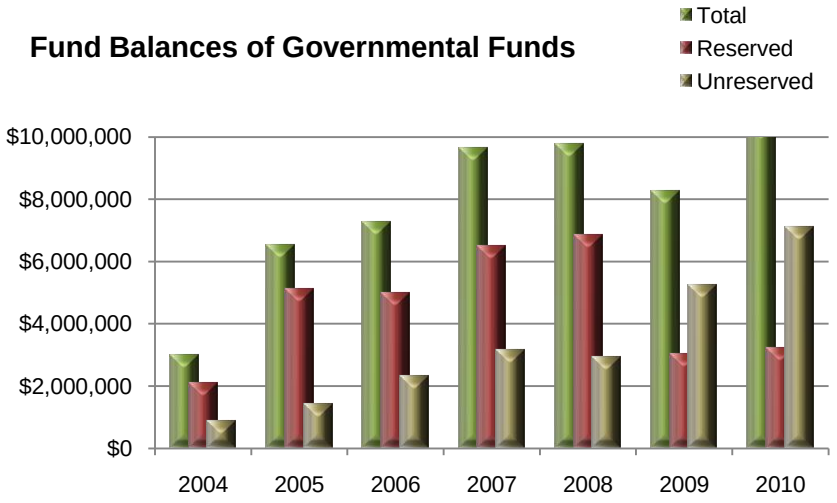
GASB 34 implemented in 2004

TOWN OF **WINDSOR,** COLORADO

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Seven Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

	Fiscal Year						
	2004	2005	2006	2007	2008	2009	2010
General Fund							
Reserved	162,440	201,642	221,702	243,022	270,632	302,569	366,234
Unreserved	754,443	1,441,943	2,086,489	2,423,288	1,548,701	3,524,859	4,849,941
Total general fund	$916,883	$1,643,585	$2,308,191	$2,666,310	$1,819,333	$3,827,428	$5,216,175
All Other Governmental Funds							
Reserved	1,919,839	4,906,598	4,761,147	6,236,705	6,553,663	2,700,099	2,866,179
Unreserved	136,706	-39,021	202,842	720,947	1,373,428	1,709,023	2,246,174
Total all other governmental funds	$2,056,545	$4,867,577	$4,963,989	$6,957,652	$7,927,091	$4,409,122	$5,112,353
Total general fund + all other governmental funds	$2,973,428	$6,511,162	$7,272,180	$9,623,962	$9,746,424	$8,236,550	$10,328,528



Source: Current and prior years' financial statements.

Note: Financial reporting requirements changed in FY 2004 with the introduction of GASB 34. This report reflects financial information from the implementation of GASB 34 to the present.

TOWN OF **WINDSOR,** COLORADO

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Seven Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

	Fiscal Year						
	2004	2005	2006	2007	2008	2009	2010
Revenues							
Taxes and Assessments	$8,274,426	$11,685,181	$11,767,499	$11,384,655	$10,957,333	$11,505,444	$12,138,895
Licenses and Permits	289,683	469,993	375,659	244,957	322,144	243,329	194,424
Intergovernmental	697,638	1,110,671	700,684	842,998	1,072,378	943,578	1,074,207
Charges for Services	511,195	492,784	667,322	1,475,282	1,361,611	1,247,010	1,526,490
Fines	62,088	82,004	89,191	104,097	102,873	109,153	165,410
Investment Earnings	88,674	223,498	509,534	398,626	311,112	173,845	106,136
Grants and Contributions	3,010,570	2,066,966	3,805,874	13,191,266	7,020,502	6,572,284	2,836,324
Miscellaneous	294,469	136,361	135,471	289,563	135,773	37,017	176,388
Total revenues	13,228,743	16,267,458	18,051,234	27,931,444	21,283,726	20,831,660	18,218,274
Expenditures							
General Government	1,107,853	1,172,935	1,417,441	1,459,496	1,936,507	1,945,997	1,923,694
Public Safety	1,321,973	1,429,746	1,526,803	1,680,902	1,978,868	2,157,411	2,160,243
Public Works	1,774,203	1,504,598	1,680,030	1,882,640	2,724,498	2,191,542	2,046,832
Parks and Recreation	1,680,688	1,695,122	1,879,918	2,554,015	5,009,681	3,888,782	3,812,658
Community Development	403,729	410,164	498,346	527,848	604,976	1,345,074	1,243,176
Safety and Loss Control	39,639	12,958	18,738	9,153	12,126	8,793	7,599
Community Center	354,677	654,990	783,973	576,472	700,766	-	-
Small Equipment and Maintenance	-	374,533	362,394	877,131	545,799	1,068,229	954,012
Debt Services							
Principal	-	-	170,000	220,000	235,000	1,998,356	685,465
Interest	418,905	418,905	287,712	235,789	221,142	210,808	197,193
Capital Outlay	8,500,371	5,496,810	9,187,248	16,107,765	10,215,216	9,838,207	4,578,812
Total expenditures	15,602,038	13,170,761	17,812,603	26,131,211	24,184,579	24,653,198	17,609,684
Excess of Revenues over (under) Expenditures	(2,373,295)	3,096,697	238,631	1,800,233	(2,900,853)	(3,821,538)	608,590
Other Financing Sources (Uses)							
Insurance Proceeds					2,585,900	1,969,902	328,290
Capital Contributions Subject to Reimbursement						428,099	167,252
Transfers In	1,512,644	1,285,626	1,378,034	1,346,549	1,164,715	1,164,098	1,809,680
Transfers Out	(1,272,460)	(844,589)	(855,647)	(795,000)	(727,300)	(1,110,684)	(821,834)
Total other financing sources (uses)	240,184	441,037	522,387	551,549	3,023,315	2,451,415	1,483,388
Net change in fund balances	($2,133,111)	$3,537,734	$761,018	$2,351,782	$122,462	($1,370,123)	$2,091,978
Debt Service as a Percentage of Noncapital Expenditure	2.8%	3.3%	2.6%	1.8%	1.9%	9.8%	5.3%

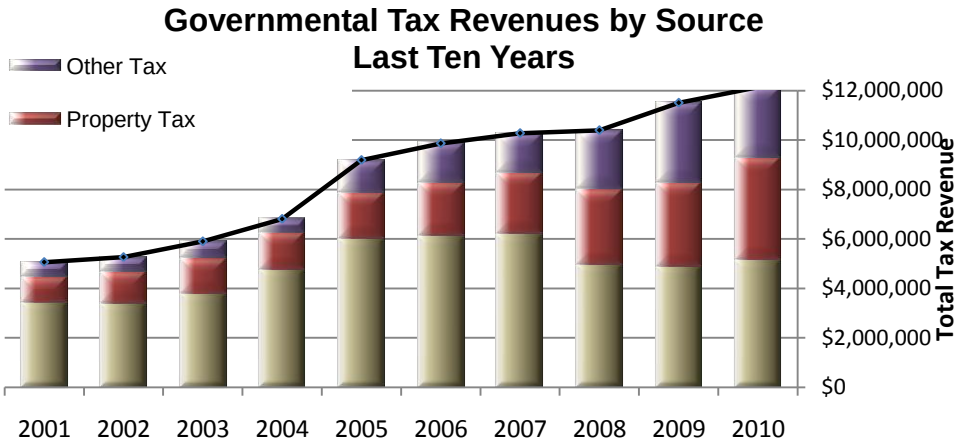
Source: Current and prior years' financial statements
GASB 34 implemented in 2004

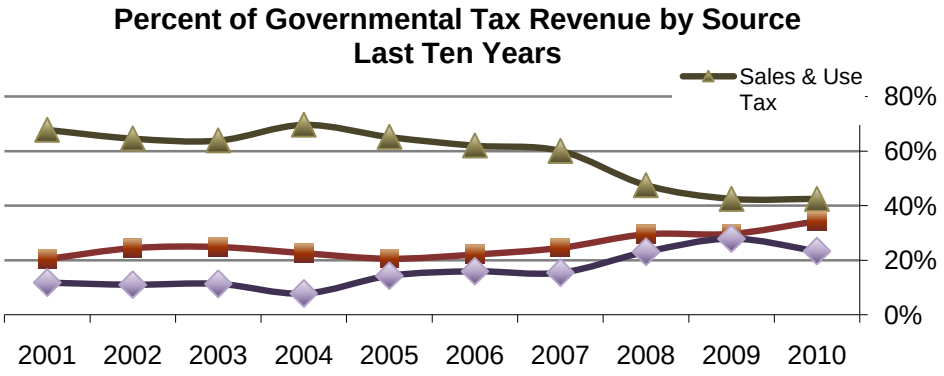
TOWN OF **WINDSOR,** COLORADO

GOVERNMENTAL TAX REVENUE BY SOURCE

Last Ten Years
(Unaudited)

