



Town of WINDSOR
Colorado

2013 COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the year ended December 31, 2013



Town of Windsor
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TOWN OF Windsor, Colorado

COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the fiscal year ended
December 31, 2013



REPORT ISSUED BY:

DEPARTMENT OF FINANCE
DEAN MOYER, DIRECTOR

TOWN OF **WINDSOR**, COLORADO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended December 31, 2013

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June 23, 2014

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, 2013, 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’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, 2013 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’s financial statements for the year ended December 31, 2013 are fairly presented in conformity with accounting principles generally accepted in the United States of America. The independent auditor’s report is presented as the first component of the financial section of this report.

Profile of the Town

The Town 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 21,000.

The Town provides general government, police services, public records, cultural programs, museums, recreational programs, sports facilities, parks, trails and open space, forestry services, a brush recycling center 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.

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 Improvement 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 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 to 20 years. The growth pattern that Windsor experienced since the mid 1990’s slowed considerably from 2007 through 2011 with building permit activity bottoming out in 2009. Consequently, the Town had 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, 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 (50.0%) followed by property tax (22.3%), totaling 72.3% of the general revenues for fiscal year 2013. Fortunately, the Town’s sales tax base consists mostly of necessity-related vendors such as supermarkets, restaurants and utility companies (71%), 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 are 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 2013.

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 are issues related to downtown revitalization, economic sustainability, public outreach, aging infrastructure and public safety.

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, 2013. The independent auditor’s 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, 2012. This was the fifth consecutive 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 2013 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 eighth such award the Town has received. The 2014 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

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TOWN OFFICIALS

TOWN BOARD MEMBERS THROUGH DECEMBER 31, 2013

Elected for Four Year Terms

		<u>Term Expires</u>
Mayor - <i>at-large</i>	John Vazquez	<i>Apr 2016</i>
Mayor Pro Tem <i>District 4</i>	Kristie Melendez	<i>Apr 2014</i>
Town Board Member <i>District 1</i>	Myles Baker	<i>Apr 2016</i>
Town Board Member <i>District 2</i>	Don Thompson	<i>Apr 2014</i>
Town Board Member <i>District 3</i>	Jeremy Rose	<i>Apr 2016</i>
Town Board Member <i>District 5</i>	Robert Bishop-Cotner	<i>Apr 2016</i>
Town Board Member <i>District 6</i>	Ivan Adams	<i>Apr 2014</i>

APPOINTED OFFICIALS

Town Manager	Kelly Arnold
Town Attorneys	John Frey & Ian McCargar <i>of the Firm of Frey McCargar Plock & Root, LLC</i>
Municipal Court Judge	Mike Manning
Municipal Prosecutor	Kimberly Emil
Town Clerk / Customer Service Manager	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 & Culture	Melissa M. Chew
Director of Public Works	Terry Walker
Economic Development Manager	Stacy Johnson



Government Finance Officers Association

**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, 2012

A handwritten signature in black ink, reading "Jeffrey R. Egan".

Executive Director/CEO

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, 2012. This was the fifth consecutive year that the government has 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.

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INDEPENDENT AUDITOR'S REPORT



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Independent Auditor's Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Town of Windsor, Colorado (the "Town") as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Town of Windsor as of December 31, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.



Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 16, and the budgetary comparison information on Pages 49 through 51 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The budgetary comparison schedules, debt service requirements schedules, Local Highway Finance Report, schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the other information, such as the introductory and statistical information, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The budgetary comparison schedules, debt service requirements schedules, Local Highway Finance Report, and schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. This information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The introductory section and statistical section 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 23, 2014, on our consideration of the Town's internal control over financial reporting and 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

Anton Collins Mitchell LLP

Greeley, Colorado
June 23, 2014

MANAGEMENT'S DISCUSSION AND ANALYSIS



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TOWN OF **WINDSOR**, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2013

As management of the Town of Windsor (the "Town"), we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended December 31, 2013.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at the close of 2013 by \$185,642,940.
Of this amount, \$31,217,277 may be used to meet the Town's ongoing obligations to citizens and creditors.
- The Town's total net position increased by \$4,330,870.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$6,873,513 or 53.9% of total general fund expenditures excluding transfers out.
- The Town's total debt decreased by \$601,098 during the current fiscal year. The decrease was primarily due to annual principal payments applied to the Refunding Sales and Use Tax Bonds, the USDA, CWCB and CWR&PDA Loans.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The Town'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 required and 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's finances, in a manner similar to a private-sector business.

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

The *statement of activities* presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position 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 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 include general government, public safety, public works, cemetery operations, community development, culture, parks, and recreation. The business-type activities of the Town 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.

TOWN OF **WINDSOR**, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2013

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 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 Statement of Net Position 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 22-25 of this report.

Proprietary funds. The Town 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 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.

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. 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 29-47 of this report.

Other information. The budgetary comparison for the General and Park Improvement Funds can be found on pages 49-51. The budgetary comparison for the Capital Improvement Fund can be found on page 55. Also on page 56 is the budgetary comparison schedule for the non-major Conservation Trust Fund. The budgetary comparison schedule for the enterprise funds can be found on pages 57-60 and the combining statements for internal service funds are on pages 61-63. The budgetary comparison schedule for the internal service funds is on pages 64-67.

FINANCIAL ANALYSIS OF THE TOWN AS A WHOLE

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Town, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$185,642,940.

TOWN OF **WINDSOR**, COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2013

By far, the largest portion of the Town's net position (77.8%) reflects its net investment in capital assets (e.g., land, buildings, distribution and collection systems, infrastructure, 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 position may be used to meet the Town's ongoing obligations to citizens and creditors. Our analysis below focuses on the net position of the Town's governmental and business-type activities.

Table 1
Condensed Statement of Net Position

	Governmental		Business-Type		Total		Component Unit	
	Activities		Activities				Downtown	Development
	2013	2012	2013	2012	2013	2012	2013	2012
Assets								
Current assets	\$21,326,384	\$ 15,986,117	\$ 25,591,934	\$ 23,167,343	\$ 46,918,318	\$ 39,153,460	\$ 150,408	\$ 50,322
Restricted assets	145,503	145,488	-	-	145,503	145,488	-	-
Capital assets, net	73,040,327	77,775,752	83,911,504	83,548,154	156,951,831	161,323,906	240,518	124,974
Total assets	94,512,214	93,907,357	109,503,438	106,715,497	204,015,652	200,622,854	390,926	175,296
Deferred outflows of resources								
Deferred loss on refunding	98,922	133,715	-	-	98,922	133,715	-	-
Liabilities								
Current liabilities	929,139	971,381	144,016	514,937	1,073,155	1,486,318	1,454	-
Noncurrent liabilities	6,667,910	7,006,193	6,572,013	6,855,390	13,239,923	13,861,583	-	-
Total liabilities	7,597,049	7,977,574	6,716,029	7,370,327	14,313,078	15,347,901	1,454	-
Deferred inflows of resources								
Unearned revenue - property taxes	4,158,556	4,096,598	-	-	4,158,556	4,096,598	-	-
Net position								
Net investment in capital assets	66,966,909	71,372,079	77,401,561	76,752,836	144,368,470	148,124,915	240,518	124,974
Restricted	8,807,193	5,722,444	1,250,000	1,250,000	10,057,193	6,972,444	-	-
Unrestricted	7,081,429	4,872,377	24,135,848	21,342,334	31,217,277	26,214,711	148,954	50,322
Total net position	\$82,855,531	\$ 81,966,900	\$102,787,409	\$ 99,345,170	\$185,642,940	\$ 181,312,070	\$ 389,472	\$ 175,296

The *restricted portion of net position* (5.4%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* (\$31,217,277) may be used to meet the Town's ongoing obligations to citizens and creditors. The main change in net position is due to an increase in sales and use tax collections.

Table 2 shows our next analysis focusing on changes in net position of the Town's governmental and business-type activities. The Town presents comparative data from 2013 and 2012 as required by the Governmental Accounting Standards Board pronouncement 34 (GASB 34).

TOWN OF **WINDSOR**, COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2013

Table 2
Condensed Changes in Net Position from Operating Results

	Governmental		Business-Type		Total Primary Government		Component Unit	
	Activities		Activities				Downtown Development	
	2013	2012	2013	2012	2013	2012	Authority	
							2013	2012
Revenues								
Program revenues								
Charges for services	\$ 3,230,245	\$ 3,526,919	\$ 6,178,540	\$ 6,736,381	\$ 9,408,785	\$ 10,263,300	\$ -	\$ -
Operating grants & contributions	1,936,182	11,250	-	-	1,936,182	11,250	-	-
Capital grants & contributions	585,453	818,017	3,579,048	4,940,832	4,164,501	5,758,849	-	-
General revenues								
Property taxes	4,049,110	4,059,462	-	-	4,049,110	4,059,462	20,977	-
Sales & use taxes	9,061,884	7,697,374	-	-	9,061,884	7,697,374	-	-
Franchise and other taxes	2,661,870	2,645,790	-	-	2,661,870	2,645,790	-	-
Intergovernmental	-	1,747,799	-	-	-	1,747,799	250,000	250,000
Earnings on investments	171,414	77,273	263,197	231,308	434,611	308,581	32	-
Gain on sale of capital assets	58,500	65,780	-	-	58,500	65,780	-	-
Other revenues	275,680	107,057	31,500	66,074	307,180	173,131	2,000	-
Total Revenues	22,030,338	20,756,721	10,052,285	11,974,595	32,082,623	32,731,316	273,009	250,000
Expenses								
General government	2,731,588	2,674,626	-	-	2,731,588	2,674,626	-	-
Public safety	2,938,201	2,826,313	-	-	2,938,201	2,826,313	-	-
Public works	5,551,046	5,662,954	-	-	5,551,046	5,662,954	-	-
Parks and recreation	5,163,907	4,498,409	-	-	5,163,907	4,498,409	-	-
Community development	1,391,260	1,819,818	-	-	1,391,260	1,819,818	-	-
Safety and loss control	7,422	2,778	-	-	7,422	2,778	-	-
Small equipment & maintenance	1,321,535	1,353,245	-	-	1,321,535	1,353,245	-	-
Assets conveyed to other governments	2,408,601	-	-	-	2,408,601	-	-	-
Debt issuance costs	-	107,184	-	-	-	107,184	-	-
Interest on long-term debt	186,788	180,236	-	-	186,788	180,236	-	-
Water	-	-	2,961,686	3,287,679	2,961,686	3,287,679	-	-
Sewer	-	-	2,160,376	1,537,136	2,160,376	1,537,136	-	-
Storm drainage	-	-	605,811	672,899	605,811	672,899	-	-
Non-potable water	-	-	323,532	269,505	323,532	269,505	-	-
Total Expenses Primary Government	21,700,348	19,125,563	6,051,405	5,767,219	27,751,753	24,892,782	-	-
Component Unit								
Downtown Development Authority	-	-	-	-	-	-	58,833	74,704
Excess in Net Position before transfers and special items	329,990	1,631,158	4,000,880	6,207,376	4,330,870	7,838,534	214,176	175,296
Transfers in (out)	558,641	541,448	(558,641)	(541,448)	-	-	-	-
Change in net position	888,631	2,172,606	3,442,239	5,665,928	4,330,870	7,838,534	214,176	175,296
Net position - beginning of year	81,966,900	79,926,727	99,345,170	93,679,242	181,312,070	173,605,969	175,296	-
Cumulative effect of change in accounting principle	-	(132,433)	-	-	-	(132,433)	-	-
Net position - end of year	\$82,855,531	\$ 81,966,900	\$ 102,787,409	\$ 99,345,170	\$185,642,940	\$ 181,312,070	\$ 389,472	\$ 175,296

Governmental Activities. There is a 6.1% increase in revenues from 2012 to 2013, just about \$1.3 million. Charges for services decreased 8.4% which includes park improvement fees received from building permits. Construction was down in 2013 compared to 2012. Operating grants and contributions reflect a \$307,000 grant pass through for the Windsor Housing Authority for 2013. Sales and use taxes increased 17.7% with a large gain in just sales tax of 26.0%. Overall property taxes did go down slightly with Weld County collections down and Larimer County up reflecting more growth in the Larimer County side of Windsor. However, in general, most other revenues fared better for 2013. There was a decrease in capital grants and contributions of 28.4% in the amount of \$232,564 due primarily to fewer developer contributed streets in 2013. The cost for developer contributed streets was \$581,703 as compared to \$794,017 in 2012. While governmental revenues increased 6.1% or \$1,273,617, expenses increased 13.5% or \$2,574,785 due in part to increases in small equipment and maintenance.

Business-type Activities. Revenues decreased 16.1% or about \$1.9 million, as the sewer fund for 2012 included a grant of \$1,421,890 for the waste water improvement upgrades and water usage in general was down due to a wetter watering season in 2013. Water and sewer fund expenses were higher than 2012 rendering a 4.9% increase in expenses in 2013 amounting to \$284,186. There was, however, a developer receivable payment of approximately \$431,000 included in the Non-potable Water Fund in 2013. The revenues were slightly up and expenses down for the Storm Drainage Fund with a moderate increase in customers served.

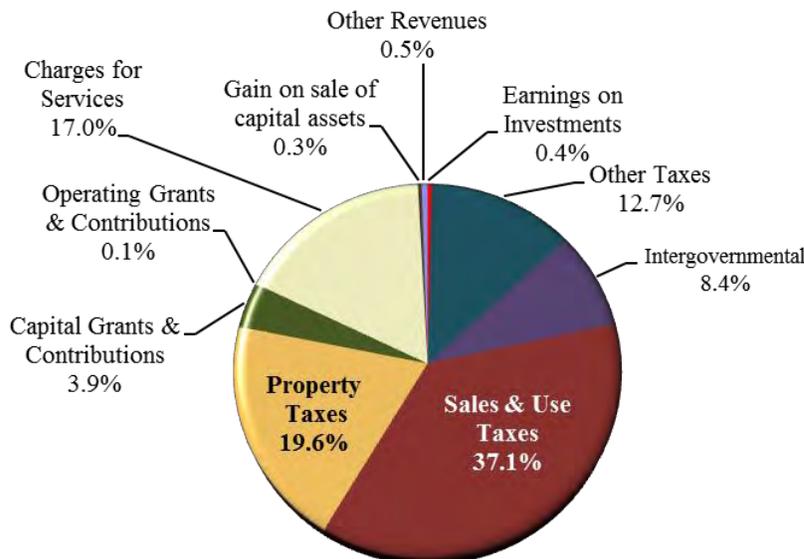
Over all funds, the net position increased 2.4% or just over \$4.3 million due mainly to the aforementioned increase in sales and used tax collections.

Financial Analysis of the Town's Funds

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

Governmental funds. The focus of the Town'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's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$18,257,769. Approximately 37.6% of this total amount (\$6,873,513) constitutes *unassigned fund balance*, which is available for spending at the government's discretion. The remainder of fund balance is *restricted* for emergencies or capital improvements or *assigned* for parks and recreation to indicate that it is not available for new spending because it has already been committed. There is \$7,671,648 restricted for capital improvements, \$621,484 restricted for emergencies, \$514,061 restricted for parks and recreation, and \$2,577,063 assigned for special revenue fund. Governmental fund balances are up 38.6% or \$5,087,276 from 2012 maintaining a higher reserve in all funds. Several 2013 budgeted capital projects were not completed in 2013 and were postponed until 2014 accounting for most of the \$2.9 million increase in the Capital Improvement Fund.

TABLE 3
Revenues by Source-Governmental Activities 2012



Although 2013 Property tax was down \$10,352 or 0.3% from 2012, sales and use tax was up 17.7% or \$1,364,510. Charges for services decreased and franchise and other taxes increased slightly. Total revenue was up 6.1%, or about \$1.9 million in 2013.

There were fewer developer street contributions in 2013 with only the Windshire Park first filing, phase 3 subdivision.

TABLE 3
Revenues by Source-Governmental Activities 2013

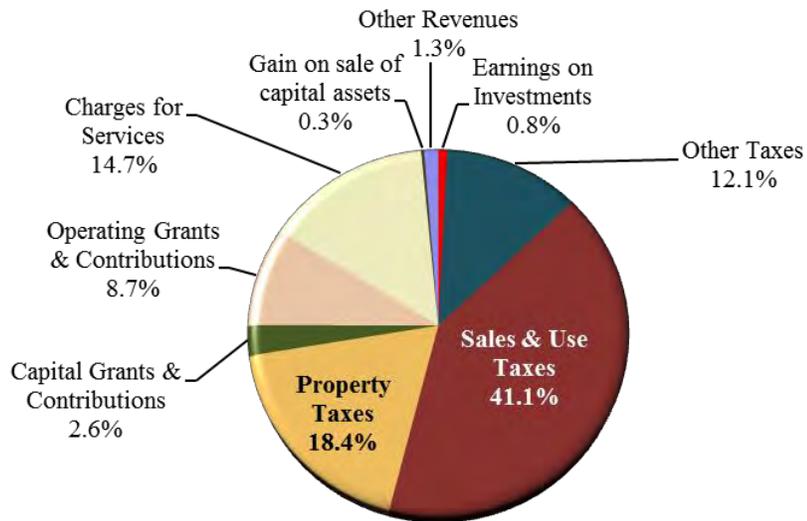


TABLE 4
2012 Expenses by Category
Governmental Activities

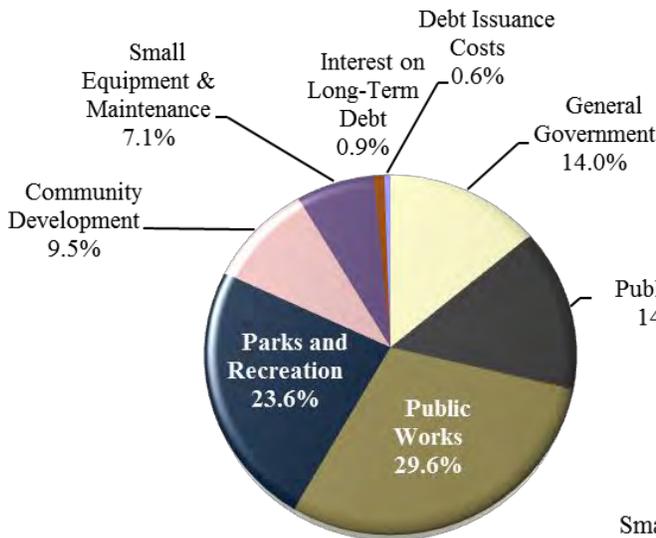
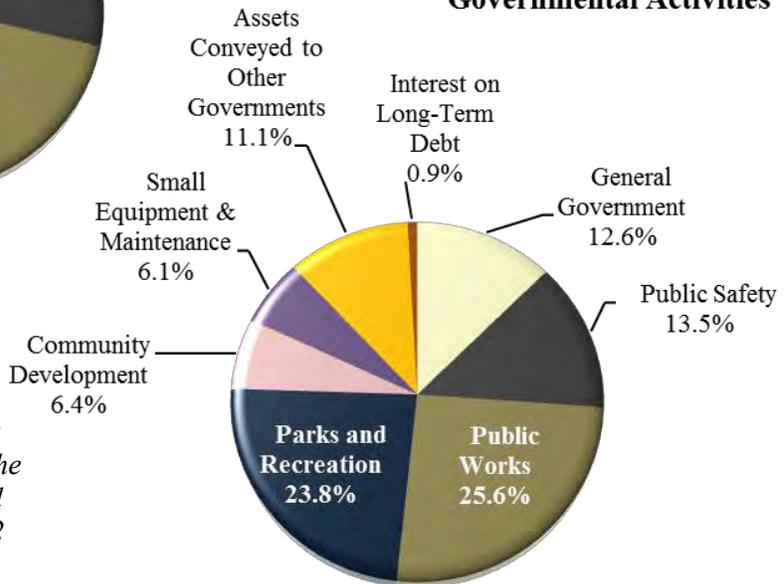


TABLE 4
2013 Expenses by Category
Governmental Activities



The distribution of expenses remains about the same for 2013 except for the increase reflected in assets conveyed to other governments for I-25/SH392 and WCR23/SH392 intersection improvements for 2013.

TOWN OF **WINDSOR**, COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2013

Table 5
Balance Sheet Comparison by Fund
Governmental Funds

	General		Capital Improvement		Park Improvement		Conservation Trust (Non Major)		Total	Total
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
ASSETS										
Cash and cash equivalents	\$ 1,732,891	\$ 523,440	\$ 1,193,276	\$ 1,871,662	\$ 58,373	\$ 57,523	\$ 82,829	\$ 82,720	\$ 3,067,369	\$ 2,535,345
Equity in pooled cash and cash equivalents	-	1,183,101	-	-	-	-	-	63,136	-	1,246,237
Investments	2,374,052	2,345,860	6,787,640	2,279,327	-	-	-	-	9,161,692	4,625,187
Receivables	5,416,979	4,913,107	362,556	308,059	-	-	-	200,000	5,779,535	5,421,166
Interfund receivable	2,641,544	1,380,649	705,573	2,043,642	2,572,013	2,182,608	431,232	-	6,350,362	5,606,899
Total assets	12,165,466	10,346,157	9,049,045	6,502,690	2,630,386	2,240,131	514,061	345,856	24,358,958	19,434,834
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES										
<u>Liabilities</u>										
Accounts and retainage payable	\$ 185,166	\$ 38,604	\$ 130,887	\$ 279,272	\$ 8,855	\$ 87,147	\$ -	\$ 14,622	\$ 324,908	\$ 419,645
Accrued liabilities	547,369	498,098	-	-	-	-	-	-	547,369	498,098
Interfund payable	-	-	1,070,356	1,250,000	-	-	-	-	1,070,356	1,250,000
Total liabilities	732,535	536,702	1,201,243	1,529,272	8,855	87,147	-	14,622	1,942,633	2,167,743
<u>Deferred inflows of resources</u>										
Deferred revenue - property taxes	4,158,556	4,096,598	-	-	-	-	-	-	4,158,556	4,096,598
Fund Balances										
Restricted for emergencies	400,862	363,060	176,154	163,200	44,468	54,732	-	-	621,484	580,992
Restricted for capital improvements	-	-	7,671,648	4,810,218	-	-	-	-	7,671,648	4,810,218
Restricted for parks and recreation	-	-	-	-	-	-	514,061	331,234	514,061	331,234
Assigned for special revenue funds	-	-	-	-	2,577,063	2,098,252	-	-	2,577,063	2,098,252
Unassigned	6,873,513	5,349,797	-	-	-	-	-	-	6,873,513	5,349,797
Total fund balances	7,274,375	5,712,857	7,847,802	4,973,418	2,621,531	2,152,984	514,061	331,234	18,257,769	13,170,493
Total liabilities, deferred inflows of resources and fund balances	\$12,165,466	\$10,346,157	\$ 9,049,045	\$ 6,502,690	\$ 2,630,386	\$ 2,240,131	\$ 514,061	\$ 345,856	\$ 24,358,958	\$19,434,834

In all, the total governmental assets increased 25.3%, liabilities decreased 10.4%, deferred inflows of resources increased 1.5%, and fund balances increased 38.6%. In the course of the year, revenues that are dedicated to these governmental funds, namely sales tax and construction use tax, both exceeded budget expectations. Retail sales tax collections set a new historical high affecting both the General and Capital Improvement fund balances. Construction use tax exceeded our conservative budget expectations as well in 2013. The increase in total fund balances is due to capital in part, from project postponements and higher than expected revenue collection. Thus the Capital Improvement Fund shows a 57.8% increase in fund balance, the General Fund balance is 27.3% higher, and Park Improvement is 21.8% higher than 2012.

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

Unrestricted net position of the water, sewer, storm drainage and non-potable water operations at the end of the year were \$15,617,092, \$6,282,145, \$2,379,630 and (\$310,775), respectively. Other factors concerning the finances of these four funds have already been addressed in the discussion of the Town's business-type activities.

TABLE 6
Revenues by Source-Business-Type Activities
2012

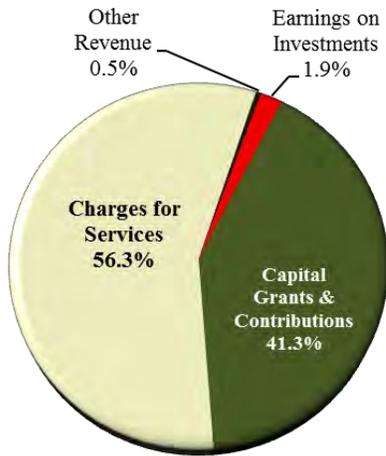
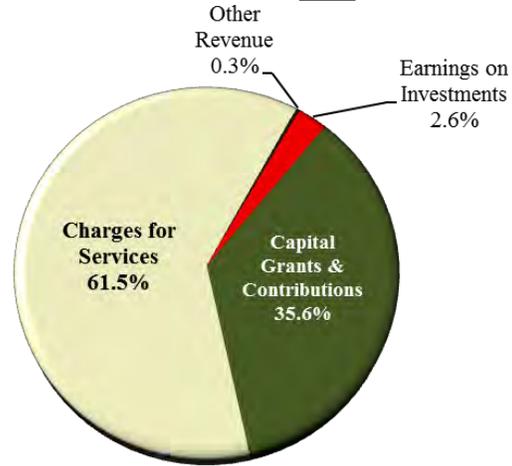


TABLE 6
Revenues by Source-Business-Type Activities
2013



Charges for services decreased \$557,841 in 2013. Grants and contributions are \$1,361,784 lower in 2013 due to the wastewater treatment upgrades being funded in 2012. Total revenues are thus down 16.1% (\$1,922,310) in 2013 reflecting the decrease in water usage as mentioned before and the lack of grant funding in 2013.

TABLE 7
Expenses by Source-Business-Type
Activities 2012

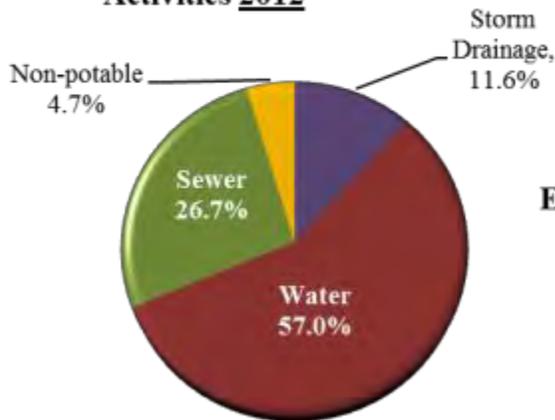
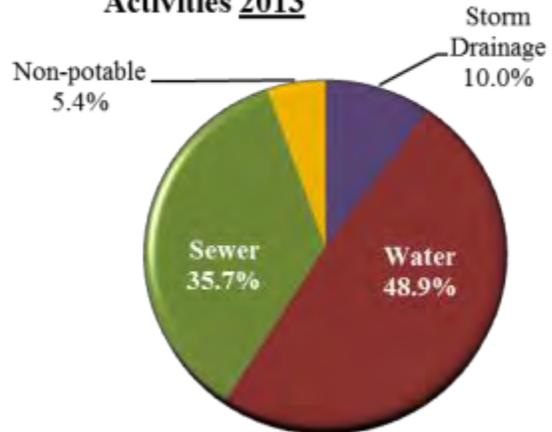


TABLE 7
Expenses by Source-Business-Type
Activities 2013



Distribution of business-type expense activities for 2012 and 2013 are close to the same.

TOWN OF **WINDSOR**, COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2013

Table 8
Statement of Net Positions Comparison by Fund
Proprietary Funds

	Water		Sewer		Storm Drainage		Non-Potable Water		Total	Total
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
ASSETS										
Total current assets	\$ 25,293,655	\$ 18,383,764	\$ 7,650,091	\$ 3,974,030	\$ 2,386,747	\$ 1,852,768	\$ 257,571	\$ -	\$ 35,588,064	\$ 24,210,562
Loan proceeds receivable	-	-	-	3,110,543	-	-	-	-	-	3,110,543
Capital assets, net	38,524,761	37,724,287	26,590,724	26,945,253	13,408,818	13,638,945	5,387,201	5,239,669	83,911,504	83,548,154
Total assets	63,818,416	56,108,051	34,240,815	34,029,826	15,795,565	15,491,713	5,644,772	5,239,669	119,499,568	110,869,259
LIABILITIES										
Total current liabilities	9,646,949	4,194,176	266,901	201,008	4,131	4,042	680,749	729,070	10,598,730	5,128,296
Total noncurrent liabilities	29,614	29,136	2,604,738	2,781,932	2,986	2,697	3,643,847	3,756,250	6,281,185	6,570,015
Total liabilities	9,676,563	4,223,312	2,871,639	2,982,940	7,117	6,739	4,324,596	4,485,320	16,879,915	11,698,311
NET POSITION										
Net investment in capital assets	38,524,761	37,724,287	23,837,031	24,013,135	13,408,818	13,638,945	1,630,951	1,376,469	77,401,561	76,752,836
Restricted for operations and maintenance	-	-	1,250,000	1,250,000	-	-	-	-	1,250,000	1,250,000
Unrestricted	15,617,092	14,160,452	6,282,145	5,783,751	2,379,630	1,846,029	(310,775)	(622,120)	23,968,092	21,168,112
Total Net Position	\$ 54,141,853	\$ 51,884,739	\$ 31,369,176	\$ 31,046,886	\$ 15,788,448	\$ 15,484,974	\$ 1,320,176	\$ 754,349	\$ 102,619,653	\$ 99,170,948

Amounts reported for business-type activities in the Statement of Net Position are different because Cumulative portion of internal service funds net operating income (loss) attributed to business-type activities \$167,756 which then totals \$102,787,409.

Total assets for the proprietary funds increased in 2013 to reflect a total increase of 7.8% (\$8,630,309), while liabilities increased 44.3% (\$5,181,604). Both increases are due primarily to the Sewer Fund's Headworks project. The overall net position increased 3.5% (\$3,448,705).

The unexpected increase in the number of building permits in 2013 is also reflected in the business-type accounts. Plant investment fees collected on building permits at the time of issuance generated a large influx of cash that was retained for future projects.

General Fund Budgetary Highlights. The General Fund is the chief operating fund of the Town. The General Fund accounts for all the general services provided by the Town. At the end of 2013, the *unassigned* fund balance of the General Fund totaled \$6,873,513, while the total fund balance was \$7,274,375. As a measure of the General Fund's liquidity, it is useful to compare both unassigned fund balance and total fund balance to total fund expenditures. For 2013, unassigned fund balance represents 53.8% of total fund expenditures while total fund balance represents 57.0% of that same amount.

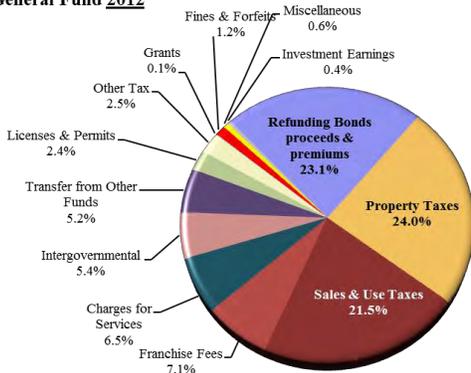
As of 2011, the General Fund incorporates the Community Recreation Center Fund (CRC) according to GASB 54 that states a fund must have its own source revenue and this fund is supplemented primarily by the General Fund by way of transfers. Therefore, the CRC debt service is included in the General Fund chart.

The 2012 chart for expenditures does not include the payment to the escrow agent for the Refunding Bonds, again for comparison purposes.

TOWN OF **WINDSOR**, COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2013

TABLE 9
Revenues by Source
General Fund 2012



The distribution of revenue sources for 2012 and 2013 would be very similar as shown by the following 2012 charts. There was a refinancing of the revenue bonds for the Community Recreation Center that skews the chart for 2012 amounting to \$3,894,944 for proceeds and premium. There is then a 10.2% gain in comparable revenues for 2012 to 2013, which includes \$1,097,058 more in sales and use tax for 2013.

TABLE 9
Revenues by Source General Fund 2012
without Refunding Bonds for comparison

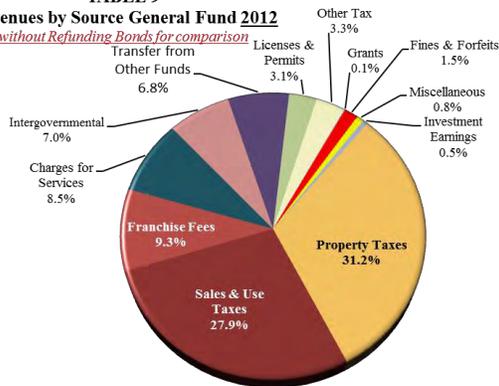
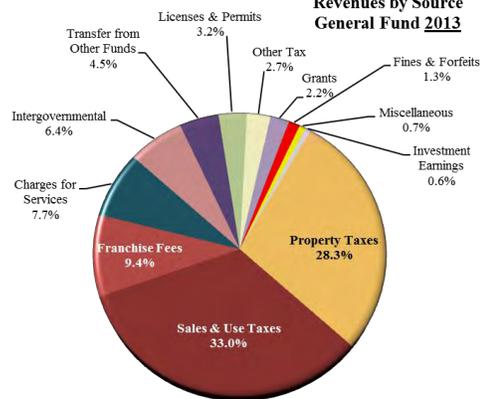


TABLE 9
Revenues by Source
General Fund 2013



General government expenditures include all administrative functions of the Town (i.e., Town Board, Town Clerk, Municipal Court, Town Manager, Finance, Town Attorney, Economic Development and Human Resources). Expenditures for 2013 are only 1.2% (\$149,494) more than those of 2012.

TABLE 10
Expenditures by Type
General Fund 2012
without refunding bonds for comparison

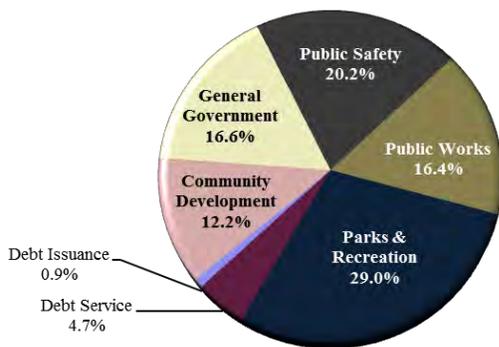
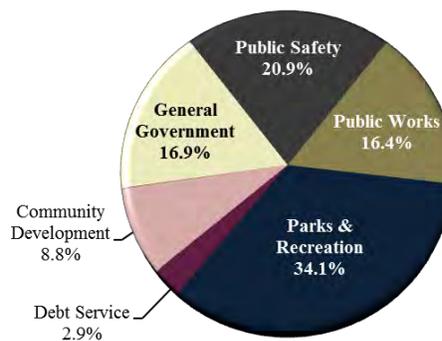


TABLE 10
Expenditures by Type
General Fund 2013



CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. The Town's investment in capital assets for its governmental and business-type activities as of December 31, 2013, amounts to \$156,951,831 (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 decrease in the Town's total investment in governmental capital assets was due to two projects, WCR23/SH392 and the I-25/SH392 intersections, being conveyed to other governments. The total of these projects was \$2.4 million.