	Property Tax		Sales & Use Taxes		Other (1)		Total Governmental Tax Revenue
	Amount	%	Amount	%	Amount	%	Amount
2010	$4,158,343	34.3%	$5,154,123	42.5%	$2,826,429	23.3%	$12,138,895
2009	3,412,104	29.7%	4,887,462	42.5%	3,205,878	27.9%	11,505,444
2008	3,065,778	29.5%	4,937,949	47.5%	2,390,730	23.0%	10,394,457
2007	2,521,069	24.5%	6,174,594	60.1%	1,579,716	15.4%	10,275,379
2006	2,180,922	22.1%	6,116,371	62.0%	1,567,286	15.9%	9,864,579
2005	1,890,829	20.6%	5,988,163	65.2%	1,309,402	14.3%	9,188,394
2004	1,539,851	22.6%	4,741,722	69.6%	526,452	7.7%	6,808,025
2003	1,466,356	24.9%	3,767,575	63.9%	665,222	11.3%	5,899,153
2002	1,286,812	24.4%	3,399,791	64.6%	576,469	11.0%	5,263,072
2001	1,036,269	20.5%	3,431,297	67.8%	593,486	11.7%	5,061,052





(1) *This category includes Specific Ownership, Franchise and Severance taxes.*

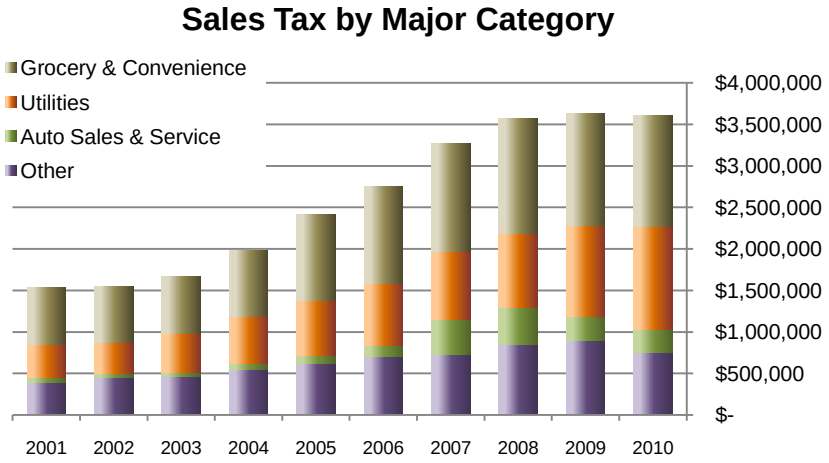
Source: Current and prior years' financial statements.
GASB 34 implemented in 2004

TOWN OF **WINDSOR,** COLORADO

SALES TAX COLLECTIONS BY CATEGORY

Last Ten Years
(Unaudited)

	Grocery & Convenience	Liquor	Hardware & Appl	Stores & Misc.	Utilities	Auto Sales & Service	Industry	Motel / Lodging	Enter-tainment	Total
2010	$ 1,330,896	$ 181,821	$ 134,889	$278,472	$ 1,243,628	$ 281,404	$ 80,409	$ 29,642	$ 43,742	$ 4,187,770
% of Total	31.8%	4.3%	3.2%	6.6%	29.7%	6.7%	1.9%	0.7%	1.0%	100.0%
% of Change	-1.1%	-2.7%	-48.6%	5.6%	13.0%	-3.1%	-22.2%	-2.3%	-8.2%	-0.3%
2010	$ 1,330,896	$ 181,821	$ 134,889	$278,472	$ 1,243,628	$ 281,404	$ 80,409	$ 29,642	$ 43,742	$ 4,187,770
2009	1,345,308	186,795	262,252	263,685	1,100,593	290,326	103,336	30,351	47,630	4,202,020
2008	1,387,411	187,132	167,331	272,948	892,744	443,861	130,615	37,729	53,678	4,158,197
2007	1,308,485	173,891	152,398	239,103	812,406	425,950	48,933	46,763	62,551	3,850,987
2006	1,163,333	154,933	130,493	208,619	748,856	138,392	89,090	47,437	67,882	3,291,635
2005	1,034,583	132,916	104,747	173,557	660,115	97,796	94,720	47,125	67,861	2,904,157
2004	795,273	131,856	99,891	176,042	567,157	72,561	85,960	48,865	-	2,367,513
2003	697,054	127,620	100,366	134,004	459,037	57,671	68,092	26,546	-	2,004,585
2002	675,922	98,142	97,459	139,197	371,969	54,225	82,065	29,081	-	1,870,205
2001	690,253	70,595	105,009	136,665	396,623	49,993	56,311	26,025	-	1,855,970



Information in this chart is not all inclusive of all accounts but representative of main business collections.

State collected sales tax from 2000-2004.

Home Rule 2005 to date.

2010 Sales tax rate is 3.2%.

Entertainment category includes principally golf courses and video stores. Prior to 2005 they were included in Stores & Misc.

Source: Town of Windsor Sales Tax Reports

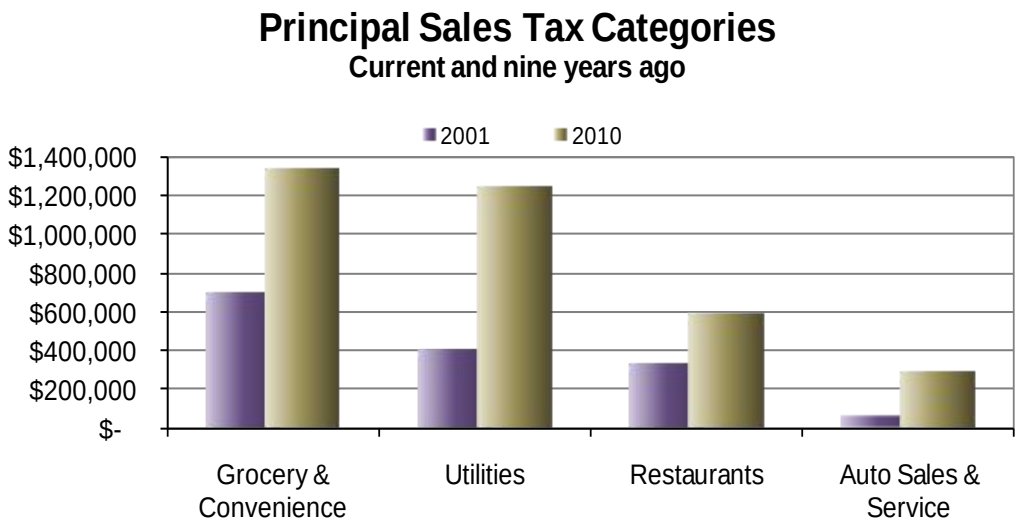
PRINCIPAL SALES TAX CATEGORIES

Current and nine years ago
(Unaudited)

Top Four Categories	2001	2010
Grocery & Convenience	$ 690,253	$ 1,330,896
Utilities	396,623	1,243,628
Restaurants	324,496	582,867
Auto Sales & Service	49,993	281,404
Total	1,461,364	3,438,795
Aggregate all other categories	394,604	748,975
Total sales tax	$ 1,855,969	$ 4,187,770
Top four categories as a percentage of total sales tax	78.7%	82.1%

Information in this chart is not all inclusive of all accounts but representative of main business collections.