TOWN OF **WINDSOR**, COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2013

Table 11
Capital Assets, Net

	Governmental		Business-Type		Total	
	Activities		Activities			
	2013	2012	2013	2012	2013	2012
Construction in progress	\$ 860,354	\$ 2,342,531	\$ 1,157,228	\$ 6,305,110	\$ 2,017,582	\$ 8,647,641
Land and water rights	2,301,855	2,294,920	18,465,458	17,533,958	20,767,313	19,828,878
Site improvements	7,342,834	7,792,717	-	-	7,342,834	7,792,717
Buildings and improvements	12,009,997	12,848,504	-	-	12,009,997	12,848,504
Streets and improvements	40,208,254	42,846,301	-	-	40,208,254	42,846,301
Parks and improvements	7,572,025	6,894,399	-	-	7,572,025	6,894,399
Machinery and equipment	2,668,165	2,662,015	-	-	2,668,165	2,662,015
Furniture and fixtures	76,843	94,365	-	-	76,843	94,365
Utility systems and equipment	-	-	64,288,818	59,709,086	64,288,818	59,709,086
Total	\$ 73,040,327	\$ 77,775,752	\$ 83,911,504	\$ 83,548,154	\$ 156,951,831	\$ 161,323,906

Additional information on the Town's capital assets can be found in Note 1 on page 33 and Note 5 on pages 39-41 of this report.

Long-term debt. At the end of the current fiscal year, the Town of Windsor had total bonded debt outstanding of \$3,135,000. The Town's total debt of \$13,239,923 represents bonds secured solely by the specified revenue sources (i.e., refunding sales and use tax bonds), a USDA loan for the police facility, two loans for the construction of the Kern Reservoir, a Sewer Waste Water Treatment Plant loan, and compensated absences.

Table 12
Town of Windsor's Outstanding Debt at Year End

	Governmental		Business-Type		Total	
	Activities		Activities			
	2013	2012	2013	2012	2013	2012
Refunding Sales & Use Tax Bonds	\$ 3,135,000	\$ 3,415,000	\$ -	\$ -	\$ 3,135,000	\$ 3,415,000
Bond Premium	140,619	189,944	-	-	140,619	189,944
USDA Community Facilities Loan (WBA)	2,896,721	2,932,444	-	-	2,896,721	2,932,444
CWCB Loan (Kern Reservoir)	-	-	3,756,250	3,863,200	3,756,250	3,863,200
CWRPDA Loan Sewer WWTP	-	-	2,753,693	2,932,118	2,753,693	2,932,118
Compensated Absences	495,570	468,805	62,070	60,072	557,640	528,877
Total	\$ 6,667,910	\$ 7,006,193	\$ 6,572,013	\$ 6,855,390	\$ 13,239,923	\$ 13,861,583

The Town's debt decreased 4.5% (\$621,660) from 2012. Governmental activities debt reduced by 4.8% while business-type activities debt decreased 4.1%, both reductions occurred from regular annual payments.

The Town's debt policy imposes a legal debt margin 10% of assessed valuation. The debt limit at December 31, 2013 was \$34,030,035. The amount of debt applicable to the debt limit is \$12,541,664 leaving a legal debt margin of \$21,488,371.

Additional information on the Town's long-term debt can be found in Note 6 on pages 42-44 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

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 2014 budget was approved and adopted by the Windsor Town Board on November 25, 2013 appropriating \$38,746,606 for expenditures. The 2014 appropriation is a 20.7% increase from the 2013 budget, due to some long awaited operational changes and large capital infrastructure investments. There is also a 20.8% increase in projected revenues of \$38,363,504 as compared to \$31,495,029 budgeted in 2013. The increase is primarily due to receiving a \$4.5 million loan for a non-potable water project in 2014. Another 8.5% of the increase is taxes, mainly sales and use taxes. Comparing the 2014 revenue to 2013, less the grants and loans in 2014, is actually an anticipated 8.1% increase. The difference between revenue and expenditure is modest and will be filled by accumulated fund balances which grew from unanticipated revenue growth and less expenditure. Many of the anticipated 2013 projects were also delayed to 2014. The mill levy will remain at 12.03 mills for 2014.

There is provision for a 4% merit pool for employees in the 2014 budget, and a total of two and a half new full-time employees to the General Fund, one additional full-time employee in the Water and one additional full-time employee in the Sewer Fund. These consist of a Town Attorney, additional police officer in the detective division, a utility technician to the water department and another to the sewer department and making the part-time Event Coordinator a full-time position.

Parks and Recreation programs and facilities have also been important to our growing community. A total of \$9,069,652 has been allocated to quality of life and recreational programs. Finishing up some ADA compliance projects, resurfacing of the Chimney Park pool deck, along with some trail construction and upgrades will be the focus of parks and recreation expenditures in 2014.

Improving infrastructure is a primary concern in 2014 with several projects. The three-million gallon water tank is being constructed in 2014. Funds are allocated to improve and maintain several streets and a railroad crossing. A right turn lane will be created on WCR19/SH392, Eastman Park Drive/Cornerstone Roundabout will be constructed, the Town will finish reconstruction of WCR 21 bridge, there will be work on the Law Basin Master Drainage Channel and the Law Basin West Tributary Channel, and of course the largest project is the Kyger non-potable water storage reservoir purchase. Also 2014 will fund installation of new development management and financial management software.

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

BASIC FINANCIAL STATEMENTS



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TOWN OF **WINDSOR**, COLORADO
STATEMENT OF NET POSITION
December 31, 2013

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Downtown Development Authority
<u>Assets</u>				
Cash and cash equivalents	\$ 3,067,369	\$ 7,997,976	\$ 11,065,345	\$ 150,408
Equity in pooled cash and cash equivalents	584,066	257,571	841,637	-
Investments	9,161,692	19,335,774	28,497,466	-
Receivables	5,779,535	734,335	6,513,870	-
Internal balances	2,733,722	(2,733,722)	-	-
Restricted assets:				
Cash and cash equivalents	145,503	-	145,503	-
Capital assets, not being depreciated	3,162,209	19,622,686	22,784,895	209,684
Capital assets, being depreciated, net	69,878,118	64,288,818	134,166,936	30,834
<u>Total assets</u>	<u>94,512,214</u>	<u>109,503,438</u>	<u>204,015,652</u>	<u>390,926</u>
<u>Deferred outflows of resources</u>				
Deferred loss on refunding	98,922	-	98,922	-
<u>Total deferred outflows of resources</u>	<u>98,922</u>	<u>-</u>	<u>98,922</u>	<u>-</u>
<u>Liabilities</u>				
Accounts payable and other liabilities	372,450	91,343	463,793	1,454
Accrued payroll	547,369	18,693	566,062	-
Accrued interest payable	9,320	33,980	43,300	-
Noncurrent liabilities:				
Due within one year				
Bonds and loans payable	317,086	290,828	607,914	-
Accrued compensated absences	375,204	34,979	410,183	-
Due in more than one year				
Bonds and loans payable	5,855,254	6,219,115	12,074,369	-
Accrued compensated absences	120,366	27,091	147,457	-
<u>Total liabilities</u>	<u>7,597,049</u>	<u>6,716,029</u>	<u>14,313,078</u>	<u>1,454</u>
<u>Deferred inflows of resources</u>				
Unearned revenue - property taxes	4,158,556	-	4,158,556	-
<u>Total deferred inflows of resources</u>	<u>4,158,556</u>	<u>-</u>	<u>4,158,556</u>	<u>-</u>
<u>Net position</u>				
Net investment in capital assets	66,966,909	77,401,561	144,368,470	240,518
Restricted for:				
Capital projects	7,671,648	-	7,671,648	-
TABOR emergency reserve	621,484	-	621,484	-
Parks and recreation	514,061	-	514,061	-
Operations and maintenance	-	1,250,000	1,250,000	-
Unrestricted	7,081,429	24,135,848	31,217,277	148,954
<u>Total net position</u>	<u>\$ 82,855,531</u>	<u>\$ 102,787,409</u>	<u>\$ 185,642,940</u>	<u>\$ 389,472</u>

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

TOWN OF **WINDSOR**, COLORADO
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2013

<u>Functions/programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Governmental activities:				
General government	\$ 2,731,588	\$ -	\$ -	\$ -
Public safety	2,938,201	207,671	-	-
Public works	5,551,046	567,546	922,591	585,453
Parks and recreation	5,163,907	2,455,028	330,450	-
Community development	1,391,260	-	311,097	-
Safety and loss control	7,422	-	-	-
Small equipment and maintenance	1,321,535	-	372,044	-
Assets conveyed to other governments	2,408,601	-	-	-
Interest on long-term debt	186,788	-	-	-
<u>Total governmental activities</u>	<u>21,700,348</u>	<u>3,230,245</u>	<u>1,936,182</u>	<u>585,453</u>
Business-type activities:				
Water	2,961,686	3,528,410	-	1,925,752
Sewer	2,160,376	1,755,725	-	872,821
Storm drainage	605,811	329,018	-	730,475
Non-potable water	323,532	565,387	-	50,000
<u>Total business-type activities</u>	<u>6,051,405</u>	<u>6,178,540</u>	<u>-</u>	<u>3,579,048</u>
<u>Total primary government</u>	<u>\$ 27,751,753</u>	<u>\$ 9,408,785</u>	<u>\$ 1,936,182</u>	<u>\$ 4,164,501</u>
<u>Component unit</u>				
Downtown Development Authority	\$ 58,833	\$ -	\$ -	\$ -

General revenues

Taxes:

Property taxes

Sales and use taxes

Franchise taxes

Other taxes

Earnings on investments

Gain on sale of capital assets

Other revenues

Subtotal general revenues

Transfers in (out)

Total general revenues and transfers

Changes in net position

Net position at beginning of year

Net position at end of year

TOWN OF **WINDSOR**, COLORADO
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2013

Net (Expense) Revenue and Changes in Net Position			Component Unit Downtown Development Authority
Primary Government			
Governmental Activities	Business-Type Activities	Total	
\$ (2,731,588)	\$ -	\$ (2,731,588)	\$ -
(2,730,530)	-	(2,730,530)	-
(3,475,456)	-	(3,475,456)	-
(2,378,429)	-	(2,378,429)	-
(1,080,163)	-	(1,080,163)	-
(7,422)	-	(7,422)	-
(949,491)	-	(949,491)	-
(2,408,601)	-	(2,408,601)	-
(186,788)	-	(186,788)	-
(15,948,468)	-	(15,948,468)	-
-	2,492,476	2,492,476	-
-	468,170	468,170	-
-	453,682	453,682	-
-	291,855	291,855	-
-	3,706,183	3,706,183	-
(15,948,468)	3,706,183	(12,242,285)	-
-	-	-	58,833
4,049,110	-	4,049,110	20,977
9,061,884	-	9,061,884	-
1,336,785	-	1,336,785	-
1,325,085	-	1,325,085	-
171,414	263,197	434,611	32
58,500	-	58,500	-
275,680	31,500	307,180	252,000
16,278,458	294,697	16,573,155	273,009
558,641	(558,641)	-	-
16,837,099	(263,944)	16,573,155	273,009
888,631	3,442,239	4,330,870	214,176
81,966,900	99,345,170	181,312,070	175,296
<u>\$ 82,855,531</u>	<u>\$ 102,787,409</u>	<u>\$ 185,642,940</u>	<u>\$ 389,472</u>

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

TOWN OF **WINDSOR**, COLORADO
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2013

	General	Capital Improvement	Park Improvement	Conservation Trust (Non Major)	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 1,732,891	\$ 1,193,276	\$ 58,373	\$ 82,829	\$ 3,067,369
Investments	2,374,052	6,787,640	-	-	9,161,692
Receivables	5,416,979	362,556	-	-	5,779,535
Interfund receivable	2,641,544	705,573	2,572,013	431,232	6,350,362
Total assets	\$ 12,165,466	\$ 9,049,045	\$ 2,630,386	\$ 514,061	\$ 24,358,958
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities					
Accounts and retainage payable	\$ 185,166	\$ 130,887	\$ 8,855	\$ -	\$ 324,908
Accrued payroll	547,369	-	-	-	547,369
Interfund payable	-	1,070,356	-	-	1,070,356
Total liabilities	732,535	1,201,243	8,855	-	1,942,633
Deferred inflows of resources					
Deferred revenue - property taxes	4,158,556	-	-	-	4,158,556
Fund balances					
Restricted for emergencies	400,862	176,154	44,468	-	621,484
Restricted for capital improvements	-	7,671,648	-	-	7,671,648
Restricted for parks and recreation	-	-	-	514,061	514,061
Assigned for parks and recreation	-	-	2,577,063	-	2,577,063
Unassigned	6,873,513	-	-	-	6,873,513
Total fund balances	7,274,375	7,847,802	2,621,531	514,061	18,257,769
Total liabilities, deferred inflows of resources and fund balances	\$ 12,165,466	\$ 9,049,045	\$ 2,630,386	\$ 514,061	\$ 24,358,958

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 POSITION
December 31, 2013

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

Total fund balances - governmental funds		\$ 18,257,769
<p>Capital assets used in governmental activities are not current financial resources and, therefore, is not reported as assets in the governmental funds.</p>		
The cost of capital assets, net of accumulated depreciation		66,847,218
<p>The deferred loss on refunding is not a current financial resource and, therefore, is not reported as a deferred outflows of resrouces in the governmental funds.</p>		
		98,922
<p>Long-term liabilities, including bonds payable, are not due and payable from the current financial resources and, therefore, are not reported as liabilities in the funds. Long-term liabilities at year-end consist of:</p>		
Long-term debt	\$ (3,135,000)	
Premium on bonds	(140,619)	
Accrued interest payable	(9,320)	
Accrued compensated absences	<u>(467,601)</u>	(3,752,540)
<p>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 position.</p>		
		<u>1,404,162</u>
Total net position of governmental activities		<u><u>\$ 82,855,531</u></u>

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

TOWN OF **WINDSOR**, COLORADO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2013

	General	Capital Improvement	Park Improvement	Conservation Trust (Non Major)	Total Governmental Funds
<u>Revenues</u>					
Taxes and assessments	\$ 10,487,268	\$ 5,285,596	\$ -	\$ -	\$ 15,772,864
Licenses and permits	463,657	-	-	-	463,657
Intergovernmental	922,591	372,044	122,170	208,280	1,625,085
Grants and contributions	311,097	585,453	-	-	896,550
Charges for services	1,100,217	-	1,481,927	-	2,582,144
Fines and forfeitures	184,444	-	-	-	184,444
Earnings on investments	86,362	84,570	354	113	171,399
Miscellaneous	117,533	129,581	-	-	247,114
<u>Total revenues</u>	<u>13,673,169</u>	<u>6,457,244</u>	<u>1,604,451</u>	<u>208,393</u>	<u>21,943,257</u>
<u>Expenditures</u>					
Current:					
General government	2,160,324	-	-	-	2,160,324
Public safety	2,661,338	-	-	-	2,661,338
Public works	2,086,678	-	-	-	2,086,678
Parks and recreation	4,350,281	-	5,000	-	4,355,281
Community development	1,118,673	-	-	-	1,118,673
Safety and loss control	7,422	-	-	-	7,422
Small equipment and maintenance	-	1,242,830	-	9,000	1,251,830
Debt service					
Principal	280,000	-	-	-	280,000
Interest	92,475	-	-	-	92,475
Capital outlay	-	2,132,297	1,106,658	16,566	3,255,521
<u>Total expenditures</u>	<u>12,757,191</u>	<u>3,375,127</u>	<u>1,111,658</u>	<u>25,566</u>	<u>17,269,542</u>
<u>Revenues over expenditures</u>	<u>915,978</u>	<u>3,082,117</u>	<u>492,793</u>	<u>182,827</u>	<u>4,673,715</u>
<u>Other financing sources (uses)</u>					
Transfers in	645,540	-	-	-	645,540
Transfers out	-	(207,733)	(24,246)	-	(231,979)
<u>Total other financing sources (uses)</u>	<u>645,540</u>	<u>(207,733)</u>	<u>(24,246)</u>	<u>-</u>	<u>413,561</u>
<u>Net changes in fund balances</u>	<u>1,561,518</u>	<u>2,874,384</u>	<u>468,547</u>	<u>182,827</u>	<u>5,087,276</u>
<u>Fund balance at beginning of year</u>	<u>5,712,857</u>	<u>4,973,418</u>	<u>2,152,984</u>	<u>331,234</u>	<u>13,170,493</u>
<u>Fund balance at end of year</u>	<u>\$ 7,274,375</u>	<u>\$ 7,847,802</u>	<u>\$ 2,621,531</u>	<u>\$ 514,061</u>	<u>\$ 18,257,769</u>

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, 2013

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

Total net change in fund balance - governmental funds. \$ 5,087,276

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 Position 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	\$ 3,185,816	
Depreciation expense	<u>(5,312,388)</u>	(2,126,572)

The repayment of bonded principal is 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 Position and do not affect the Statement of Activities. 280,000

Transfers of capital improvements to other entities decrease net position in the statement of activities. This transaction is not reported as an expenditures in governmental funds as it does not use current financial resources (2,408,601)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This includes the accretion of bond premium and the amortization of the deferred loss on refunding. (21,191)

Decrease in accrued interest payable reflected against an expense on the Statement of Activities and not reflected as an expense on the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances. 512

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. (29,527)

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. 106,734

Change in net position of governmental activities \$ 888,631

TOWN OF **WINDSOR**, COLORADO
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2013