Source: Town of Windsor Sales Tax Reports



TOWN OF **WINDSOR,** COLORADO

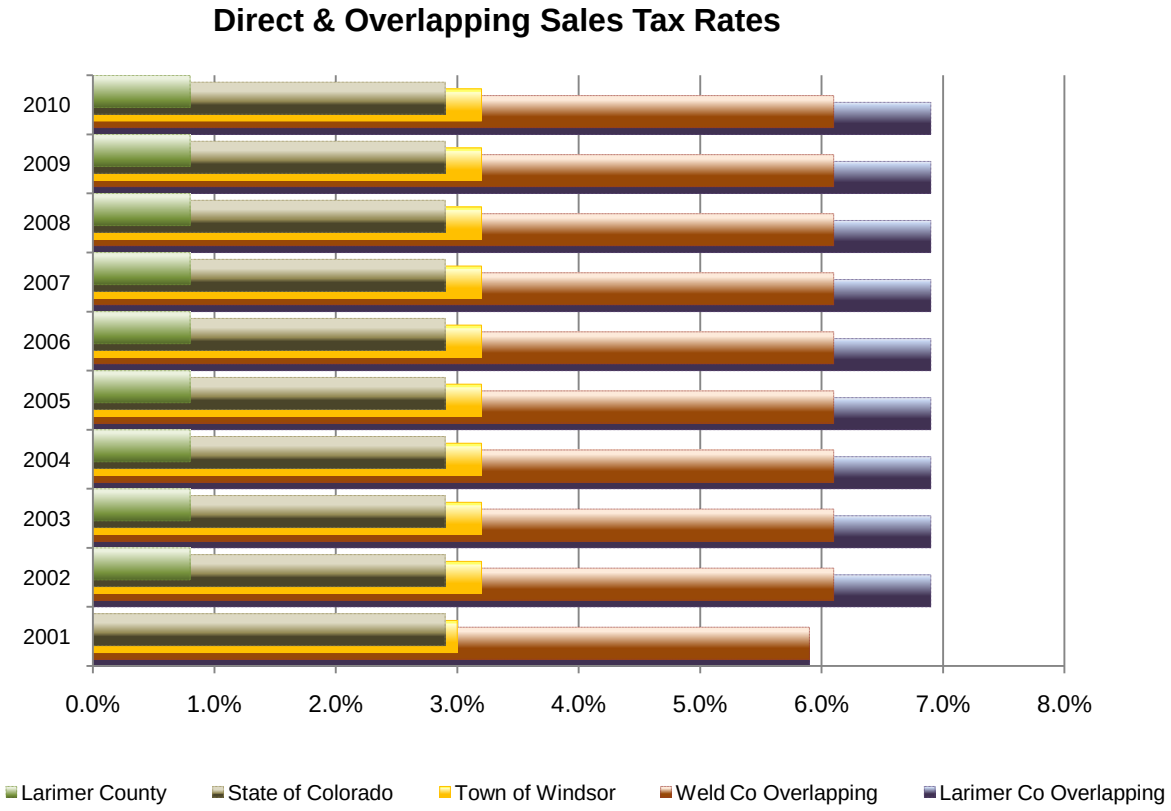
DIRECT AND OVERLAPPING SALES TAX RATES

Last Ten Years

(Unaudited)

	Town Direct Rate	Overlapping Rates				
	Town of Windsor*	State of Colorado	Weld County	Larimer County	**Total Weld County Overlapping Sales Tax Rate**	**Total Larimer County Overlapping Sales Tax Rate**
2001	3.0%	2.9%	0.0%	0.0%	**5.9%**	**5.9%**
2002	3.2%	2.9%	0.0%	0.8%	**6.1%**	**6.9%**
2003	3.2%	2.9%	0.0%	0.8%	**6.1%**	**6.9%**
2004	3.2%	2.9%	0.0%	0.8%	**6.1%**	**6.9%**
2005	3.2%	2.9%	0.0%	0.8%	**6.1%**	**6.9%**
2006	3.2%	2.9%	0.0%	0.8%	**6.1%**	**6.9%**
2007	3.2%	2.9%	0.0%	0.8%	**6.1%**	**6.9%**
2008	3.2%	2.9%	0.0%	0.8%	**6.1%**	**6.9%**
2009	3.2%	2.9%	0.0%	0.8%	**6.1%**	**6.9%**
2010	3.2%	2.9%	0.0%	0.8%	**6.1%**	**6.9%**

** 0.20% increase dedicated for Community Recreation Center by voter approval April/2002.*



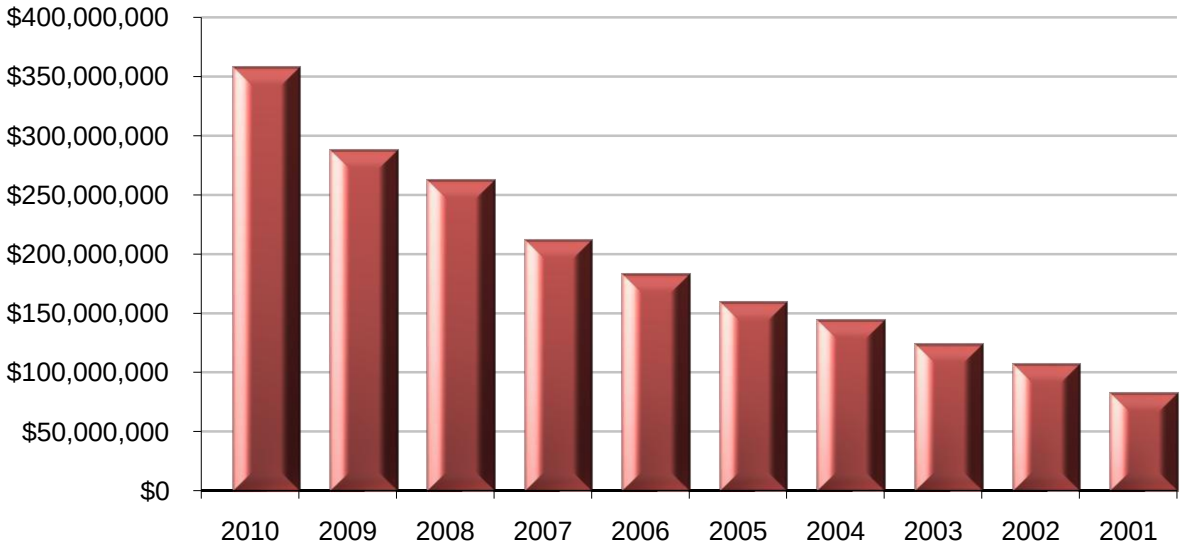
TOWN OF **WINDSOR,** COLORADO

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Years
(Unaudited)

Fiscal Year	Larimer County Assessed Value	Weld County Assessed Value	Total Assessed Value	Estimated Actual Value	Ratio of Assessed Value to Actual Value	Levy Year	Town of Windsor Levy
2010	$ 88,509,807	$ 267,850,150	$ 356,359,957	$ 2,414,684,385	14.76%	2009	12.030
% change	-1.6%	36.4%	24.4%	6.3%			
2010	$ 88,509,807	$ 267,850,150	$ 356,359,957	$ 2,414,684,385	14.76%	2009	12.030
2009	89,961,587	196,418,530	286,380,117	2,270,939,841	12.61%	2008	12.030
2008	81,064,698	179,560,540	260,625,238	2,097,898,578	12.42%	2007	12.030
2007	59,221,164	151,393,000	210,614,164	1,775,644,836	11.86%	2006	12.030
2006	50,665,167	131,060,440	181,725,607	1,552,910,985	11.70%	2005	12.030
2005	40,283,189	117,221,090	157,504,279	1,327,756,028	11.86%	2004	12.030
2004	32,596,180	110,813,313	143,409,493	1,205,827,585	11.89%	2003	10.860
2003	25,428,190	97,382,030	122,810,220	924,139,102	13.29%	2002	12.030
2002	20,105,520	85,924,690	106,030,210	775,929,822	13.66%	2001	12.030
2001	9,737,120	71,940,180	81,677,300	566,411,262	14.42%	2000	12.845

Comparison of Assessed Valuations



Note: Net tax levy is computed on the previous year's assessed value.

Source: Larimer and Weld County Assessors Offices.

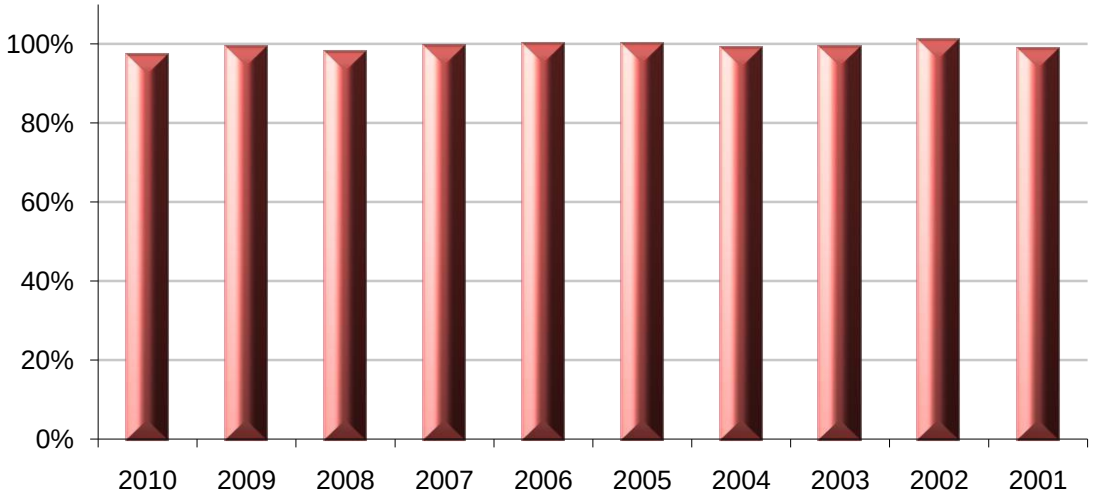
TOWN OF **WINDSOR,** COLORADO

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Years
(Unaudited)