	Business-Type Activities - Enterprise Funds					Governmental Activities
	Water	Sewer	Storm Drainage	Non-potable Water (Nonmajor)	Total	Internal Service Funds
ASSETS						
Current assets						
Cash and cash equivalents	\$ 4,582,718	\$ 2,995,208	\$ 420,050	\$ -	\$ 7,997,976	\$ -
Equity in pooled cash and cash equivalents	-	-	-	257,571	257,571	584,066
Investments	19,335,774	-	-	-	19,335,774	-
Interfund receivable	1,070,356	4,265,963	1,926,089	-	7,262,408	-
Intergovernmental receivable	-	270,914	-	-	270,914	-
Accounts receivable	289,693	115,971	40,608	-	446,272	-
Accrued interest receivable	15,114	2,035	-	-	17,149	-
Total current assets	25,293,655	7,650,091	2,386,747	257,571	35,588,064	584,066
Noncurrent assets						
Restricted cash and investments	-	-	-	-	-	145,503
Capital assets:						
Land	99,555	84,083	9,000	-	192,638	157,853
Water rights	18,272,820	-	-	-	18,272,820	-
Utility system	26,090,428	35,531,703	16,186,242	5,421,755	83,230,128	-
Buildings and improvements	163,319	887,725	-	-	1,051,044	4,994,533
Machinery and equipment	755,066	936,763	46,382	-	1,738,211	3,739,076
Construction in progress	894,719	37,013	205,497	19,999	1,157,228	-
Less: accumulated depreciation	(7,751,146)	(10,886,563)	(3,038,303)	(54,553)	(21,730,565)	(2,698,353)
Total capital assets, net	38,524,761	26,590,724	13,408,818	5,387,201	83,911,504	6,193,109
Total noncurrent assets	38,524,761	26,590,724	13,408,818	5,387,201	83,911,504	6,338,612
Total assets	63,818,416	34,240,815	15,795,565	5,644,772	119,499,568	6,922,678
LIABILITIES						
Current liabilities						
Interfund payable	9,628,845	-	-	535,041	10,163,886	2,378,528
Accounts payable	10,602	79,030	1,646	65	91,343	18,715
Accrued liabilities	7,502	9,446	2,485	33,240	52,673	28,827
Loans payable - current	-	178,425	-	112,403	290,828	37,086
Total current liabilities	9,646,949	266,901	4,131	680,749	10,598,730	2,463,156
Noncurrent liabilities						
Accrued compensated absences	29,614	29,470	2,986	-	62,070	27,969
Loans payable	-	2,575,268	-	3,643,847	6,219,115	2,859,635
Total noncurrent liabilities	29,614	2,604,738	2,986	3,643,847	6,281,185	2,887,604
Total liabilities	9,676,563	2,871,639	7,117	4,324,596	16,879,915	5,350,760
NET POSITION						
Net investment in capital assets	38,524,761	23,837,031	13,408,818	1,630,951	77,401,561	3,296,388
Restricted for operations and maintenance	-	1,250,000	-	-	1,250,000	-
Unrestricted	15,617,092	6,282,145	2,379,630	(310,775)	23,968,092	(1,724,470)
Total net position	\$54,141,853	\$31,369,176	\$15,788,448	\$ 1,320,176	102,619,653	\$ 1,571,918

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

Cumulative portion of internal service funds net operating income attributed to business-type activities	167,756
	<u>\$102,787,409</u>

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

TOWN OF **WINDSOR**, COLORADO
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
December 31, 2013

	Business-Type Activities - Enterprise Funds					Governmental
					Total	Activities
	Water	Sewer	Storm Drainage	Non-potable Water (Nonmajor)		Internal Service Funds
<u>Operating revenues</u>						
Charges for services	\$ 3,163,708	\$ 1,733,970	\$ 329,018	\$ 134,290	\$ 5,360,986	\$ 2,299,677
Insurance recoveries	-	-	-	-	-	28,566
Gain on sale of capital assets	-	-	-	-	-	58,500
Miscellaneous	364,702	21,755	-	431,097	817,554	-
<u>Total operating revenues</u>	<u>3,528,410</u>	<u>1,755,725</u>	<u>329,018</u>	<u>565,387</u>	<u>6,178,540</u>	<u>2,386,743</u>
<u>Operating expenses</u>						
Wages and benefits	193,515	248,324	78,249	-	520,088	751,648
Operating costs	2,248,691	584,992	199,720	108,764	3,142,167	900,211
Depreciation	517,251	1,269,270	326,692	17,745	2,130,958	706,077
<u>Total operating expenses</u>	<u>2,959,457</u>	<u>2,102,586</u>	<u>604,661</u>	<u>126,509</u>	<u>5,793,213</u>	<u>2,357,936</u>
<u>Operating income (loss)</u>	<u>568,953</u>	<u>(346,861)</u>	<u>(275,643)</u>	<u>438,878</u>	<u>385,327</u>	<u>28,807</u>
<u>Nonoperating revenues (expenses)</u>						
Earnings on investments	252,396	10,173	628	-	263,197	15
Other income	-	31,500	-	-	31,500	-
Interest expense	-	(54,703)	-	(197,023)	(251,726)	(109,357)
<u>Total nonoperating revenues (expenses)</u>	<u>252,396</u>	<u>(13,030)</u>	<u>628</u>	<u>(197,023)</u>	<u>42,971</u>	<u>(109,342)</u>
<u>Income (loss) before contributions and transfers</u>	<u>821,349</u>	<u>(359,891)</u>	<u>(275,015)</u>	<u>241,855</u>	<u>428,298</u>	<u>(80,535)</u>
Capital contributions	1,925,752	872,821	730,475	-	3,529,048	-
Grants	-	-	-	50,000	50,000	-
Transfers in	62,653	-	-	303,972	366,625	151,080
Transfers out	(552,640)	(190,640)	(151,986)	(30,000)	(925,266)	(6,000)
<u>Change in net position</u>	<u>2,257,114</u>	<u>322,290</u>	<u>303,474</u>	<u>565,827</u>	<u>3,448,705</u>	<u>64,545</u>
<u>Net position at beginning of year</u>	<u>51,884,739</u>	<u>31,046,886</u>	<u>15,484,974</u>	<u>754,349</u>		<u>1,507,373</u>
<u>Net position at end of year</u>	<u>\$ 54,141,853</u>	<u>\$ 31,369,176</u>	<u>\$ 15,788,448</u>	<u>\$ 1,320,176</u>		<u>\$ 1,571,918</u>

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	(6,466)
	<u>\$3,442,239</u>

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, 2013

	Business-Type Activities - Enterprise Funds					Governmental
	Water	Sewer	Storm Drainage	Non-potable	Total	Internal Service Funds
				Water (Nonmajor)		
<u>Cash flows from operating activities</u>						
Cash received from customers	\$ 3,672,075	\$ 1,838,772	\$ 335,138	\$ 565,387	\$ 6,411,372	\$ 2,328,662
Cash payments to suppliers	(2,685,659)	(519,099)	(199,631)	(108,699)	(3,513,088)	(891,347)
Cash payments to employees	(193,037)	(247,093)	(77,960)	-	(518,090)	(759,538)
<u>Net cash flows from operating activities</u>	793,379	1,072,580	57,547	456,688	2,380,194	677,777
<u>Cash flows from non-capital financing activities</u>						
Other income	-	31,500	-	-	31,500	-
Change in interfund payable	5,889,741	-	-	(53,839)	5,835,902	-
Change in interfund receivable	179,644	(3,755,230)	(1,337,209)	-	(4,912,795)	-
Transfers from other funds	62,653	-	-	303,972	366,625	151,080
Transfers to other funds	(552,640)	(190,640)	(151,986)	(30,000)	(925,266)	(6,000)
<u>Net cash flows from non-capital financing activities</u>	5,579,398	(3,914,370)	(1,489,195)	220,133	395,966	145,080
<u>Cash flows from capital and related financing activities</u>						
Capital grants and contributions	779,352	635,408	676,681	50,000	2,141,441	-
Principal paid on debt	-	(178,425)	-	(106,950)	(285,375)	(35,723)
Interest paid on debt	-	(54,703)	-	(197,023)	(251,726)	(109,357)
Proceeds from loan	-	3,110,543	-	-	3,110,543	58,500
Proceeds from sale of capital assets	-	-	-	-	-	-
Acquisition of capital assets	(171,325)	(677,328)	(42,771)	(165,277)	(1,056,701)	(505,825)
<u>Net cash flows from capital and related financing activities</u>	608,027	2,835,495	633,910	(419,250)	3,658,182	(592,405)
<u>Cash flows from investing activities</u>						
Proceeds from sales of investments	2,510,135	-	-	-	2,510,135	-
Purchases of investments	(9,357,671)	-	-	-	(9,357,671)	-
Net change in restricted cash	-	-	-	-	-	(15)
Earnings on investments	226,049	10,173	628	-	236,850	15
<u>Net cash flows from investing activities</u>	(6,621,487)	10,173	628	-	(6,610,686)	-
<u>Net change in cash and cash equivalents</u>	359,317	3,878	(797,110)	257,571	(176,344)	230,452
<u>Cash and cash equivalents at beginning of year</u>	4,223,401	2,991,330	1,217,160	-	8,431,891	353,614
<u>Cash and cash equivalents at end of year</u>	\$ 4,582,718	\$ 2,995,208	\$ 420,050	\$ 257,571	\$ 8,255,547	\$ 584,066
<u>Reconciliation of operating income (loss) to net cash flows from operating activities</u>						
Operating income (loss)	\$ 568,953	\$ (346,861)	\$ (275,643)	\$ 438,878	\$ 385,327	\$ 28,807
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:						
Depreciation expense	517,251	1,269,270	326,692	17,745	2,130,958	706,077
Gain on disposition of capital assets	-	-	-	-	-	(58,500)
Changes in operating assets and liabilities:						
Accounts receivable	143,665	83,047	6,120	-	232,832	419
Accounts payable and accrued expenses	(436,490)	67,124	378	65	(368,923)	974
<u>Net cash flows from operating activities</u>	\$ 793,379	\$ 1,072,580	\$ 57,547	\$ 456,688	\$ 2,380,194	\$ 677,777
<u>Non-cash investing, capital and financing activities</u>						
Contributed capital assets	\$ 1,146,400	\$ 237,413	\$ 53,794	\$ -	\$ 1,437,607	\$ -

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

TOWN OF **WINDSOR**, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2013

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.

As defined by GAAP established by the GASB, the financial reporting entity consists of the primary government, as well as component units, which are legally separate organizations for which elected officials of the primary government are financially accountable. Financial accountability is defined as:

- 1) Appointment of a voting majority of the component unit’s governing board, and either, a) the ability to impose its will by the primary government, or b) there is a potential for the component unit to provide specific financial benefits to, or impose specific financial burdens on, the primary government; or
- 2) Fiscal dependency on the primary government and there is a potential for the organization to provide specific benefits to, or impose specific financial burdens on the primary government regardless of whether the organization has (1) a separately elected governing board, (2) a governing board appointed by a higher level of government or (3) a jointly appointed board.

Based on the application of these criteria, the following component units are included in the Town’s reporting entity.

Discretely Presented Component Unit

The Windsor Downtown Development Authority (“DDA”) was formed in January 2011 by a vote of the downtown business and property owners, and officially approved and adopted as an organization by the Town Board on February 28, 2011. Comprised of a seven member board of directors plus a representative from the Town Board, the DDA is dedicated to revitalizing downtown Windsor while preserving the history and heritage of this thriving community. In November 2011, the Town entered into an intergovernmental agreement with the DDA to provide funding through 2016 from sales tax revenue generated within the DDA boundaries. Separate financial statements are not issued for the DDA.

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, 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. Separate financial statements are not issued for the Authority.

TOWN OF **WINDSOR**, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2013

Note 1 - Summary of Significant Accounting Policies (Continued)

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 Position, 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.

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. Cost reimbursement grant revenues are considered to be available at the point the expenditure is incurred. 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:

TOWN OF **WINDSOR**, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2013

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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.

Park Improvement Fund - This major fund is a special revenue fund type which is established to account for park fees and other earmarked revenue sources which finance park improvements in the Town.

The other governmental fund is the Conservation Trust Fund, a nonmajor special revenue fund established to account for revenues derived from 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 position, financial position and cash flows and are classified as enterprise funds or 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.

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, Information Technology Fund, Facility Service Fund, and the Windsor Building Authority.

There are no fiduciary funds included in this report.

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 capital assets are budgeted as capital outlay expenses in the proprietary funds.

TOWN OF **WINDSOR**, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2013

Note 1 - Summary of Significant Accounting Policies (Continued)

Budgets and Budgetary Accounting (Continued)

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.

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, 2013:

	Original Budget	Total Revisions	Revised Budget
<u>Governmental funds:</u>			
General fund	\$ 13,008,269	\$ -	\$ 13,008,269
<u>Special revenue funds:</u>			
Park improvement fund	1,249,677	-	1,249,677
Conservation trust fund	384,000	-	384,000
<u>Capital projects funds:</u>			
Capital improvements fund	5,080,214	581,703	5,661,917
<u>Business-type funds:</u>			
Water fund	5,373,675	1,146,400	6,520,075
Sewer fund	2,025,851	237,413	2,263,264
Storm drainage fund	1,262,995	53,794	1,316,789
Non-potable water fund	768,480	-	768,480
<u>Internal service funds:</u>			
Fleet management fund	1,098,217	-	1,098,217
Information technology fund	712,120	-	712,120
Windsor building authority	145,080	-	145,080
Facility service fund	545,571	-	545,571
Total funds	\$ 31,654,149	\$ 2,019,310	\$ 33,673,459

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" in the financial statements. Investments of the Town's cash management pool and investments with an original maturity of three months or less at the time they are purchased by the Town 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.

TOWN OF **WINDSOR**, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2013

Note 1 - Summary of Significant Accounting Policies (Continued)

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 Position and, classified as interfund receivables or interfund payables on the Balance Sheet (see Note 4).

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:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-type Activities Estimated Lives</u>
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. The Town did not capitalize any interest during the year ended December 31, 2013.

Impairment of Capital Assets

GASB Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries*, 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, 2013.

TOWN OF **WINDSOR**, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2013

Note 1 - Summary of Significant Accounting Policies (Continued)

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.

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, payments 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

In the fund financial statements, fund balances of governmental funds are as follows:

Nonspendable – amounts that cannot be spent either because they are not in spendable form or because they are legally or contractually required to be maintained intact.

Restricted – amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements or enabling legislation or because of constraints that are externally imposed by creditors, grantors, or the laws or regulations of other governments.

Committed – amounts that can be used only for specific purposes determined by a formal action of the Town Board (the “Board”). The Board is the highest level of decision making authority for the Town. Commitments may be established, modified, or rescinded only through resolutions approved by the Board.

Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. The Board has authority to assign amounts for specific purposes. Assignments may be established, modified, or rescinded only through resolutions approved by the Board.

Unassigned – all other spendable amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, it is the Town’s policy to use restricted funds first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Town considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Town has provided otherwise in its commitment or assignment actions.

TOWN OF **WINDSOR**, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2013

Note 1 - Summary of Significant Accounting Policies (Continued)

Net Position

Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net investment in capital assets consists 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 position is 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 resources 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 (See Note 4).

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. There were no extraordinary or special items during 2013.

Accounting Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

TOWN OF **WINDSOR**, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2013

Note 2 - Cash, Cash Equivalents and Investments

The composition of the Town's cash, cash equivalents and investments, including restricted cash and investments, on December 31, 2013, is as follows:

Cash, Cash Equivalents and Investments	Fair Value	Average Maturity Date (in days)	Concentration of Credit Risk
Cash on hand	\$ 3,125	-	N/A
Cash held by County Treasurer	63,057	-	N/A
Cash in financial institution	3,665,952	-	N/A
Certificates of deposit	6,738,980	594	18.2%
U.S. Treasury notes	123,632	912	0.3%
FHLMC	5,026,294	1,476	13.6%
FNMA	12,115,367	713	32.9%
Other U.S. instrumentalities	1,611,379	2,895	4.4%
Municipal bonds	1,897,063	775	5.1%
Corporate securities	687,524	1,040	1.9%
COLOTRUST	6,214,304	N/A	16.7%
CSAFE	2,553,682	N/A	6.9%
Total cash, cash equivalents and investments	\$40,700,359		

Cash, Cash Equivalents and Investments	S&P Rating	Moody Rating
FHLMC	NR to AA+	NR to Aaa
FNMA	NR to AA+	NR to Aaa
Other U.S. instrumentalities	NR to AA+	NR to Aaa
Municipal bonds	AA- to AAA	Aa1 to Aa3
Other municipal bonds	AA- to AA	Aa2
Corporate securities	AA+ to AAA	Aaa
Other corporate securities	NR	NR
COLOTRUST	AAA m	N/A
CSAFE	AAA m	N/A
US Treasury Notes	NR	Aaa

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

Cash and cash equivalents	\$ 11,065,345
Equity in pooled cash and cash equivalents	841,637
Investments	28,497,466
Restricted cash and cash equivalents	145,503
Cash and cash equivalents - component unit	150,408
Total cash, cash equivalents and investments	\$ 40,700,359

TOWN OF **WINDSOR**, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2013

Note 2 - Cash, Cash Equivalents and Investments (Continued)

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, 2013 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, 2013, the Town had no investments exposed to custodial credit risk outside of its investments in the Colorado Secure Assets Fund and COLOTRUST discussed below.

Credit Risk - Investments

State statutes 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.

Local Government Investment Pools

At December 31, 2013, the Town had invested \$8,767,986 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 AAAM by Standard & Poor'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, 2013 is 1.66% and the weighted average remaining term of investments is approximately 1,562 days.