Total Assessed Value	Town of Windsor Levy	Levy Year	Fiscal Year	Net Tax Levy [1]	Amount of Current Taxes Collected	Percent of Current Taxes Collected
$ 356,359,957	12.030	2009	2010	4,287,010	4,158,343	97.00%
286,380,117	12.030	2008	2009	3,445,153	3,412,104	99.04%
260,625,238	12.030	2007	2008	3,135,322	3,065,778	97.78%
210,614,164	12.030	2006	2007	2,533,688	2,521,069	99.50%
181,725,607	12.030	2005	2006	2,186,159	2,180,922	99.76%
157,504,279	12.030	2004	2005	1,894,776	1,894,585	99.99%
143,409,493	10.860	2003	2004	1,557,427	1,539,851	98.87%
122,810,220	12.030	2002	2003	1,477,407	1,466,356	99.25%
106,030,210	12.030	2001	2002	1,275,543	1,286,812	100.88%
81,677,300	12.845	2000	2001	1,049,145	1,036,269	98.77%

Percent of Property Tax Levy Collected



[1] *Net tax levy is for the tax year preceding the fiscal year. The tax levied each year is based on the prior year's assessed value.*

[2] *Due to the collection of delinquent taxes, percent of tax collected is greater than 100%.*

Source: Larimer and Weld County Assessors Offices.

TOWN OF **WINDSOR,** COLORADO

PROPERTY TAX RATES –DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Years per $1,000 of Assessed Valuation

(Unaudited)

Levy Year	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Town of Windsor	12.03	12.03	10.86	12.03	12.03	12.03	12.03	12.03	12.03	12.03
Aims Community College District	6.35	6.62	6.32	6.32	6.33	6.36	6.31	6.32	6.31	6.36
Big Thompson Conservation District	N/A	N/A	N/A	N/A	N/A	0.00	0.00	0.00	0.00	0.00
Boxelder Sanitation District	N/A	N/A	N/A	N/A	0.00	0.00	0.00	0.00	0.00	0.00
Ft Collins Conservation District	N/A	N/A	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Ft Collins-Loveland Water District	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Great Western Metro #1	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.00	0.00	0.00
Great Western Metro #2	N/A	N/A	N/A	N/A	N/A	N/A	N/A	35.00	35.00	35.00
Great Western Metro #3, #4	N/A	N/A	N/A	N/A	N/A	N/A	N/A	25.00	25.00	25.00
Great Western Metro #5	N/A	N/A	N/A	N/A	N/A	N/A	N/A	25.00	35.00	35.00
Great Western Metro #6	N/A	N/A	N/A	N/A	N/A	N/A	N/A	20.00	20.00	20.00
Great Western Metro #7	N/A	N/A	N/A	N/A	N/A	N/A	N/A	11.00	11.00	11.00
Greenspire Metro #1 - Weld	N/A	N/A	N/A	0.00	0.00	0.00	0.00	0.00	32.00	32.00
Greenspire Metro #2, #3 - Weld	N/A	N/A	N/A	0.00	20.00	20.00	16.09	27.00	32.00	32.00
Greenwald Farms Metro #1, #2	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.00	0.00
Health Dist of North Larimer County	2.17	2.17	2.17	2.17	2.17	2.17	2.17	2.17	2.17	2.17
Highpointe Vista Metro #1	N/A	N/A	N/A	N/A	0.00	0.00	0.00	0.00	0.00	0.00
Highpointe Vista Metro #2	N/A	N/A	N/A	N/A	0.00	26.00	32.00	35.00	35.00	35.00
Iron Mountain Metro #1	N/A	N/A	N/A	N/A	N/A	N/A	0.00	0.00	0.00	0.00
Iron Mountain Metro #2, #3	N/A	N/A	N/A	N/A	N/A	N/A	20.00	20.00	20.00	20.00
Jacoby Farm Metro	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	30.00	30.00
Larimer County	22.46	22.42	22.42	22.52	22.54	22.41	22.41	22.40	22.44	22.52
Larimer County Pest Control District	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14
Little Thompson Water District	N/A	N/A	N/A	N/A	N/A	0.00	0.00	0.00	0.00	0.00
New Windsor Metro District	N/A	N/A	N/A	N/A	N/A	N/A	N/A	30.00	30.00	30.00
North Weld County Water District	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Northern Colo Water Conserv Dist	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Poudre R-1 Bond Payment	10.04	10.40	12.15	12.32	13.00	13.56	12.61	12.61	12.70	12.12
Poudre R-1 General Fund	41.68	41.32	40.35	40.18	37.72	37.16	35.60	35.38	35.29	38.88
Poudre River Public Library District	N/A	N/A	N/A	N/A	N/A	3.00	3.00	3.00	3.00	3.00
Poudre Tech Metro	N/A	N/A	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
South Ft Collins Sanitation District	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.49	0.50	0.50
Thompson R2-J Bond Payment	30.00	30.00	30.00	30.00	30.00	30.00	30.00	N/A	N/A	N/A
Thompson R2-J General Fund	13.13	13.13	13.13	10.00	10.51	10.30	9.02	8.67	9.12	9.16
Thompson Valley Health Serv District	36.04	35.34	33.55	32.69	29.74	33.16	32.64	32.31	32.18	32.49
Village East Metro #1, #2, #3	1.59	1.56	1.52	1.54	1.51	1.49	1.47	1.72	2.09	1.90
Water Valley Metro #1, #2	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.00	0.00
Weld County	15.00	15.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00
West Greeley Conservation District	0.41	0.41	0.41	0.41	0.41	0.41	0.41	0.41	0.41	0.41
Windshire Park Metro #1, #2	N/A	N/A	N/A	N/A	N/A	35.00	35.00	35.00	35.00	35.00
Windsor Highlands Metro Dist #1	N/A	N/A	N/A	30.00	30.00	30.00	30.00	30.00	30.00	30.00
Windsor Highlands Metro Dist #2,3,4,5	N/A	N/A	N/A	30.00	30.00	35.00	35.00	35.00	35.00	35.00
Windsor Library	2.55	3.87	3.55	3.55	3.55	3.58	3.56	3.55	3.55	3.58
Windsor NW Metro #1, #2, #4	30.00	30.00	30.00	30.00	30.00	30.00	30.00	N/A	N/A	N/A
Windsor NW Metro #3	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	N/A	N/A
Windsor RE-4	58.43	56.22	55.12	52.96	48.74	43.45	46.13	47.42	46.37	48.45
Windsor-Severance Fire District	6.42	5.15	5.22	5.21	4.94	4.94	4.94	6.12	6.07	7.19
Windsor-Severance Fire District bond	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.61	0.70
Winter Farm Metro #1, #2, #3	N/A	N/A	0.00	0.00	0.00	34.48	34.48	34.48	34.48	34.48

Note: Not all of these entities overlap every parcel in the Town.

Source: Larimer and Weld County Assessors and Treasurers Offices, and Colorado Dept of Local Affairs.

TOWN OF **WINDSOR,** COLORADO

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Three Years Ago

(Unaudited)

	2007			2008			2009			**2010**		
Taxpayer	Assessed Value *in millions*	Rank	% of Total Town Assessed Value	Assessed Value *in millions*	Rank	% of Total Town Assessed Value	Assessed Value *in millions*	Rank	% of Total Town Assessed Value	Assessed Value *in millions*	Rank	% of Total Town Assessed Value
Vestas Blades America Inc.				4.17	1	1.60%	20.25	2	7.07%	25.92	**1**	7.27%
Owens Brockway Glass Container Inc.							24.59	1	8.58%	16.72	**2**	4.69%
Brockway Glass Container Inc.							11.20	3	3.91%	12.23	**3**	3.43%
Front Range Energy LLC	2.25	2	1.07%	2.25	2	0.86%	3.07	4	1.07%	10.12	**4**	2.84%
Metal Container Corp.	2.01	3	0.95%	2.01	3	0.77%	2.01	5	0.70%	7.42	**5**	2.08%
Great Western BTS 1 LLC/Hexcel										7.26	**6**	2.04%
Windsor Shops LLC	2.83	1	1.35%	1.74	5	0.67%	2.86	6	1.00%	2.86	**7**	0.80%
BCG Enterprises LTD LLLP	1.99	5	0.95%	1.99	4	0.76%	1.99	7	0.70%	1.99	**8**	0.56%
Safeway Stores 46 INC	1.57	6	0.74%	1.39	6	0.53%	1.57	8	0.55%	1.57	**9**	0.44%
Praxair Inc./ O-I Oxygen Plant										1.52	**10**	0.43%
Deline-Cornerstone LLC	1.46	7	0.70%	1.08	10	0.42%	1.46	9	0.51%			
Champion Investments 2 LLC	1.38	8	0.65%	1.38	7	0.53%	1.36	10	0.47%			
Champion Investments 1 LLC	1.38	9	0.65%	1.38	8	0.53%						
9351 Eastman Park Drive LLC				1.10	9	0.42%						
Meyers 4701, LLC - Larimer Co	2.00	4	0.95%									
Pelican Point Business Park LLC	1.27	10	0.60%									
	$ 18.13		8.61%	$ 18.49		7.10%	$ 70.36		24.57%	**$ 87.62**		**24.59%**
Total Town Assessed Valuation *in millions*	$ 210.61			$ 260.63			$ 286.38			**$ 356.36**		

Note: Change in format of CAFR. In future years, as information becomes available, additional years will be presented.