TOWN OF **WINDSOR**, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2013

Note 3 - Receivables

Receivables at December 31, 2013, consist of the following:

<u>Receivables</u>	Capital			Total
	General	Projects	Enterprise	
Taxes	\$ 4,158,556	\$ -	\$ -	\$ 4,158,556
Trade accounts	1,113,657	-	446,272	1,559,929
Intergovernmental	70,010	362,556	270,914	703,480
Other	74,756	-	17,149	91,905
<u>Total</u>	<u>\$ 5,416,979</u>	<u>\$ 362,556</u>	<u>\$ 734,335</u>	<u>\$ 6,513,870</u>

Note 4 - Interfund Transfers and Balances Receivable/Payable

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.

The following table summarizes interfund transfers for the year ended December 31, 2013:

	Transfers Out						Total
	Capital Improvement Fund	Park Improvement Fund	Water Fund	Sewer Fund	Storm Drainage	Non-potable Water	
Transfers in:							
Governmental funds:							
General	\$ -	\$ 24,246	\$ 400,654	\$ 190,640	\$ -	\$ 30,000	\$ 645,540
Total governmental funds:	-	24,246	400,654	190,640	-	30,000	645,540
Proprietary funds:							
Enterprise funds:							
Water	62,653	-	-	-	-	-	62,653
Non-potable Water	-	-	151,986	-	151,986	-	303,972
Internal service funds	145,080	-	-	-	-	-	145,080
Total proprietary funds	207,733	-	151,986	-	151,986	-	511,705
Total transfers	<u>\$ 207,733</u>	<u>\$ 24,246</u>	<u>\$ 552,640</u>	<u>\$ 190,640</u>	<u>\$ 151,986</u>	<u>\$ 30,000</u>	<u>\$ 1,157,245</u>

TOWN OF **WINDSOR**, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2013

Note 4 - Interfund Transfers and Balances Receivable/Payable (Continued)

The Town's interfund receivables and payables at December 31, 2013 (at the fund level) are shown below. These amounts represent short-term receivables and payables. The balances result from (1) the need to cover the temporary negative cash positions in individual funds and (2) to record a loan from the Water Fund to the Capital Improvement Fund for the interchange improvement project at I-25 and State Highway 392. The loan is to be repaid over 20 years at .467% interest and has a balance at December 31, 2013 of \$1,070,356.

Receivable Fund	Payable Fund	Amount
Sewer Fund	Water Fund	\$ 4,265,963
Storm Drainage Fund	Water Fund	1,391,048
General Fund	Water Fund	2,641,544
Capital Improvement Fund	Water Fund	705,573
Conservation Trust Fund	Water Fund	431,232
Park Improvement Fund	Water Fund	193,485
Storm Drainage Fund	Nonpotable Fund	535,041
Water Fund	Capital Improvement Fund	1,070,356
Park Improvement Fund	Internal Service Funds	2,378,528
		\$ 13,612,770

Note 5 - Capital Assets

Capital asset activity for the year ended December 31, 2013 for governmental activities was as follows:

	Beginning Balance	Increases	(Decreases) Transfers	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land and water rights	\$ 2,294,920	\$ 6,935	\$ -	\$ 2,301,855
Construction in progress	2,342,531	1,933,304	(3,415,481)	860,354
Total capital assets, not being depreciated	4,637,451	1,940,239	(3,415,481)	3,162,209
Capital assets, being depreciated:				
Site improvements	10,593,314	77,842	-	10,671,156
Buildings and improvements	20,346,757	-	-	20,346,757
Streets and improvements	68,829,807	844,836	-	69,674,643
Parks and improvements	11,937,993	1,291,778	-	13,229,771
Machinery and equipment	8,334,309	533,455	(232,516)	8,635,248
Furniture and fixtures	481,582	10,371	-	491,953
Total capital assets, being depreciated	120,523,762	2,758,282	(232,516)	123,049,528

TOWN OF **WINDSOR**, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2013

Note 5 - Capital Assets (Continued)

	Ending Balance	Increases	(Decreases) Transfers	Ending Balance
Less accumulated depreciation for:				
Site improvements	(2,800,597)	(527,725)	-	(3,328,322)
Buildings and improvements	(7,498,253)	(838,507)	-	(8,336,760)
Streets and improvements	(25,983,506)	(3,482,883)	-	(29,466,389)
Parks and improvements	(5,043,594)	(614,152)	-	(5,657,746)
Machinery and equipment	(5,672,294)	(527,305)	232,516	(5,967,083)
Furniture and fixtures	(387,217)	(27,893)	-	(415,110)
Total accumulated depreciation	(47,385,461)	(6,018,465)	232,516	(53,171,410)
Total capital assets, being depreciated, net	73,138,301	(3,260,183)	-	69,878,118
Governmental activities capital assets, net	\$ 77,775,752	\$ (1,319,944)	\$ (3,415,481)	\$ 73,040,327

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

Governmental Activities:

General government	\$ 531,240
Public safety	265,619
Public works	3,453,052
Parks and recreation	796,858
Community development	265,619
Capital assets held by internal service funds are charged to the various functions based on usage	706,077
Total depreciation expense - governmental activities	\$ 6,018,465

TOWN OF **WINDSOR**, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2013

Note 5 - Capital Assets (Continued)

Capital asset activity for the year ended December 31, 2013 for business-type activities was as follows:

	Beginning Balance	Increases	(Decreases) Transfers	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Construction in progress	\$ 6,305,110	\$ 182,815	\$ (5,330,697)	\$ 1,157,228
Land and water rights	17,533,958	931,500	-	18,465,458
Total capital assets, not being depreciated	23,839,068	1,114,315	(5,330,697)	19,622,686
Capital assets, being depreciated:				
Utility systems and equipment	79,332,353	6,710,690	(23,660)	86,019,383
	79,332,353	6,710,690	(23,660)	86,019,383
Less accumulated depreciation for:				
Utility systems and equipment	(19,623,267)	(2,130,958)	23,660	(21,730,565)
Total accumulated depreciation	(19,623,267)	(2,130,958)	23,660	(21,730,565)
Total capital assets, being depreciated, net	59,709,086	4,579,732	-	64,288,818
Business-type activities capital assets, net	\$ 83,548,154	\$ 5,694,047	\$ (5,330,697)	\$ 83,911,504

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

Business-type activities:	
Water	\$ 517,251
Sewer	1,269,270
Storm drainage	326,692
Non-potable water	17,745
Total depreciation expense - business-type activities	\$ 2,130,958

Capital asset activity for the Downtown Development Authority, the discretely presented component unit, as of December 31, 2013, is as follows:

	Beginning Balance	Increases	(Decreases)	Ending Balance
Land	\$ 93,349	\$ 116,335	\$ -	\$ 209,684
Site improvements	31,625	-	-	31,625
Total accumulated depreciation	-	(791)	-	(791)
Discretely presented component unit capital assets	\$ 124,974	\$ 115,544	\$ -	\$ 240,518

The Downtown Development Authority charged depreciation expense of \$791 as of December 31, 2013.

TOWN OF **WINDSOR**, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2013

Note 6 - Long-Term Debt

Governmental Activities

Revenue Bonds

On January 24, 2012, the Town issued \$3,705,000 in sales and use tax refunding revenue bonds and defeased the 2002 revenue bonds by placing the proceeds of the new bonds totaling \$3,787,760 (after payment of \$107,184 in underwriting fees, insurance and other issuance costs), in an irrevocable trust to provide for all future debt payments of the old bonds. Accordingly, the trust assets and the liability for the defeased debt are not included in the Town's financial statements.

The 2012 sales and use tax refunding revenue bonds are due serially on December 1, with interest from 2.0% to 3.0% payable semiannually; these bonds mature on December 1, 2023.

USDA Community Facilities Fund

In 2010, the Authority entered into a Letter of Conditions with the United States Department of Agriculture ("USDA"), whereby the Construction Loan entered into in previous years was fully repaid 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 Term Loan matures on December 17, 2050. The principal balance due as of December 31, 2013 is \$2,896,721.

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

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due in One Year
USDA Community Facilities Loan	\$ 2,932,444	\$ -	\$ (35,723)	\$ 2,896,721	\$ 37,086
Refunding sales and use tax bonds	3,415,000	-	(280,000)	3,135,000	280,000
Bond premium	189,944	-	(49,325)	140,619	-
Compensated absences	468,805	303,130	(276,365)	495,570	375,204
Total long-term debt	\$ 7,006,193	\$ 303,130	\$ (641,413)	\$ 6,667,910	\$ 692,290

Compensated absences for governmental activities have typically been liquidated in the General Fund.

TOWN OF **WINDSOR**, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2013

Note 6 - Long-Term Debt (Continued)

The annual requirements to amortize governmental activities debt outstanding as of December 31, 2013, are as follows:

Year Ending December 31	Principal	Interest	Total
2014	\$ 317,086	\$ 194,669	\$ 511,755
2015	338,501	187,654	526,155
2016	339,970	177,185	517,155
2017	351,495	168,910	520,405
2018	368,078	160,352	528,430
2019 - 2023	1,861,332	622,068	2,483,400
2024 - 2028	291,016	434,384	725,400
2029 - 2033	350,930	374,470	725,400
2034 - 2038	423,179	302,221	725,400
2039 - 2043	510,302	215,098	725,400
2044 - 2048	615,362	110,038	725,400
2049 - 2050	264,470	9,906	274,376
Total	\$ 6,031,721	\$ 2,956,955	\$ 8,988,676

Business-type Activities

Colorado Water Conservation Board (“CWCB”) Loan

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 CWCB accruing interest at 5.1% payable in equal annual combined installments of \$303,972, with a maturity date of November 1, 2033.

Water Pollution Control Revolving Loan

In November 2011, the Town entered into a loan agreement (the “Agreement”) with the Colorado Water Resource and Power Development Authority (“CWR&PDA”) for a principal amount of \$2,615,000, plus a premium of \$495,543 for total proceeds of \$3,110,543. The loan accrues at interest at 1.94% and is payable in semi-annual principal and interest payments, beginning on February 1, 2013 with a maturity date of August 1, 2027. The loan is secured by the net revenues of the ownership and operation of the sanitary sewer collection and treatment system, as defined within the Agreement. The loan was entered into during 2011 and was recorded as a loan proceeds receivable in prior years as the Town had not drawn down any of the proceeds. During 2013, the Town drew down and received the proceeds from this loan.

TOWN OF **WINDSOR**, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2013

Note 6 - Long-Term Debt (Continued)

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
CWCB loan	\$ 3,863,200	\$ -	\$ (106,950)	\$ 3,756,250	\$ 112,403
CWR&PDA Loan	2,932,118	-	(178,425)	2,753,693	178,425
Compensated absences	60,072	37,467	(35,469)	62,070	34,979
Total long-term debt	\$ 6,855,390	\$ 37,467	\$ (320,844)	\$ 6,572,013	\$ 325,807

The annual requirements to amortize all business-type activities debt outstanding as of December 31, 2013, are as follows:

Year Ending December 31	Principal	Interest	Total
2014	\$ 290,828	\$ 243,567	\$ 534,395
2015	302,509	233,859	536,368
2016	314,481	224,080	538,561
2017	320,813	214,343	535,156
2018	327,469	204,738	532,207
2019 - 2023	1,785,358	885,865	2,671,223
2024 - 2028	1,856,076	572,257	2,428,333
2029 - 2033	1,312,409	207,451	1,519,860
Total	\$ 6,509,943	\$ 2,786,160	\$ 9,296,103

Note 7 - Employees' Retirement Plans

Defined Contribution Plan - The Town contributes to a single-employer defined contribution money purchase pension plan (the "Employees' Retirement Plan") on behalf of its employees. The contribution requirements of Plan participants and the Town are established and may be amended by the Town Board. The Plan is administered by the ICMA Retirement Corporation ("ICMA-RC") and is a qualified Section 401(a) plan.

A defined contribution pension plan has terms that specify how contributions to an individual's account are to be determined rather than the amount of pension benefits the individual is to receive. In a defined contribution plan, the pension benefits a participant will receive depend only on the amount contributed to the plan plus earnings on investments of those contributions.

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's 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 Employees' account for a total Town contribution of 5%.

TOWN OF **WINDSOR**, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2013

Note 7 - Employees' Retirement Plans (Continued)

As of December 31, 2013, there were 88 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
2013	\$ 6,287,719	\$ 6,028,553	\$ 234,779
2012	6,135,644	5,881,268	236,343
2011	6,003,281	5,644,106	232,220

Defined Benefit Police Pension Plan - The Town contributes to the FPPA Social Security Supplemental Retirement Plan, a cost-sharing multiple-employer defined benefit plan administered by the Colorado Fire and Police Pension Association ("FPPA"). The Social Security Supplemental Retirement Plan provides retirement benefits for members and beneficiaries. All sworn police officers of the Town are members of the Social Security Supplemental Retirement Plan. Title 31, Article 30 of the Colorado Revised Statutes ("CRS"), as amended, assigns the authority to establish benefit provisions to the state legislature.

FPPA issues a publicly available Comprehensive Annual Financial Report that includes financial statements and required supplementary information for the FPPA Social Security Supplemental Retirement Plan. That report may be obtained by writing to FPPA of Colorado, 5290 DTC Parkway, Suite 100, Englewood, Colorado or by calling FPPA at (303) 770-3772 in the Denver Metro area, or (800) 332-3772 from outside the metro area.

Plan members and the Town are required to contribute at a rate set by State statute. The contribution rate for members is 4.0% of covered salary and for the Town is 4.0% of covered salary. There were 21 sworn officers participating as of December 31, 2013. The following table shows payroll and contribution related data for the years ending December, 31:

Year	Total Covered Payroll	Town Contribution	Contribution Percentage
2013	\$ 1,316,885	\$ 52,675	4.0%
2012	1,243,925	49,757	4.0%
2011	1,159,875	46,395	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 8 - 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.

TOWN OF **WINDSOR**, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2013

Note 8 – Contingency (Continued)

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 9 – 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.

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 received payments of \$50,000, principal and interest, on March 1, 2011 and 2012. Due to the uncertainty surrounding the collection of this amount, the Town has historically recognized amounts as payments were made over the years. The remaining balance of approximately \$431,000, including principal and interest, was paid during 2013 and was recorded as miscellaneous revenue. There are no additional amounts due as of December 31, 2013.

Note 10 - 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 2013 contributions were \$179,415 and \$165,531 and share of equity at December 31, 2013, amounted to approximately \$297,239 and \$129,254 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 or fringe benefit increase. These reserves are required to be 3% or more of fiscal year spending (excluding bonded debt service). The Town has restricted \$621,484 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.

TOWN OF **WINDSOR**, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2013

Note 11 - Taxes, Spending, and Debt Limitations (Continued)

The Town believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of its provisions will require Judicial interpretation.

Note 12 - Commitments

The Town has contractual commitments and estimated costs to complete construction projects in progress totaling approximately \$1.8 million for the I-25/SH392 Intersection improvement, 3-million gallon water tank project, and WCR 21 Bridge reconstruction.

Note 13 – Violation of State Statutes

During the year ended December 31, 2013, expenditures exceeded budget appropriations by \$72,705 in the Facility Services Fund, which may be in violation of state statutes.

Note 14 - Subsequent Events

Management of the Town has evaluated subsequent events through June 23, 2014, 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, other than those described below, were identified.

In March 2014, the Town was awarded a loan totaling \$4,545,000 from the Colorado Water Conservation Board for the Kyger Reservoir Project which will provide the Town with new water storage to help meet current and future water supply needs.

REQUIRED SUPPLEMENTARY INFORMATION
GENERAL FUND AND PARK IMPROVEMENT FUND BUDGETARY COMPARISON
SCHEDULE

This financial statement presents budget and actual comparisons for the Town's General and Park Improvement Funds.



TOWN OF **WINDSOR**, COLORADO
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes and assessments	\$ 9,272,623	\$ 9,272,623	\$ 10,487,268	\$ 1,214,645
Licenses and permits	282,491	282,491	463,657	181,166
Intergovernmental	944,390	944,390	922,591	(21,799)
Grants and contributions	310,000	310,000	311,097	1,097
Charges for services	1,026,714	1,026,714	1,100,217	73,503
Fines and forfeitures	151,785	151,785	184,444	32,659
Earnings on investments	46,255	46,255	86,362	40,107
Miscellaneous	94,263	94,263	117,533	23,270
Total revenues	12,128,521	12,128,521	13,673,169	1,544,648
Expenditures				
General government				
Legislative	470,308	470,308	413,446	56,862
Judicial	19,659	19,659	17,227	2,432
Administrative and finance	2,602,268	2,602,268	1,194,814	1,407,454
Town clerk	527,426	527,426	534,837	(7,411)
Public safety	2,685,654	2,685,654	2,661,338	24,316
Public works				
Streets and alleys	949,735	949,735	969,365	(19,630)
Administration	465,581	465,581	418,951	46,630
Cemetery	112,878	112,878	106,365	6,513
Engineering	600,833	600,833	591,997	8,836
Parks and recreation	3,643,309	3,643,309	4,350,281	(706,972)
Community development	542,533	542,533	1,118,673	(576,140)
Safety and loss control	15,510	15,510	7,422	8,088
Debt service	372,575	372,575	372,475	100
Total expenditures	13,008,269	13,008,269	12,757,191	251,078
Revenues over (under) expenditures	(879,748)	(879,748)	915,978	1,795,726
Other financing uses				
Transfers in	645,540	645,540	645,540	-
Total other financing uses	645,540	645,540	645,540	-
Net change in fund balances	\$ (234,208)	\$ (234,208)	1,561,518	\$ 1,795,726
Fund balance at beginning of year			5,712,857	
Fund balance at end of year			\$ 7,274,375	

See accompanying independent auditor's report.