Sources: Weld and Larimer County Assessors Offices.

TOWN OF **WINDSOR,** COLORADO

COMPUTATION OF LEGAL DEBT MARGIN

As of December 31, 2010
(Unaudited)

The Town of Windsor's debt represents bonds secured solely by the specified revenue sources (i.e., sales and use tax revenue bonds), developer reimbursement obligations, the Kern Reservoir loan, and Windsor Building Authority USDA loan. As the Town has no general obligation debt, the following computations are applied to the current long-term debt.

Policy#1: The Town's debt policy states general obligation debt will not exceed 10% of the total assessed valuation for tax purposes.

2010 Assessed Valuation [1]	$356,359,957
Debt limit percentage	10%
Legal debt limit	$35,635,998
Less:	
Long-term debt outstanding [2]	(12,952,667)
Legal debt margin	$22,683,331

Sources: [1] *Weld and Larimer County Assessors Offices.*
[2] *Town of Windsor Finance Department.*

Policy #2: The Town's debt policy states debt service should be limited to 10-15% of operation expenditures exclusive of capital improvements and debt service expenditures.

Operation Expenditures [1]	$18,557,565
Debt limit percentage	10% - 15%
Legal debt limit 10% of operation expenditures	$1,855,757
Legal debt limit 15% of operation expenditures	$2,783,635
Debt Service for long-term debt[2]	($1,186,630)
	or 6.39%
Legal debt margin	$1,597,005

Sources: [1] *Current year's financial statements. General Governmental expenditures less capital and debt and Proprietary and Internal Service funds operating expenditures less depreciation.*
[2] *Current Year's financial statements. Governmental and Proprietary debt service on loans*

TOWN OF **WINDSOR,** COLORADO

RATIO OF TOTAL DEBT SERVICE EXPENDITURES

TO NONCAPITAL EXPENDITURES

Last Ten Years
(Unaudited)

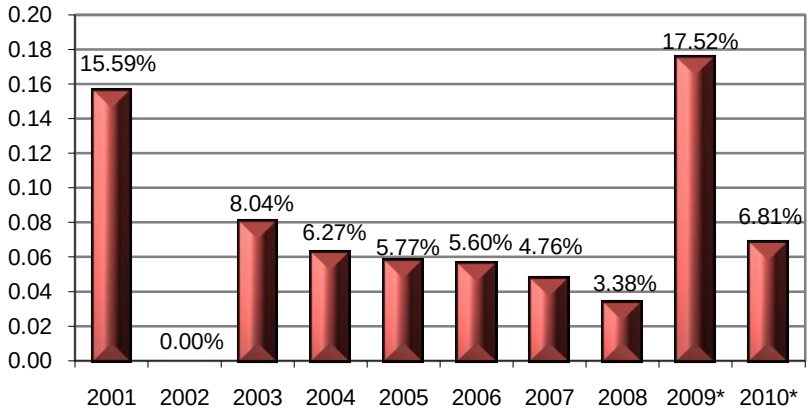
Year	Direct Operating Expense [1]	Debt Service Requirements: Principal	Debt Service Requirements: Interest	Debt Service Requirements: Total Debt Service	Percentage of noncapital expenditures
2001	$ 4,137,670	$ 596,604	$ 48,341	**$ 644,945**	15.59%
2002	5,130,372	-	-	**-**	0.00%
2003	5,208,522	-	418,905	**418,905**	8.04%
2004	6,682,762	-	418,905	**418,905**	6.27%
2005	7,255,046	-	418,905	**418,905**	5.77%
2006	8,167,643	170,000	287,712	**457,712**	5.60%
2007	9,567,657	220,000	235,789	**455,789**	4.76%
2008	13,513,221	235,000	221,142	**456,142**	3.38%
2009*	12,605,828	1,998,356	210,808	**2,209,163**	17.52%
2010*	12,970,048	685,465	197,193	**882,658**	6.81%

** Includes Developer Reimbursement Agreements not previously included*

Note:

(1) Includes operating expenses such as personal services, supplies and other services and charges, and transfers out. Excludes capital outlay and depreciation expense.

Ratio of Total Debt Service Expenditures to Noncapital Expenditures



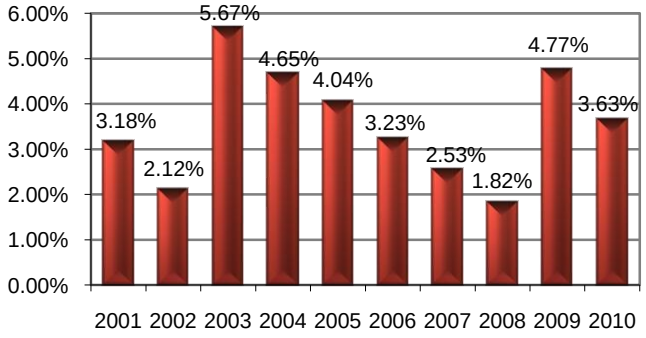
TOWN OF **WINDSOR,** COLORADO

RATIO OF OUTSTANDING DEBT BY TYPE

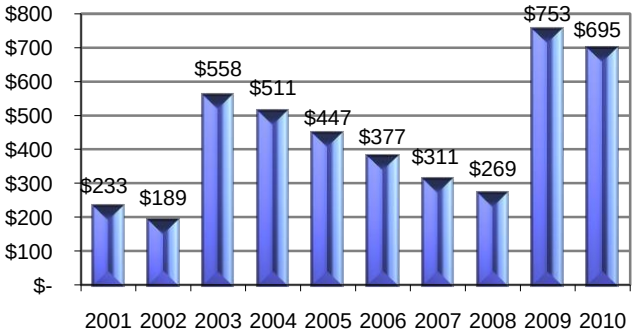
Last Ten Years
(Unaudited)

	Governmental Activities			Business-Type Activities						
Year	Sales & Use Tax Revenue Bonds (CRC)	USDA Communities Facilities Loan	Developer Reimbursement Agreements	General Obligation Water Bonds	Sewer Loan Revenue Bonds	Kern Reservoir CWCB Loan	Total Primary Government	Debt to Assessed Valuation	Percentage of Personal Income	Debt Per Capita
2001				$75,000	$2,519,753		$ 2,594,753	3.18%	1.1%	$233
2002					2,245,063		2,245,063	2.12%	0.9%	$189
2003	$5,000,000				1,959,808		6,959,808	5.67%	2.5%	$558
2004	5,000,000				1,663,988		6,663,988	4.65%	2.3%	$511
2005	5,000,000				1,357,603		6,357,603	4.04%	1.9%	$447
2006	4,830,000				1,040,653		5,870,653	3.23%	1.6%	$377
2007	4,610,000				713,138		5,323,138	2.53%	1.3%	$311
2008	4,375,000				369,777		4,744,777	1.82%	1.1%	$269
2009	4,125,000	$3,000,000	$2,284,100			$4,241,556	13,650,656	4.77%	2.4%	$753
2010	3,880,000	3,000,000	2,010,887			4,061,780	12,952,667	3.63%	2.5%	$695

Long-Term Debt to Assessed Value



Long-Term Debt Per Capita



Note: Includes all long-term debt, including:

- *-Series 2002 Sales and Use Tax Revenue Bonds issued by the Town of Windsor to finance the construction of a community and recreation center.*
- *-Police Facility Windsor Building Authority (WBA)*
- *-Developer Reimbursement Agreements*
- *-I-25/SH392 Interchange improvements loan from the Water Fund*
- *-General Obligation, Series 1994, Water Refunding Bonds retired in 2001.*
- *-Colorado Water Resources and Power Development Authority Loan dated August 1, 1994, collateralized by Sewer Fund revenues.*
- *-Kern Reservoir Colorado Water Conservation Board (CWCB) Loan*

Source: - Population information located in Demographic section.

- *- Assessed valuation from Weld and Larimer County Assessors Offices.*
- *- Personal Income computed from Planning Department's estimates, located in Demographic section.*
- *- Details regarding outstanding debt can be found in the notes to the financial section.*
- *- Compiled from current and prior years' financial statements.*

TOWN OF **WINDSOR,** COLORADO

RATIO OF ANNUAL DEBT SERVICE

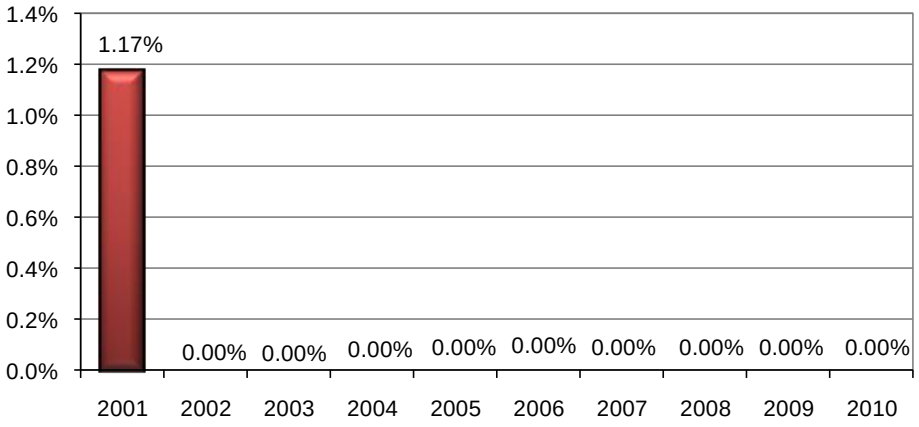
FOR GENERAL BONDED DEBT

TO TOTAL GENERAL EXPENDITURES

Last Ten Years
(Unaudited)

Year	Principal	Interest	Total Debt Service	Total General Expenditures	General Bonded Debt Service as a Percentage of Expenditures
2001	$ 109,058	$ 16,824.00	$ 125,882.00	$ 10,734,162	1.17%
2002	-	-	-	10,247,309	0.00%
2003	-	-	-	17,614,305	0.00%
2004	-	-	-	16,874,498	0.00%
2005	-	-	-	14,015,350	0.00%
2006	-	-	-	18,668,250	0.00%
2007	-	-	-	26,926,211	0.00%
2008	-	-	-	24,911,879	0.00%
2009	-	-	-	25,475,534	0.00%
2010	-	-	-	18,431,518	0.00%

Ratio of General Bonded Debt Service to Total General Expenditures



Note: There is no general obligation debt for 2010. Retired General Obligation, Series 1994, Water Refunding Bonds in 2001

Source: Current and prior years' financial statements.

TOWN OF **WINDSOR,** COLORADO

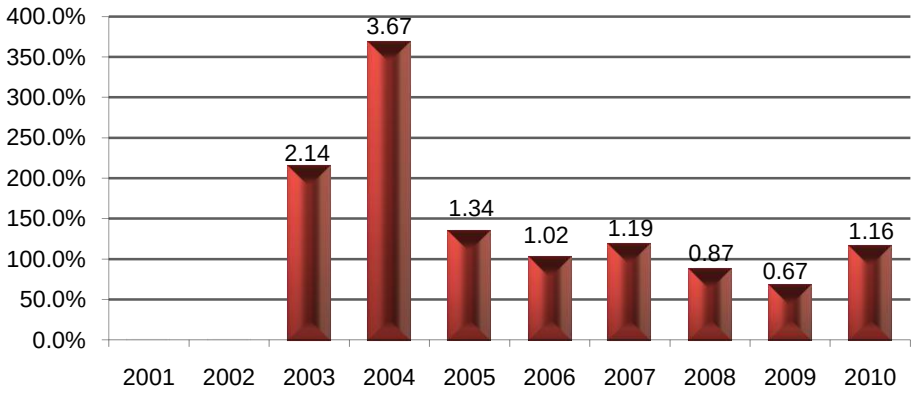
REVENUE BOND COVERAGE

COMMUNITY RECREATION CENTER FUND

Last Ten Years
(Unaudited)

Year	Gross Revenue [1]	Direct Operating Expense [2]	Net Revenue Available for Debt Service	Debt Service Requirements			
				Principal	Interest	Total	Coverage Ratio [3]
2001	$ -	$ -	$ -	-	$ -	$ -	-
2002	5,706,895	193,039	5,513,856	-	-	-	-
2003	918,626	22,920	895,706	-	418,540	418,540	2.14
2004	1,893,523	354,677	1,538,846	-	418,905	418,905	3.67
2005	1,217,160	654,990	562,170	-	418,905	418,905	1.34
2006	1,209,310	783,973	425,337	170,000	248,905	418,905	1.02
2007	1,079,256	576,472	502,784	220,000	204,230	424,230	1.19
2008	1,076,676	700,766	375,910	235,000	197,080	432,080	0.87
2009	1,006,050	710,191	295,859	250,000	188,855	438,855	0.67
2010	1,160,109	669,223	490,876	245,000	179,480	424,480	1.16

Revenue Bond Coverage Ratio
Community Recreation Center Fund



Note: Includes Sales and Use Tax Revenue Bonds, Series 2002, Dated August 1, 2002. Gross revenue for 2002 includes $5,582,095 bond proceeds

[1] Includes charges for services, sales and use tax, grants and contributions and other operating revenues, and interest income. Also includes transfers in.

[2] Includes operating expenses such as personal services, supplies and other services and charges.

[3] Net Revenue Available for Debt Service divided by Total Debt Service Requirements.

Source: Current and prior years' financial statements.

TOWN OF **WINDSOR,** COLORADO

COMPUTATION OF DIRECT AND OVERLAPPING GENERAL OBLIGATION BONDED DEBT [1]

December 31, 2010
(Unaudited)

Jurisdiction	Net G.O. Bonded Debt Outstanding	Percentage Applicable to Town [2]	Amount Applicable to Town
Direct:			
Town of Windsor - General Obligation [3] [A]	-	100.00%	-
Overlapping:			
Poudre R-1 School District [B]	$ 237,045,005	3.55%	$ 8,408,596
Thompson R2-J School District [C]	13,593,544	6.19%	840,898
Weld County RE-4 School District [D]	57,220,000	58.41%	33,422,636
Weld County [3] [E]	-	-	-
Larimer County [3] [E]	-	-	-
Windsor-Severance Fire Protection District	3,800,000	68.66%	2,609,226
TOTAL	$ 311,658,549		$ 45,281,355

Note: [1] *Computation of overlapping debt includes only six major governmental units and excludes several special districts that partially overlap the Town.*
[2] *Portion of debt applicable to Windsor is determined by the ratio of the assessed value of the portion of the applicable district located within the Town and Counties of Weld and Larimer to the total assessed value of the applicable taxing district.*
[3] *The Town of Windsor, and Weld and Larimer Counties, have no general obligation debt for the property taxpayers of their jurisdictions.*

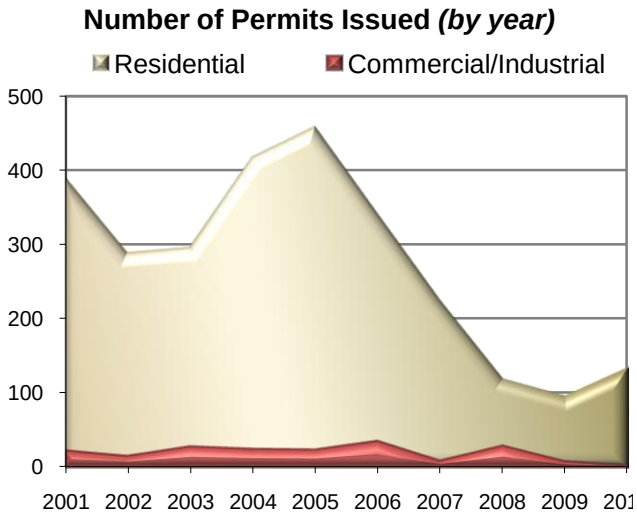
Sources: [A] *Current and prior years' financial statements.*
[B] *Poudre R-1 School District Finance Department*
[C] *Thompson R2-J School District Finance Department*
[D] *Weld County RE-4 School District Finance Department*
[E] *Weld and Larimer County Finance Departments*
[F] *Windsor-Severance Fire District Finance Department*