TOWN OF **WINDSOR**, COLORADO
PARK IMPROVEMENT FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues</u>				
Charges for services	\$ 1,158,228	\$ 1,158,228	\$ 1,481,927	\$ 323,699
Intergovernmental	71,413	71,413	122,170	50,757
Earnings on investments	667	667	354	(313)
<u>Total revenues</u>	<u>1,230,308</u>	<u>1,230,308</u>	<u>1,604,451</u>	<u>374,143</u>
<u>Expenditures</u>				
Parks and recreation	10,000	10,000	5,000	5,000
Capital outlay	1,215,431	1,215,431	1,106,658	108,773
<u>Total expenditures</u>	<u>1,225,431</u>	<u>1,225,431</u>	<u>1,111,658</u>	<u>113,773</u>
<u>Revenues over expenditures</u>	4,877	4,877	492,793	487,916
Transfers out	(24,246)	(24,246)	(24,246)	-
<u>Net change in fund balance</u>	<u>\$ (19,369)</u>	<u>\$ (19,369)</u>	468,547	<u>\$ 487,916</u>
<u>Fund balance at beginning of year</u>			<u>2,152,984</u>	
<u>Fund balance at end of year</u>			<u>\$ 2,621,531</u>	

See accompanying independent auditor's report.

TOWN OF **WINDSOR**, COLORADO
GENERAL FUND AND PARK IMPROVEMENT FUND
NOTE TO BUDGETARY COMPARISON SCHEDULES
For the Year Ended December 31, 2013

Note 1 – Budgetary Information

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. Note 1 to the financial statements describes the budget process.

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 capital assets are budgeted as capital outlay expenses in the proprietary funds.

See accompanying independent auditor's report.

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OTHER SUPPLEMENTARY INFORMATION
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.

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TOWN OF **WINDSOR**, COLORADO
CAPITAL IMPROVEMENT FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues</u>				
Taxes and assessments	\$ 3,980,378	\$ 3,980,378	\$ 5,285,596	\$ 1,305,218
Intergovernmental	187,292	187,292	372,044	184,752
Grants and contributions	252,400	834,103	585,453	(248,650)
Earnings on investments	6,189	6,189	84,570	78,381
Miscellaneous	-	-	129,581	129,581
<u>Total revenues</u>	<u>4,426,259</u>	<u>5,007,962</u>	<u>6,457,244</u>	<u>1,449,282</u>
<u>Expenditures</u>				
Small equipment and maintenance	1,464,348	1,464,348	1,242,830	221,518
Capital outlay	3,158,541	3,740,244	2,132,297	1,607,947
Debt service	249,672	249,672	-	249,672
<u>Total expenditures</u>	<u>4,872,561</u>	<u>5,454,264</u>	<u>3,375,127</u>	<u>2,079,137</u>
<u>Revenues over (under) expenditures</u>	<u>(446,302)</u>	<u>(446,302)</u>	<u>3,082,117</u>	<u>3,528,419</u>
<u>Other financing uses</u>				
Transfers out	(207,653)	(207,653)	(207,733)	(80)
<u>Total other financing uses</u>	<u>(207,653)</u>	<u>(207,653)</u>	<u>(207,733)</u>	<u>(80)</u>
<u>Net change in fund balance</u>	<u>\$ (653,955)</u>	<u>\$ (653,955)</u>	<u>2,874,384</u>	<u>\$ 3,528,339</u>
<u>Fund balance at beginning of year</u>			<u>4,973,418</u>	
<u>Fund balance at end of year</u>			<u>\$ 7,847,802</u>	

See accompanying independent auditor's report.

TOWN OF **WINDSOR**, COLORADO
CONSERVATION TRUST FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues</u>				
Intergovernmental	\$ 165,424	\$ 165,424	\$ 208,280	\$ 42,856
Earnings on investments	152	152	113	(39)
<u>Total operating revenues</u>	165,576	165,576	208,393	42,817
<u>Expenditures</u>				
Small equipment and maintenance	10,000	10,000	9,000	1,000
Capital outlay	374,000	374,000	16,566	357,434
<u>Total operating expenditures</u>	384,000	384,000	25,566	358,434
<u>Net change in fund balance</u>	\$ (218,424)	\$ (218,424)	182,827	\$ 401,251
<u>Fund balance at beginning of year</u>			331,234	
<u>Fund balance at end of year</u>			\$ 514,061	

See accompanying independent auditor's report.

TOWN OF **WINDSOR**, COLORADO
WATER FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues</u>				
Charges for services	\$ 3,303,110	\$ 3,303,110	\$ 3,163,708	\$ (139,402)
Miscellaneous	321,221	321,221	364,702	43,481
<u>Total operating revenues</u>	<u>3,624,331</u>	<u>3,624,331</u>	<u>3,528,410</u>	<u>(95,921)</u>
<u>Budgetary expenditures</u>				
Wages and benefits	197,795	197,795	193,515	4,280
Operating costs	1,949,698	1,949,698	2,248,691	(298,993)
Capital outlay	2,673,542	3,819,942	171,325	3,648,617
<u>Total budgetary expenditures</u>	<u>4,821,035</u>	<u>5,967,435</u>	<u>2,613,531</u>	<u>3,353,904</u>
<u>Operating revenues over (under) budgetary expenditures</u>	<u>(1,196,704)</u>	<u>(2,343,104)</u>	<u>914,879</u>	<u>3,257,983</u>
<u>Nonoperating revenue</u>				
Earnings on investments	133,561	133,561	252,396	118,835
<u>Total nonoperating revenue</u>	<u>133,561</u>	<u>133,561</u>	<u>252,396</u>	<u>118,835</u>
<u>Income (loss) before contributions and transfers</u>	<u>(1,063,143)</u>	<u>(2,209,543)</u>	<u>1,167,275</u>	<u>3,376,818</u>
Transfers in	62,653	62,653	62,653	-
Transfers out	(552,640)	(552,640)	(552,640)	-
Grants and contributions	800,000	800,000	-	(800,000)
Contributed capital	794,471	1,940,871	1,925,752	(15,119)
<u>Income budgetary basis</u>	<u>\$ 41,341</u>	<u>\$ 41,341</u>	<u>2,603,040</u>	<u>\$ 2,561,699</u>
<u>Reconciliation to GAAP basis</u>				
Depreciation			(517,251)	
Capital outlay			171,325	
<u>Change in net position - GAAP basis</u>			<u>2,257,114</u>	
<u>Net position at beginning of year</u>			<u>51,884,739</u>	
<u>Net position at end of year</u>			<u>\$ 54,141,853</u>	

See accompanying independent auditor's report.

TOWN OF **WINDSOR**, COLORADO
SEWER FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2013

<u>Operating revenues</u>				
Charges for services	\$ 1,643,538	\$ 1,643,538	\$ 1,733,970	\$ 90,432
Miscellaneous	-	-	21,755	21,755
<u>Total operating revenues</u>	<u>1,643,538</u>	<u>1,643,538</u>	<u>1,755,725</u>	<u>112,187</u>
<u>Budgetary expenditures</u>				
Wages and benefits	246,135	246,135	248,324	(2,189)
Operating costs	568,698	568,698	584,992	(16,294)
Interest	54,703	54,703	54,703	-
Principal paid	178,425	178,425	178,425	-
Capital outlay	787,250	1,024,663	677,438	347,225
<u>Total budgetary expenditures</u>	<u>1,835,211</u>	<u>2,072,624</u>	<u>1,743,882</u>	<u>328,742</u>
<u>Operating revenues over (under) budgetary expenditures</u>	<u>(191,673)</u>	<u>(429,086)</u>	<u>11,843</u>	<u>440,929</u>
<u>Nonoperating revenues</u>				
Earnings on investments	6,724	6,724	10,173	3,449
Other income	35,070	35,070	31,500	(3,570)
<u>Total nonoperating revenues</u>	<u>41,794</u>	<u>41,794</u>	<u>41,673</u>	<u>(121)</u>
<u>Income (loss) before contributions and transfers</u>	<u>(149,879)</u>	<u>(387,292)</u>	<u>53,516</u>	<u>440,808</u>
Transfers out	(190,640)	(190,640)	(190,640)	-
Grants and contributions	252,000	252,000	-	(252,000)
Contributed capital	680,550	917,963	872,821	(45,142)
<u>Income budgetary basis</u>	<u>\$ 592,031</u>	<u>\$ 592,031</u>	<u>735,697</u>	<u>\$ 143,666</u>
<u>Reconciliation to GAAP basis</u>				
Depreciation			(1,269,270)	
Principal paid			178,425	
Capital outlay			677,438	
<u>Change in net position - GAAP basis</u>			<u>322,290</u>	
<u>Net position at beginning of year</u>			<u>31,046,886</u>	
<u>Net position at end of year</u>			<u>\$ 31,369,176</u>	

See accompanying independent auditor's report.

TOWN OF **WINDSOR**, COLORADO
STORM DRAINAGE FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Operating revenues</u>				
Charges for services	\$ 304,589	\$ 304,589	\$ 329,018	\$ 24,429
<u>Total operating revenues</u>	304,589	304,589	329,018	24,429
<u>Budgetary expenditures</u>				
Wages and benefits	77,428	77,428	78,249	(821)
Operating costs	177,581	177,581	199,720	(22,139)
Capital outlay	856,000	909,794	42,771	867,023
<u>Total budgetary expenditures</u>	1,111,009	1,164,803	320,740	844,063
<u>Operating revenues over (under) budgetary expenditures</u>	(806,420)	(860,214)	8,278	868,492
<u>Nonoperating revenue</u>				
Earnings on investments	-	-	628	628
<u>Total nonoperating revenue</u>	-	-	628	628
<u>Loss before transfers and contributions</u>	(806,420)	(860,214)	8,906	869,120
Transfers out	(151,986)	(151,986)	(151,986)	-
Contributed capital	1,098,616	1,152,410	730,475	(421,935)
<u>Income budgetary basis</u>	<u>\$ 140,210</u>	<u>\$ 140,210</u>	587,395	<u>\$ 447,185</u>
<u>Reconciliation to GAAP basis</u>				
Depreciation			(326,692)	
Capital outlay			42,771	
<u>Change in net position - GAAP basis</u>			303,474	
<u>Net position at beginning of year</u>			15,484,974	
<u>Net position at end of year</u>			<u>\$ 15,788,448</u>	

See accompanying independent auditor's report.

TOWN OF **WINDSOR**, COLORADO
NON-POTABLE WATER FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Operating revenues</u>				
Charges for services	\$ 219,700	\$ 219,700	\$ 134,290	\$ (85,410)
Miscellaneous	-	-	431,097	431,097
<u>Total operating revenues</u>	219,700	219,700	565,387	345,687
<u>Budgetary expenditures</u>				
Operating costs	53,808	53,808	108,764	(54,956)
Interest expense	197,023	197,023	197,023	-
Principal paid	106,949	106,949	106,950	(1)
Capital outlay	380,700	380,700	165,277	215,423
<u>Total budgetary expenditures</u>	738,480	738,480	578,014	160,466
<u>Income (loss) before contributions and transfers</u>	(518,780)	(518,780)	(12,627)	506,153
Transfers in	303,972	303,972	303,972	-
Transfers out	(30,000)	(30,000)	(30,000)	-
Grants and contributions	-	-	50,000	50,000
<u>Income (loss) budgetary basis</u>	<u>\$ (244,808)</u>	<u>\$ (244,808)</u>	311,345	<u>\$ 556,153</u>
<u>Reconciliation to GAAP basis</u>				
Depreciation expense			(17,745)	
Capital outlay			165,277	
Principal paid			106,950	
<u>Change in net position - GAAP basis</u>			565,827	
<u>Net position at beginning of year</u>			754,349	
<u>Net position at end of year</u>			<u>\$ 1,320,176</u>	

See accompanying independent auditor's report.

TOWN OF **WINDSOR**, COLORADO
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
December 31, 2013

	Information Technology Fund	Fleet Services Fund	Windsor Building Authority	Facility Services Fund	Total
ASSETS					
<u>Current assets</u>					
Equity in pooled cash and cash equivalents	\$ 159,918	\$ 389,610	\$ 25	\$ 34,513	\$ 584,066
<u>Total current assets</u>	159,918	389,610	25	34,513	584,066
<u>Noncurrent assets</u>					
Restricted cash and investments	-	-	145,503	-	145,503
Capital assets:					
Land	-	-	157,853	-	157,853
Buildings and improvements	6,924	-	4,987,609	-	4,994,533
Machinery and equipment	751,294	2,987,782	-	-	3,739,076
Less accumulated depreciation	(356,465)	(1,593,747)	(748,141)	-	(2,698,353)
Total capital assets, net	401,753	1,394,035	4,397,321	-	6,193,109
<u>Total noncurrent assets</u>	401,753	1,394,035	4,542,824	-	6,338,612
<u>Total assets</u>	561,671	1,783,645	4,542,849	34,513	6,922,678
LIABILITIES					
<u>Current liabilities</u>					
Interfund payable	-	-	2,378,528	-	2,378,528
Accounts payable	2,837	13,008	-	2,870	18,715
Accrued liabilities	8,602	7,276	-	12,949	28,827
Loan payable - current	-	-	37,086	-	37,086
<u>Total current liabilities</u>	11,439	20,284	2,415,614	15,819	2,463,156
<u>Noncurrent liabilities</u>					
Accrued compensated absences	8,460	8,426	-	11,083	27,969
Loan payable	-	-	2,859,635	-	2,859,635
<u>Total noncurrent liabilities</u>	8,460	8,426	2,859,635	11,083	2,887,604
<u>Total liabilities</u>	19,899	28,710	5,275,249	26,902	5,350,760
NET POSITION					
Net investment in capital assets	401,753	1,394,035	1,500,600	-	3,296,388
Unrestricted	140,019	360,900	(2,233,000)	7,611	(1,724,470)
<u>Total net position</u>	\$ 541,772	\$ 1,754,935	\$ (732,400)	\$ 7,611	\$ 1,571,918

See accompanying independent auditor's report.

TOWN OF **WINDSOR**, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
For the Year Ended December 31, 2013

	Information Technology Fund	Fleet Services Fund	Windsor Building Authority	Facility Services Fund	Total
<u>Operating revenues</u>					
Charges for services	\$ 719,908	\$ 1,023,896	\$ -	\$ 555,873	\$ 2,299,677
Insurance recoveries	-	28,566	-	-	28,566
Gain on sale of capital assets	-	58,500	-	-	58,500
<u>Total operating revenues</u>	<u>719,908</u>	<u>1,110,962</u>	<u>-</u>	<u>555,873</u>	<u>2,386,743</u>
<u>Operating expenses</u>					
Wages and benefits	206,404	202,986	-	342,258	751,648
Operating costs	376,337	253,851	5	270,018	900,211
Depreciation	78,418	433,105	194,554	-	706,077
<u>Total operating expenses</u>	<u>661,159</u>	<u>889,942</u>	<u>194,559</u>	<u>612,276</u>	<u>2,357,936</u>
<u>Operating income (loss)</u>	<u>58,749</u>	<u>221,020</u>	<u>(194,559)</u>	<u>(56,403)</u>	<u>28,807</u>
<u>Nonoperating revenue (expense)</u>					
Interest Expense	-	-	(109,357)	-	(109,357)
Earnings on investments	-	-	15	-	15
<u>Total nonoperating revenue (expense)</u>	<u>-</u>	<u>-</u>	<u>(109,342)</u>	<u>-</u>	<u>(109,342)</u>
<u>Income (loss) before transfers</u>	<u>58,749</u>	<u>221,020</u>	<u>(303,901)</u>	<u>(56,403)</u>	<u>(80,535)</u>
Transfers in	-	6,000	145,080	-	151,080
Transfers out	-	-	-	(6,000)	(6,000)
<u>Change in net position</u>	<u>58,749</u>	<u>227,020</u>	<u>(158,821)</u>	<u>(62,403)</u>	<u>64,545</u>
<u>Net position at beginning of year</u>	<u>483,023</u>	<u>1,527,915</u>	<u>(573,579)</u>	<u>70,014</u>	<u>1,507,373</u>
<u>Net position at end of year</u>	<u>\$ 541,772</u>	<u>\$ 1,754,935</u>	<u>\$ (732,400)</u>	<u>\$ 7,611</u>	<u>\$ 1,571,918</u>

See accompanying independent auditor's report.

TOWN OF **WINDSOR**, COLORADO
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended December 31, 2013

	Information Technology Fund	Fleet Services Fund	Windsor Building Authority	Facility Services Fund	Total
<u>Cash flows from operating activities</u>					
Cash received from customers	\$ 719,908	\$ 1,052,881	\$ -	\$ 555,873	\$ 2,328,662
Cash payments to suppliers	(386,342)	(242,507)	(5)	(262,493)	(891,347)
Cash payments to employees	(204,879)	(209,837)	-	(344,822)	(759,538)
Net cash flows from operating activities	128,687	600,537	(5)	(51,442)	677,777
<u>Cash flows from non-capital financing activities</u>					
Transfers from other funds	-	6,000	145,080	-	151,080
Transfer to other funds	-	-	-	(6,000)	(6,000)
Net cash flows from non-capital activities	-	6,000	145,080	(6,000)	145,080
<u>Cash flows from capital and related financing activities</u>					
Principal paid on debt	-	-	(35,723)	-	(35,723)
Interest paid on debt	-	-	(109,357)	-	(109,357)
Gain on sale of capital assets	-	58,500	-	-	58,500
Acquisition of capital assets	(100,042)	(405,783)	-	-	(505,825)
Net cash flows from capital and related financing activities	(100,042)	(347,283)	(145,080)	-	(592,405)
<u>Cash flows from investing activities</u>					
Net change in restricted cash and investments	-	-	(15)	-	(15)
Earnings on investments	-	-	15	-	15
Net cash flows from investing activities	-	-	-	-	-
Net change in cash and cash equivalents	28,645	259,254	(5)	(57,442)	230,452
Cash and cash equivalents at beginning of year	131,273	130,356	30	91,955	353,614
Cash and cash equivalents at end of year	\$ 159,918	\$ 389,610	\$ 25	\$ 34,513	\$ 584,066
<u>Reconciliation of operating income (loss) to net cash flows from operating activities</u>					
Operating income (loss)	\$ 58,749	\$ 221,020	\$ (194,559)	\$ (56,403)	\$ 28,807
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:					
Depreciation expense	78,418	433,105	194,554	-	706,077
Gain on disposition of capital assets	-	(58,500)	-	-	(58,500)
Changes in operating assets and liabilities:					
Accounts receivable	-	419	-	-	419
Accounts payable and accrued expenses	(8,480)	4,493	-	4,961	974
Net cash flows from operating activities	\$ 128,687	\$ 600,537	\$ (5)	\$ (51,442)	\$ 677,777

See accompanying independent auditor's report.

TOWN OF **WINDSOR**, COLORADO
INFORMATION TECHNOLOGY FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Operating revenues</u>				
Charges for services	\$ 718,582	\$ 718,582	\$ 719,908	\$ 1,326
<u>Total operating revenues</u>	718,582	718,582	719,908	1,326
<u>Budgetary expenditures</u>				
Wages and benefits	247,953	247,953	206,404	41,549
Operating costs	364,167	364,167	376,337	(12,170)
Capital outlay	100,000	100,000	100,042	(42)
<u>Total budgetary expenditures</u>	712,120	712,120	682,783	29,337
<u>Income budgetary basis</u>	\$ 6,462	\$ 6,462	37,125	\$ 30,663
<u>Reconciliation to GAAP basis</u>				
Depreciation expense			(78,418)	
Capital outlay			100,042	
<u>Change in net position - GAAP basis</u>			58,749	
<u>Net position at beginning of year</u>			483,023	
<u>Net position at end of year</u>			\$ 541,772	

See accompanying independent auditor's report.

TOWN OF **WINDSOR**, COLORADO
FLEET MANAGEMENT FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Operating revenues</u>				
Charges for services	\$ 1,023,896	\$ 1,023,896	\$ 1,023,896	\$ -
Insurance recoveries	-	-	28,566	28,566
Gain on sale of capital assets	50,000	50,000	58,500	8,500
<u>Total operating revenues</u>	<u>1,073,896</u>	<u>1,073,896</u>	<u>1,110,962</u>	<u>37,066</u>
<u>Budgetary expenditures</u>				
Wages and benefits	271,257	271,257	202,986	68,271
Operating costs	343,460	343,460	253,851	89,609
Capital outlay	483,500	483,500	405,783	77,717
<u>Total budgetary expenditures</u>	<u>1,098,217</u>	<u>1,098,217</u>	<u>862,620</u>	<u>235,597</u>
<u>Loss before transfers</u>	(24,321)	(24,321)	248,342	272,663
Transfers in	6,000	6,000	6,000	-
<u>Loss budgetary basis</u>	<u>\$ (18,321)</u>	<u>\$ (18,321)</u>	254,342	<u>\$ 272,663</u>
<u>Reconciliation to GAAP basis</u>				
Depreciation expense			(433,105)	
Capital outlay			405,783	
<u>Change in net position - GAAP basis</u>			227,020	
<u>Net position at beginning of year</u>			<u>1,527,915</u>	
<u>Net position at end of year</u>			<u>\$ 1,754,935</u>	

See accompanying independent auditor's report.

TOWN OF **WINDSOR**, COLORADO

WINDSOR BUILDING AUTHORITY FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Operating revenues</u>				
Earnings on investments	\$ -	\$ -	\$ 15	\$ 15
<u>Total operating revenues</u>	-	-	15	15
<u>Budgetary expenditures</u>				
Operating costs	-	-	5	(5)
Interest expense	109,357	109,357	109,357	-
Principal paid	35,723	35,723	35,723	-
<u>Total budgetary expenditures</u>	145,080	145,080	145,085	(5)
<u>Loss before contributions and transfers</u>	(145,080)	(145,080)	(145,070)	10
Transfers in	145,000	145,000	145,080	80
<u>Income budgetary basis</u>	\$ (80)	\$ (80)	10	\$ 90
<u>Reconciliation to GAAP basis</u>				
Depreciation expense			(194,554)	
Principal paid			35,723	
<u>Change in net position - GAAP basis</u>			(158,821)	
<u>Net position at beginning of year</u>			(573,579)	
<u>Net position at end of year</u>			\$ (732,400)	

See accompanying independent auditor's report.

TOWN OF **WINDSOR**, COLORADO
FACILITY SERVICES FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Operating revenues</u>				
Charges for services	\$ 545,571	\$ 545,571	\$ 555,873	\$ 10,302
<u>Total operating revenues</u>	545,571	545,571	555,873	10,302
<u>Budgetary expenditures</u>				
Wages and benefits	340,026	340,026	342,258	(2,232)
Operating costs	199,545	199,545	270,018	(70,473)
<u>Total budgetary expenditures</u>	539,571	539,571	612,276	(72,705)
<u>Income (loss) before contributions and transfers</u>	6,000	6,000	(56,403)	(62,403)
Transfers out	(6,000)	(6,000)	(6,000)	-
<u>Income (loss) budgetary basis</u>	\$ -	\$ -	(62,403)	\$ (62,403)
<u>Change in net position - GAAP basis</u>			(62,403)	
<u>Net position at beginning of year</u>			70,014	
<u>Net position at end of year</u>			\$ 7,611	

See accompanying independent auditor's report.

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OTHER FINANCIAL INFORMATION

TOWN OF WINDSOR



COLORADO

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TOWN OF **WINDSOR**, COLORADO

DEBT SERVICE REQUIREMENTS

December 31, 2013

GOVERNMENTAL ACTIVITIES

SALES & USE TAX REVENUE REFUNDING BONDS - Series 2012					
COMMUNITY & RECREATION CENTER					
Year	Principal		Interest	Total Payment	Principal Balance
					\$ 3,705,000
2012	\$ 290,000	\$	83,636	\$ 373,636	3,415,000
2013	280,000		92,275	372,275	3,135,000
2014	280,000		86,675	366,675	2,855,000
2015	300,000		81,075	381,075	2,555,000
2016	300,000		72,075	372,075	2,255,000
2017	310,000		65,325	375,325	1,945,000
2018	325,000		58,350	383,350	1,620,000
2019	340,000		48,600	388,600	1,280,000
2020	350,000		38,400	388,400	930,000
2021	360,000		27,900	387,900	570,000
2022	370,000		17,100	387,100	200,000
2023	200,000		6,000	206,000	\$ -
TOTALS	\$ 3,705,000	\$	677,411	\$ 4,382,411	

TOWN OF **WINDSOR**, COLORADO

DEBT SERVICE REQUIREMENTS

December 31, 2013

USDA COMMUNITY FACILITIES LOAN FOR THE POLICE FACILITY WINDSOR BUILDING AUTHORITY				
Payment	Principal	Interest	Total Payment	Principal Balance
				\$ 3,000,000
2011 (12 monthly payments)	\$ 33,146	\$ 111,934	\$ 145,080	2,966,854
2012 (12 monthly payments)	34,410	110,670	145,080	2,932,444
2013 (12 monthly payments)	35,723	109,357	145,080	2,896,721
2014 (12 monthly payments)	37,086	107,994	145,080	2,859,634
2015 (12 monthly payments)	38,501	106,579	145,080	2,821,133
2016 (12 monthly payments)	39,970	105,110	145,080	2,781,164
2017 (12 monthly payments)	41,495	103,585	145,080	2,739,669
2018 (12 monthly payments)	43,078	102,002	145,080	2,696,591
2019 (12 monthly payments)	44,721	100,359	145,080	2,651,870
2020 (12 monthly payments)	46,427	98,653	145,080	2,605,442
2021 (12 monthly payments)	48,199	96,881	145,080	2,557,244
2022 (12 monthly payments)	50,038	95,042	145,080	2,507,206
2023 (12 monthly payments)	51,947	93,133	145,080	2,455,259
2024 (12 monthly payments)	53,928	91,152	145,080	2,401,331
2025 (12 monthly payments)	55,986	89,094	145,080	2,345,345
2026 (12 monthly payments)	58,122	86,958	145,080	2,287,223
2027 (12 monthly payments)	60,339	84,741	145,080	2,226,884
2028 (12 monthly payments)	62,641	82,439	145,080	2,164,243
2029 (12 monthly payments)	65,031	80,049	145,080	2,099,212
2030 (12 monthly payments)	67,512	77,568	145,080	2,031,700
2031 (12 monthly payments)	70,088	74,992	145,080	1,961,612
2032 (12 monthly payments)	72,762	72,318	145,080	1,888,851
2033 (12 monthly payments)	75,538	69,542	145,080	1,813,313
2034 (12 monthly payments)	78,419	66,661	145,080	1,734,893
2035 (12 monthly payments)	81,411	63,669	145,080	1,653,482
2036 (12 monthly payments)	84,517	60,563	145,080	1,568,965
2037 (12 monthly payments)	87,742	57,338	145,080	1,481,223
2038 (12 monthly payments)	91,089	53,991	145,080	1,390,134
2039 (12 monthly payments)	94,564	50,516	145,080	1,295,570
2040 (12 monthly payments)	98,172	46,908	145,080	1,197,398
2041 (12 monthly payments)	101,917	43,163	145,080	1,095,480
2042 (12 monthly payments)	105,806	39,274	145,080	989,675
2043 (12 monthly payments)	109,842	35,238	145,080	879,832
2044 (12 monthly payments)	114,033	31,047	145,080	765,799
2045 (12 monthly payments)	118,384	26,696	145,080	647,416
2046 (12 monthly payments)	122,900	22,180	145,080	524,516
2047 (12 monthly payments)	127,589	17,491	145,080	396,927
2048 (12 monthly payments)	132,456	12,624	145,080	264,470
2049 (12 monthly payments)	137,510	7,570	145,080	126,961
2050 (12 monthly payments)	126,961	2,335	129,296	\$ -
TOTALS	\$ 3,000,000	\$ 2,787,416	\$ 5,787,416	

TOWN OF **WINDSOR**, COLORADO

DEBT SERVICE REQUIREMENTS

December 31, 2013

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	124,161	179,811	303,972	3,401,550
2017	130,493	173,479	303,972	3,271,057
2018	137,148	166,824	303,972	3,133,908
2019	144,143	159,829	303,972	2,989,765
2020	151,494	152,478	303,972	2,838,271
2021	159,220	144,752	303,972	2,679,051
2022	167,341	136,631	303,972	2,511,711
2023	175,875	128,097	303,972	2,335,836
2024	184,845	119,127	303,972	2,150,991
2025	194,272	109,700	303,972	1,956,720
2026	204,179	99,793	303,972	1,752,540
2027	214,593	89,379	303,972	1,537,948
2028	225,537	78,435	303,972	1,312,411
2029	237,039	66,933	303,972	1,075,372
2030	249,128	54,844	303,972	826,243
2031	261,834	42,138	303,972	564,410
2032	275,187	28,785	303,972	289,222
2033	289,224	14,750	303,974	\$ -
TOTALS	\$ 4,620,000	\$ 4,499,162	\$ 9,119,162	

TOWN OF **WINDSOR**, COLORADO

DEBT SERVICE REQUIREMENTS

December 31, 2013

WASTE WATER TREATMENT FACILITY UPGRADE COLORADO WATER RESOURCES AND POWER DEVELOPMENT AUTHORITY (CWRPDA) CLEAN WATER REVENUE BONDS 2011 SERIES A SEWER FUND LOAN Repayment at 1.94%						
Payment	Principal	Interest	Administrative Fee	Total Payment	Principal Balance	
						\$ 3,110,543
2/1/2012	\$ 89,213	\$ 15,049	\$ 10,109	\$ 114,371		3,021,331
8/1/2012	89,212	17,625	10,109	116,946		2,932,118
2/1/2013	89,213	16,272	11,074	116,559		2,842,906
8/1/2013	89,212	16,283	11,074	116,569		2,753,693
2/1/2014	89,213	14,925	11,074	115,212		2,664,481
8/1/2014	89,212	14,925	11,074	115,211		2,575,268
2/1/2015	92,186	12,938	11,074	116,198		2,483,082
8/1/2015	92,187	12,937	11,074	116,198		2,390,896
2/1/2016	95,160	11,061	11,074	117,295		2,295,736
8/1/2016	95,160	11,061	11,074	117,295		2,200,576
2/1/2017	95,160	9,358	11,074	115,592		2,105,415
8/1/2017	95,160	9,358	11,074	115,592		2,010,255
2/1/2018	95,160	7,883	11,074	114,117		1,915,095
8/1/2018	95,160	7,883	11,074	114,117		1,819,935
2/1/2019	98,134	7,227	11,074	116,435		1,721,802
8/1/2019	98,134	7,227	11,074	116,435		1,623,668
2/1/2020	98,134	6,144	11,074	115,352		1,525,534
8/1/2020	98,134	6,144	11,074	115,352		1,427,400
2/1/2021	98,134	5,216	11,074	114,424		1,329,267
8/1/2021	98,134	5,216	11,074	114,424		1,231,133
2/1/2022	98,133	4,415	11,074	113,622		1,132,999
8/1/2022	98,133	4,415	11,074	113,622		1,034,865
2/1/2023	101,108	3,667	11,074	115,849		933,758
8/1/2023	101,108	3,667	11,074	115,849		832,650
2/1/2024	101,108	2,994	11,074	115,176		731,543
8/1/2024	101,108	2,994	11,074	115,176		630,435
2/1/2025	101,108	2,409	8,984	112,501		529,328
8/1/2025	101,108	2,409	8,984	112,501		428,220
2/1/2026	104,081	1,905	6,434	112,420		324,139
8/1/2026	104,081	1,905	6,434	112,420		220,058
2/1/2027	110,028	1,343	2,768	114,139		110,029
8/1/2027	110,027	1,344	2,768	114,139	\$	-
TOTALS	\$ 3,110,543	\$ 248,199	\$ 322,366	\$ 3,681,108		

TOWN OF **WINDSOR**, COLORADO

Financial Planning 02/01
Form # 350-050-36

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

LOCAL HIGHWAY FINANCE REPORT	City or County: Town of Windsor
	YEAR ENDING : December 2013

This Information From The Records Of (example - City of _ or County of _) Town of Windsor	Prepared By: Dean Moyer, Director of Finance
	Phone: 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

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	2,818,834
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	968,381
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	
2. General fund appropriations	1,075,413	b. Snow and ice removal	
3. Other local imposts (from page 2)	2,416,556	c. Other	
4. Miscellaneous local receipts (from page 2)	180,790	d. Total (a. through c.)	0
5. Transfers from toll facilities		4. General administration & miscellaneous	414,286
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	1,323,935
a. Bonds - Original Issues		6. Total (1 through 5)	5,525,436
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	3,672,759	b. Redemption	
B. Private Contributions	581,703	c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	1,330,855	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	
E. Total receipts (A.7 + B + C + D)	5,585,317	b. Redemption	59,881
		c. Total (a. + b.)	59,881
		3. Total (1.c + 2.c)	59,881
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	5,585,317

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)	1,190,417		59,881	1,130,536
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
		5,585,317	5,585,317		0

Notes and Comments:

TOWN OF **WINDSOR**, COLORADO

LOCAL HIGHWAY FINANCE REPORT	STATE: Colorado
	YEAR ENDING (mm/yy): December 2013

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	1,746
b. Other local imposts:		b. Traffic Fines & Penalties	179,044
1. Sales Taxes	1,299,067	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	938,066	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	179,423	g. Other Misc. Receipts	
6. Total (1. through 5.)	2,416,556	h. Other	
c. Total (a. + b.)	2,416,556	i. Total (a. through h.)	180,790
	(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	715,660	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	360,558	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify) -Severance Tax	254,637	f. Other Federal	
f. Total (a. through e.)	615,195	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	1,330,855	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		9,710	9,710
b. Engineering Costs			0
c. Construction:			
(1). New Facilities	10,054	581,703	591,757
(2). Capacity Improvements			0
(3). System Preservation		1,134,497	1,134,497
(4). System Enhancement & Operation	71,328	1,011,542	1,082,870
(5). Total Construction (1) + (2) + (3) + (4)	81,382	2,727,742	2,809,124
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	81,382	2,737,452	2,818,834
			(Carry forward to page 1)

Notes and Comments:

STATISTICAL SECTION



This section of the Town of Windsor comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health. This information is unaudited.