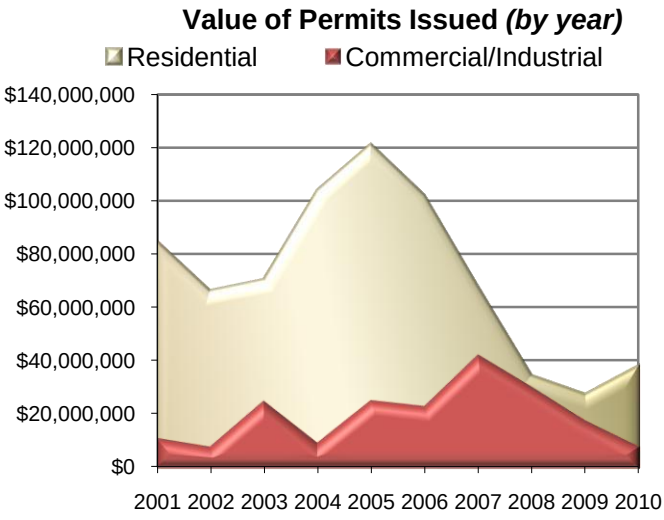
TOWN OF **WINDSOR,** COLORADO

PROPERTY VALUE AND CONSTRUCTION

Last Ten Fiscal Years
(Unaudited)

Year	Number of New Residential Building Permits	Value of Construction for New Residential Construction	Number of New Commercial/ Industrial Permits	Total Value of Construction for New Commercial/ Industrial Buildings
2001	390	$84,743,021	22	$10,918,720
2002	288	66,100,326	15	7,679,247
2003	295	70,216,930	27	24,622,036
2004	416	103,492,351	24	9,103,063
2005	457	120,685,800	23	24,849,818
2006	340	101,655,452	34	22,654,503
2007	224	67,592,918	9	41,644,676
2008	119	34,505,269	28	29,779,690
2009	96	27,509,266	8	17,347,813
2010	134	38,228,286	3	7,680,533





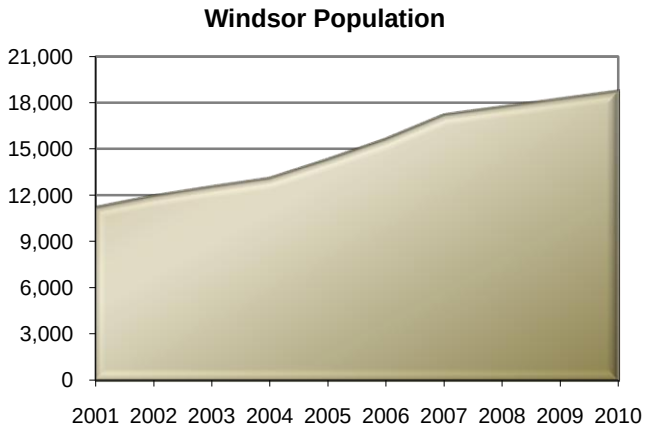
Source: Permit information is provided by the Town Planning and Zoning Department.

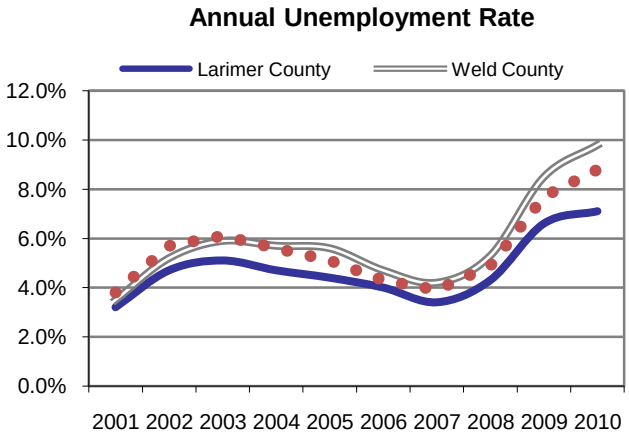
TOWN OF **WINDSOR,** COLORADO

DEMOGRAPHIC STATISTICS

Last Ten Years
(Unaudited)

Year	Population [1]	Median Household Income [2]	Mean Household Size [3]	Personal Income (in thousands[4]	Per Capita Personal Income [4]	Unemployment Rate Yearly Avg. Larimer County[5]	Weld County[5]	Colorado State[5]
2001	11,143	$57,000	2.73	$232,656	$20,879	3.2%	3.5%	3.8%
2002	11,890	58,700	2.73	255,657	21,502	4.7%	5.2%	5.7%
2003	12,483	60,500	2.75	274,626	22,000	5.1%	5.9%	6.1%
2004	13,029	62,300	2.75	295,166	22,655	4.7%	5.7%	5.6%
2005	14,238	64,100	2.76	330,672	23,225	4.4%	5.6%	5.1%
2006	15,554	66,000	2.76	371,943	23,913	4.0%	4.7%	4.3%
2007	17,112	68,000	2.76	421,600	24,638	3.4%	4.2%	3.9%
2008	17,623	70,000	2.76	446,952	25,362	4.3%	5.3%	4.9%
2009	18,133	75,276	2.76	559,830	30,873	6.6%	8.5%	7.7%
2010	18,644	77,534	2.76	523,750	28,092	7.1%	9.8%	8.8%





Sources: [1] Population estimates based on Colorado Department of Local Affairs estimates and Town Planning and Zoning Department building permit data with 2010 census results for 2010.
[2] Windsor Workforce Housing Study May/2009 - Colo. Dept of Labor & Employment statistics.
[3] Colorado Department of Local Affairs.
[4] Personal Income computed from Planning Department statistics.
[5] U.S. Dept of Labor, Bureau of Labor Statistics. Unemployment rates not seasonally adjusted.

TOP 10 PRINCIPAL EMPLOYERS

Current Year and Three Years Ago
(Unaudited)

	2007		2008		2009		**2010**		
	Employees[1]	Rank	Employees[2]	Rank	Employees[2]	Rank	Employees[2]	Rank	% of Top 10 Total
	Chamber		Used Upstate		Used Upstate		Used Upstate		
Vestas Blades America			650	3	650	1	650	1	22.89%
Windsor RE-4 School District	339	2	615	4	640	2	618	2	21.76%
Carestream Health, Inc.			650	2	600	3	600	3	21.13%
Kodak Colorado Division	1,800	1	720	1	390	4	390	4	13.73%
O-I Glass Container	175	3	200	6	206	5	206	5	7.25%
Metal Container Corporation	85	6	112	8	117	6	117	6	4.12%
Town of Windsor	85	6	86	10	85	9	89	7	3.13%
Universal Forest Products, Inc.	135	4	160	7	85	7	80	8	2.82%
Ice Energy, LLC					55	10	55	9	1.94%
Front Range Energy							35	10	1.23%
TOTAL Principal Employers	2,619		3,193		2,828		2,840		100.00%

Note: *Change in format of CAFR. Employer data is not available prior to 2007. In future years, as information becomes available, additional years will be presented.*

Sources: *[1] Windsor Chamber of Commerce and company information*
[2] Northern Colorado / Upstate Colorado

TOWN OF **WINDSOR,** COLORADO

FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION / PROGRAM

Last Ten Fiscal Years
(Unaudited)

Function/Program	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General Government										
Administration [1]	12	13	13	14	16	19	18	20	22	24
Community Development	5	5	5	5	5	6	6	6	6	5
Public Safety										
Sworn	14	16	16	16	17	17	18	18	20	20
Non-sworn	2	3	3	3	3	3	3	3	3	3
Public Works										
Utilities [2]	6	7	7	8	8	7	7	7	7	7
Streets & Other	7	7	7	8	8	9	9	9	8	8
Parks & Recreation	10	13	13	13	13	13	16	17	18	17
Community Center [3]	0	0	0	5	6	8	5	5	5	5
TOTAL	56	64	64	72	76	82	82	85	89	89

[1] Separate Human Resources division formed 2008
[2] Public Works reorganized in 2006 - previously included IT
[3] Community Recreation Center opened 2004 and reorganization 2007

Source: Town of Windsor budget office

Note: General Government Administration consists of Clerk, Town Manager, Finance, Human Resources, Engineering and Information Systems
Community Development consists of the Town's Planning Department
Utilities consists of Water, Sewer and Storm Drainage
Public Works Streets and Other includes general Public Works, Streets, and Fleet divisions

GASB 34 implemented in 2004

TOWN OF **WINDSOR,** COLORADO

OPERATING INDICATORS BY FUNCTION / PROGRAM

Last Seven Fiscal Years
(Unaudited)

	2004	2005	2006	2007	2008	2009	2010
General Government							
Elected officials	7	7	7	7	7	7	7
Full-time employees	72	76	82	82	85	89	89
Part-time employees	N/A	15	15	13	14	12	12
Seasonal employees	N/A	130	132	133	134	133	133
Public Safety							
Adult arrests	201	199	212	272	195	234	264
Juvenile detentions	33	54	45	79	53	63	64
Traffic Citations	307	464	442	689	1,365	1,749	2,208
Calls for service	4,495	5,483	6,352	6,747	5,242	5,442	7,506
Other Public Works							
Paved road miles	88.7	105.5	108.5	113.0	131.1	133.2	133.9
Parks and Recreation and Community Center							
Participants served	45,526	69,104	47,782	55,713	59,082	75,203	77,020
Community Development							
Building permits	440	480	374	233	147	104	137
Utilities *(Water, Sewer, Storm Drainage)*							
Number of total accounts	4,958	5,372	5,697	6,151	6,368	6,544	6,823
New utility accounts	288	438	366	378	236	124	165
Average daily water consumption (*millions of gallons)*	1.49	1.69	1.87	1.89	1.74	1.58	1.72
Annual consumption (*millions of gallons)*	544.7	617.2	683.4	692.4	635.8	578.2	627.7
Other Miscellaneous Data							
No. of registered voters	8,339	9,215	9,938	9,935	11,879	12,310	12240

Source: Various Town of Windsor departments

Note: Change in format of CAFR. Ten-year history not available.
In future years, as information becomes available, additional years will be presented.

GASB 34 implemented in 2004

TOWN OF **WINDSOR,** COLORADO

CAPITAL ASSET STATISTICS BY FUNCTION / PROGRAM

Last Seven Fiscal Years
(Unaudited)

	2004	2005	2006	2007	2008	2009	2010
Public Safety							
Patrol units	16	17	17	18	18	20	20
Public Works							
Area in square miles	17.80	18.72	22.59	22.98	23.25	24.61	24.61
Paved roads *(miles)*	88.7	105.5	108.5	113.0	131.07	133.2	133.9
Parks and Recreation							
Playgrounds	5	7	7	7	8	10	12
Swimming pools	1	1	1	1	1	1	1
Waterslides	1	1	1	1	1	1	1
Skate parks	1	1	1	1	1	1	1
Community centers	1	1	1	1	1	1	1
Shelters	11	12	15	15	15	15	16
Museums *(includes Pioneer Village)*	1	1	1	1	1	1	1
Multi-purpose fields *(Unlighted)*	15	15	15	15	15	15	15
Acres managed	290	313	320	358	366.2	445	445
Developed parks *(acres)*[(1)]	N/A	N/A	97	106	106	126.1	129.6
Undeveloped parks *(acres)*	N/A	N/A	176	175	179.2	179.2	179.2
Open space *(acres)*[(2)]	N/A	N/A	76	80	127	139.7	139.7
Trails *(miles)*	N/A	38	40	42	42	42	42
Utilities							
Water mains *(miles)*	N/A	95.6	97	N/A	116	117	117
Storage capacity *(millions of gallons)*	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Sewer treatment plants	1	1	1	1	1	1	1
Sanitary sewer *(miles)*	64.9	N/A	82	N/A	92	93	94
Treatment capacity *(millions of gallons)*	2.8	2.8	2.8	2.8	2.8	2.8	2.8

(1) 2009 includes Cemetery

(2) 2009 includes land adjacent to trails

Source: Various Town of Windsor departments

Note: Change in format of CAFR. Ten-year history not available.
In future years, as information becomes available, additional years will be presented.

GASB 34 implemented in 2004

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REPORTS TO GOVERNMENTAL AGENCIES

TOWN OF WINDSOR

COLORADO

ACM
Anton Collins Mitchell LLP
Accountants & Consultants

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*

To the Honorable Mayor and
Members of the Town Board of Trustees
Town of Windsor, Colorado

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Windsor, Colorado (the "Town"), as of and for the year ended December 31, 2010, which collectively comprise the Town's basic financial statements and have issued our report thereon dated July 11, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies, or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses.

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 *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. 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 deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses (2010-1).

Compliance and Other Matters

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

We noted certain other matters that we reported to management of Town in a separate letter dated July 11, 2011.

The Town's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the Town's response and, accordingly, we express no opinion on it.

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

Anton Collins Mitchell LLP

Greeley, Colorado
July 11, 2011

ACM
Anton Collins Mitchell LLP
Accountants & Consultants

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Honorable Mayor and
Members of the Town Board of Trustees
Town of Windsor, Colorado

Compliance

We have audited the compliance of the Town of Windsor, Colorado (the "Town") with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Town's major federal programs for the year ended December 31, 2010. The Town's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Town's management. Our responsibility is to express an opinion on the Town's compliance based on our audit.

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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Town's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Town's compliance with those requirements.

In our opinion, the Town complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2010.

Internal Control Over Compliance

Management of the Town is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Town's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over compliance.

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

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

The Town's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the Town's response and, accordingly, we express no opinion on the response.

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

Anton Collins Mitchell LLP

Greeley, Colorado
July 11, 2011

SUMMARY OF AUDITORS' RESULTS

1. The auditors' report expresses an unqualified opinion on the financial statements of the Town of Windsor, Colorado (the "Town").

2. One material weakness was disclosed during the audit of the financial statements, which is reported in this schedule.

3. No instances of noncompliance material to the financial statements of the Town, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.

4. The auditors' report on compliance for the major federal award programs for the Town expresses an unqualified opinion on all major federal programs.

5. Audit findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 are reported in this Schedule.

6. The program tested as major is as follows:

   United States Department of Agriculture Direct Programs:
   CFDA 10.766 – Community Facilities Loans and Grants

7. The threshold used for distinguishing between Type A and B programs was $300,000.

8. The Town did not qualify as a low-risk auditee, as defined by OMB Circular A-133.

FINDINGS—FINANCIAL STATEMENTS AUDIT

2010-01 – Capital Asset Recordkeeping

Finding and Recommendation:
Currently, manual records are kept for all capital assets, which resulted in a number of adjustments to capital asset accounts as of and for the year ended December 31, 2010. We strongly recommend that the Town convert to a computerized system designed to accumulate asset cost and calculate depreciation expense. These types of capital asset accounting systems have been refined over the years and now can be purchased at a very reasonable cost. This will eliminate a significant amount of manual record-keeping duties, make operations more efficient, and provide more accurate information with which to make business decisions regarding capital assets.

Views of Responsible Officials and Planned Corrective Actions
The Town purchased Accufund capital asset software program in November 2009. During 2010, staff converted existing Excel spreadsheets to the new software system through December 31, 2009. Approaching the end of 2010 it became apparent that completing the conversion of 2010 Excel spreadsheets to the new software before the end of the year would not be feasible. Rather than delaying the 2010 audit, the Director of Finance decided to complete the 2010 capital asset records on the Excel spreadsheets for the 2010 audit.

2010 capital assets are entered on the Accufund system and will be balanced to the final December 31, 2010 audit figures. The Accufund system is in place for the 2011 audit. The Town expects this new software to greatly streamline the system to account for capital asset activities, and improve the quality of the data.

FINDINGS AND QUESTIONED COSTS—MAJOR FEDERAL AWARD PROGRAMS AUDIT

None

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

TOWN OF WINDSOR

COLORADO

TOWN OF **WINDSOR,** COLORADO

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended December 31, 2010

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	2010 Expenditures
United States Department of Agriculture			
Direct programs:			
Community Facilities Loans and Grants	10.766		$ 3,000,000
Total United States Department of Agriculture			3,000,000
Department of Housing and Urban Development			
Passed through Weld County Colorado:			
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228		237,794
Total Department of Housing and Urban Development			237,794
Department of Health and Human Services			
Passed through Weld County, Colorado:			
Social Services Block Grant	93.667		228,072
Total Department of Health and Human Services			228,072
Total Expenditures of Federal Awards			$ 3,465,866

The accompanying notes are an integral part of this schedule.

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

December 31, 2010

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in the schedule may differ from amounts presented in the financial statements.

Note 2 - Loans Outstanding

At December 31, 2010, the Town of Windsor, Colorado (the "Town") had a balance due to the United States Department of Agriculture ("USDA"), of $3,000,000, as part of the Community Facilities Loans and Grants program (CFDA 10.766).

Note 3 - Subrecipients

There were no subrecipients of federal awards during the year ended December 31, 2010.