Contents	Page
<u>Financial Trends</u> <i>These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time.</i>	79
<u>Revenue Capacity</u> <i>These schedules contain information to help the reader assess the Town's largest revenue sources, sales and use taxes, and property tax.</i>	85
<u>Debt Capacity</u> <i>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.</i>	94
<u>Demographic and Economic Information</u> <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place.</i>	100
<u>Operating Information</u> <i>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.</i>	103

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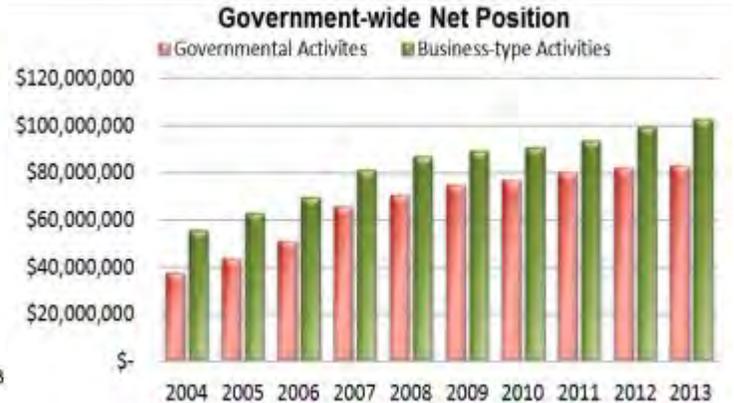
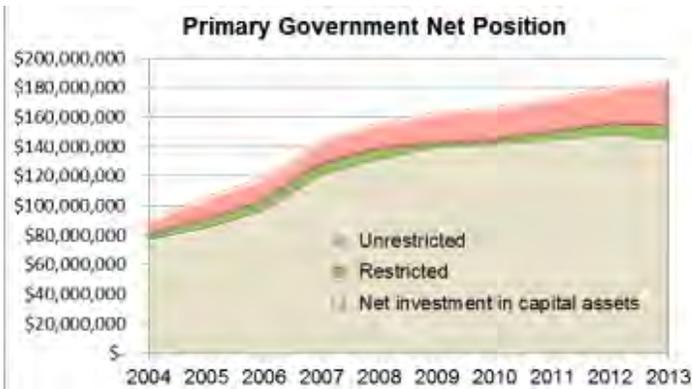
TOWN OF **WINDSOR**, COLORADO

NET POSITION BY COMPONENT

Last Ten Calendar Years
(accrual basis of accounting)
(Unaudited)

For the Calendar Year Ended December 31,

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Governmental Activities										
Net investment in capital assets	\$ 34,594,472	\$ 37,477,180	\$ 43,845,310	\$ 56,506,921	\$ 60,621,653	\$ 66,543,815	\$ 68,435,996	\$ 69,741,468	\$ 71,372,079	\$ 66,966,909
Restricted	2,082,279	5,108,240	4,982,849	6,631,315	6,824,295	3,002,668	3,197,413	5,259,855	5,722,444	8,807,193
Unrestricted	529,970	1,048,560	1,944,243	2,546,618	2,995,044	5,106,232	5,095,783	4,925,404	4,872,377	7,081,429
Total governmental activities net position	37,206,721	43,633,980	50,772,402	65,684,854	70,440,992	74,652,715	76,729,192	79,926,727	81,966,900	82,855,531
Business-type Activities										
Net investment in capital assets	43,028,204	47,705,989	53,242,927	64,597,102	70,928,478	72,733,118	72,788,122	74,875,222	76,752,836	77,401,561
Restricted	327,344	542,653	540,490	379,247	522,895	-	-	-	1,250,000	1,250,000
Unrestricted	12,169,814	14,802,883	15,780,075	15,895,018	15,183,662	16,678,418	17,704,468	18,804,020	21,342,334	24,135,848
Total business-type activities net position	55,525,362	63,051,525	69,563,492	80,871,367	86,635,035	89,411,536	90,492,590	93,679,242	99,345,170	102,787,409
Net Position										
Net investment in capital assets	77,622,676	85,183,169	97,088,237	121,104,023	131,550,131	139,276,933	141,224,118	144,616,690	148,124,915	144,368,470
Restricted	2,409,623	5,650,893	5,523,339	7,010,562	7,347,190	3,002,668	3,197,413	5,259,855	6,972,444	10,057,193
Unrestricted	12,699,784	15,851,443	17,724,318	18,441,636	18,178,706	21,784,650	22,800,251	23,729,424	26,214,711	31,217,277
Total primary government net position	\$ 92,732,083	\$ 106,685,505	\$ 120,335,894	\$ 146,556,221	\$ 157,076,027	\$ 164,064,251	\$ 167,221,782	\$ 173,605,969	\$ 181,312,070	\$ 185,642,940



Notes: As per GASB 63, 2011 and prior in the above chart represents: Net Assets as opposed to Net Position; Invested in capital assets, net of related debt as opposed to net investment in capital assets; and does not include the new Downtown Development Authority component unit, only the primary government.

GASB 34 implemented in 2004

Sources: Current and prior years' financial statements.

TOWN OF **WINDSOR**, COLORADO

CHANGES IN NET POSITION

Last Ten Calendar Years ^{(1) (2)}

(accrual basis of accounting)

(Unaudited)

For the Calendar Year Ended December 31,

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
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	\$ 2,450,785	\$ 2,674,626	\$ 2,731,588
Public safety	1,322,454	1,429,746	1,526,803	2,469,482	2,110,123	2,310,299	2,430,053	2,664,155	2,826,313	2,938,201
Public works	1,774,691	1,504,598	1,680,030	2,750,360	5,430,843	5,245,719	5,261,225	5,457,935	5,662,954	5,551,046
Parks, recreation & culture	1,679,863	1,695,122	1,879,918	3,524,975	7,352,667	4,525,218	4,604,283	4,616,024	4,498,409	5,163,907
Community development	401,556	410,164	498,436	785,239	569,008	1,497,962	1,489,965	1,589,562	1,819,818	1,391,260
Safety and loss control	39,639	12,958	18,738	17,918	12,126	8,793	7,599	6,764	2,778	7,422
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	1,782,485	1,353,245	1,321,535
Assets conveyed to other government	-	-	-	-	-	-	-	-	-	2,408,601
Loss on disposal of capital assets	-	-	-	17,864	-	97,715	44,071	-	-	-
Debt issuance costs	-	-	-	-	-	-	-	-	107,184	-
Interest on long-term debt	418,905	418,905	287,364	127,674	196,395	656,591	201,024	329,985	180,236	186,788
Depreciation - unallocated	1,952,237	2,614,112	2,979,398	-	-	-	-	-	-	-
Total governmental activities	9,047,448	9,977,466	11,473,979	13,500,698	20,016,249	17,751,185	17,461,497	18,897,695	19,125,563	21,700,348
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	2,711,740	3,287,679	2,961,686
Sewer	1,274,695	1,279,767	1,376,938	1,425,429	1,572,588	1,594,425	1,587,205	1,488,890	1,537,136	2,160,376
Storm drainage	358,070	398,101	452,471	471,513	502,491	825,013	725,892	608,734	672,899	605,811
Non-potable water	-	-	-	-	-	481,335	138,887	294,879	269,505	323,532
Total business-type activities	3,647,959	4,009,256	4,479,656	4,853,214	4,857,961	5,666,017	5,300,998	5,104,243	5,767,219	6,051,405
Total primary government	12,695,407	13,986,722	15,953,635	18,353,912	24,874,210	23,417,202	22,762,495	24,001,938	24,892,782	27,751,753
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	184,708	227,231	207,671
Public works	40,935	64,385	47,850	-	1,284,342	48,600	97,137	297,237	479,043	567,546
Parks, recreation & culture	444,760	601,305	615,657	1,440,272	1,224,901	1,151,439	1,410,310	1,908,107	2,820,645	2,455,028
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	18,691	11,250	1,936,182
Capital grants and contributions	555,984	2,035,640	3,168,635	14,124,589	7,369,720	6,435,751	2,207,216	2,828,024	818,017	585,453
Total governmental activities	3,615,811	4,825,653	6,825,778	17,059,851	10,442,384	7,819,294	4,363,457	5,236,767	4,356,186	5,751,880
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	3,376,279	4,507,939	3,528,410
Sewer	1,377,631	1,412,571	1,521,857	1,514,479	1,607,461	1,631,304	1,610,672	1,638,591	1,697,989	1,755,725
Storm drainage	142,335	185,294	228,780	254,244	242,688	317,313	292,357	341,822	305,141	329,018
Non-potable water	-	-	-	-	-	356,416	198,192	214,606	225,312	565,387
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	4,090,958	4,940,832	3,579,048
Total business-type activities	8,969,666	11,656,499	10,946,368	15,911,444	11,062,984	10,605,950	7,251,302	9,662,256	11,677,213	9,757,588
Total primary government	\$12,585,477	\$16,482,152	\$17,772,146	\$32,971,295	\$21,505,368	\$18,425,244	\$11,614,759	\$14,899,023	\$16,033,399	\$15,509,468

TOWN OF **WINDSOR**, COLORADO

CHANGES IN NET POSITION (continued)

Last Ten Calendar Years

(accrual basis of accounting)

(Unaudited)

For the Calendar Year Ended December 31,

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
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)	\$ (13,660,928)	\$ (14,769,377)	\$ (15,948,468)
Business-type activities	5,321,707	7,647,243	6,466,712	11,058,230	6,205,023	4,939,933	1,950,304	4,558,013	5,909,994	3,706,183
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)	(9,102,915)	(8,859,383)	(12,242,285)
General Revenues and Other Changes in Net Position										
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	4,332,996	4,059,462	4,049,110
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	5,742,732	5,579,576	9,061,884
Franchise taxes	-	-	-	-	-	1,225,888	1,123,574	1,178,866	1,202,273	1,336,785
Other taxes	526,452	1,309,402	1,567,286	1,579,716	2,390,730	1,979,990	1,702,855	2,271,383	3,561,315	1,325,085
Intergovernmental	-	-	-	-	-	943,578	1,074,207	1,176,163	1,747,799	-
Unrestricted grants and contributions	2,448,382	11,326	626,681	-	-	-	-	-	-	-
Earnings on investments	88,674	223,498	547,966	398,626	246,661	169,331	100,205	96,826	77,273	171,414
Other revenue	267,851	1,714,817	225,010	127,745	144,070	2,359,401	873,363	267,979	107,057	275,680
Gain on sale of capital assets	-	-	-	-	-	-	-	-	65,780	58,500
Transfers & insurance proceeds	240,184	441,037	522,387	551,549	3,544,815	487,184	987,846	1,791,518	541,448	558,641
Total governmental activities	9,853,116	11,579,072	11,786,623	11,353,299	14,330,003	15,464,938	15,174,516	16,858,463	16,941,983	16,837,099
Business-type activities:										
Earnings on investments	137,974	319,957	567,642	801,195	517,560	144,431	90,410	149,701	231,308	263,197
Other revenue	-	-	-	-	-	26,547	28,187	270,456	66,074	31,500
Impairment loss	-	-	-	-	-	(1,923,217)	-	-	-	-
Transfers	(240,184)	(441,037)	(522,387)	(551,549)	(958,915)	(487,184)	(987,846)	(1,791,518)	(541,448)	(558,641)
Total business-type activities	(102,210)	(121,080)	45,255	249,646	(441,355)	(2,239,423)	(869,249)	(1,371,361)	(244,066)	(263,944)
Total primary government	9,750,906	11,457,992	11,831,878	11,602,945	13,888,648	13,225,515	14,305,267	15,487,102	16,697,917	16,573,155
Changes in Net Position										
Governmental activities	4,421,479	6,427,259	7,138,422	14,912,452	4,756,138	5,533,047	2,076,476	3,197,535	2,172,606	888,631
Business-type activities	5,219,497	7,526,163	6,511,967	11,307,876	5,763,668	2,700,510	1,081,055	3,186,652	5,665,928	3,442,239
Total primary government	\$ 9,640,976	\$ 13,953,422	\$ 13,650,389	\$ 26,220,328	\$ 10,519,806	\$ 8,233,557	\$ 3,157,531	\$ 6,384,187	\$ 7,838,534	\$ 4,330,870

Notes: (1) GASB 34 implemented in 2004

(2) Prior to implementation of GASB 63 in 2012, the above chart represents: Net Assets as opposed to Net Position.

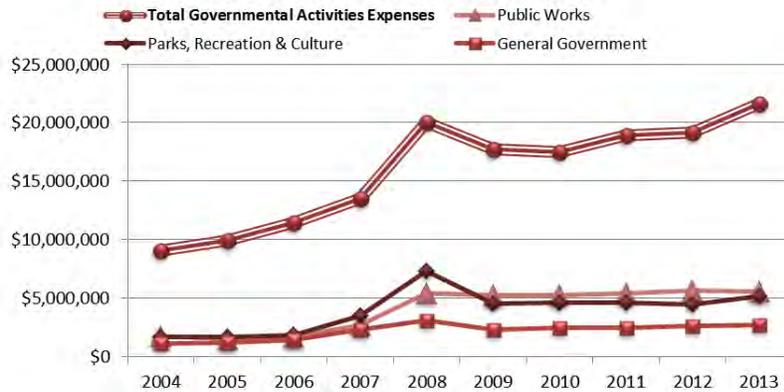
Sources: Current and prior years' financial statements.

TOWN OF **WINDSOR, COLORADO**

CHANGES IN NET POSITION (continued)

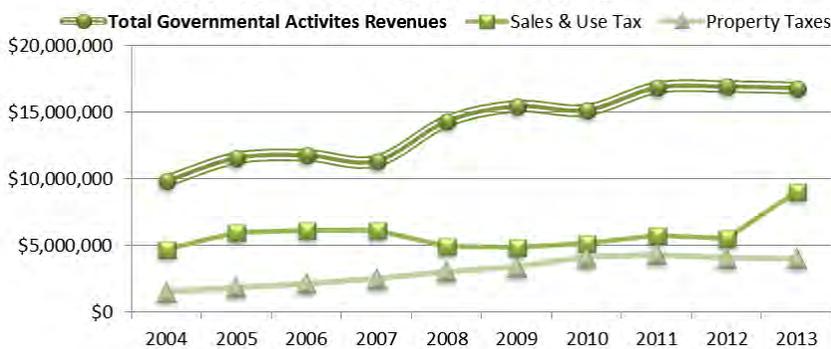
Last Ten Calendar Years
(accrual basis of accounting)
(Unaudited)

General Governmental Expenses



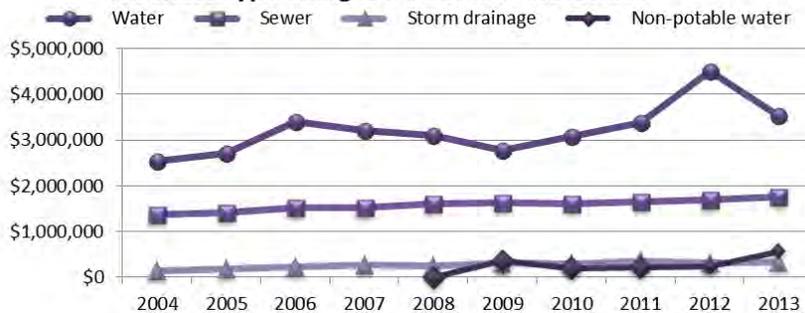
*Note: Only three activities are represented in this chart.
Chart shows increased expenditures due to the 2008 tornado.*

General Governmental Revenues



*Note: Only the top two revenues are represented in this chart.
Years 2004 through 2006 reflect building growth, while use tax from building permits during 2008 through 2010 dropped due to the economy. Other revenue, including other taxes, intergovernmental and insurance proceeds from the tornado account for much of the total revenue growth for 2008 through 2010. Grant revenues are also reflected in the total revenues for 2009.*

Business-type Charges for Services Revenues



*Note: This is service charges collected for the utility funds.
The Non-potable water fund began in 2008, previously combined with the water fund.
Drainage services the whole town, while water and sewer each only service parts of Windsor.*

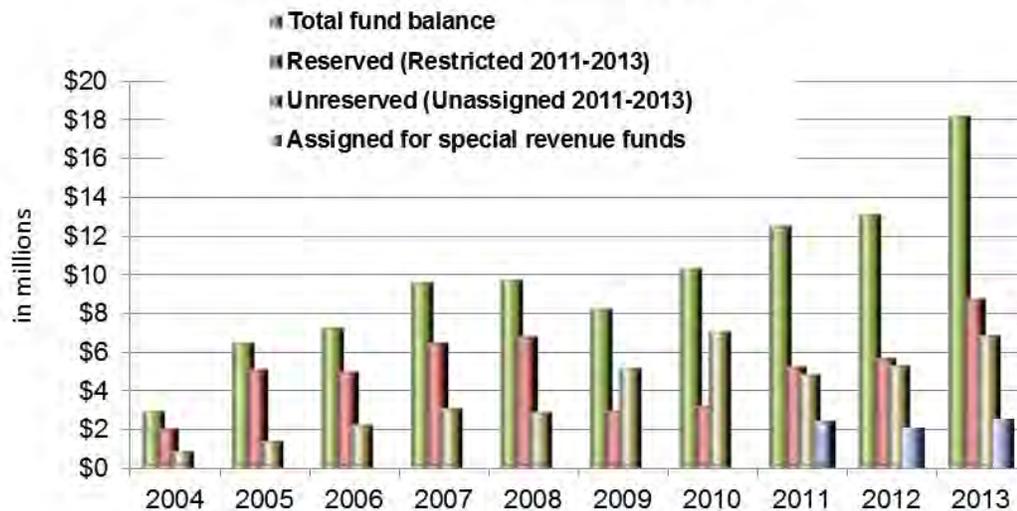
TOWN OF **WINDSOR**, COLORADO

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Calendar Years ^{(1) (2)}
 (modified accrual basis of accounting)
 (Unaudited)

	For the Calendar Year Ended December 31,									
	2004	2005	2006	2007	2008	2009	2010	2011 ⁽²⁾	2012	2013
General Fund										
Reserved / Restricted ⁽²⁾	\$ 162,440	\$ 201,642	\$ 221,702	\$ 243,022	\$ 270,632	\$ 302,569	\$ 366,234	\$ 367,017	\$ 363,060	\$ 400,862
Unreserved / Unassigned ⁽²⁾	754,443	1,441,943	2,086,489	2,423,288	1,548,701	3,524,859	4,849,941	4,850,086	5,349,797	6,873,513
Total general fund	916,883	1,643,585	2,308,191	2,666,310	1,819,333	3,827,428	5,216,175	5,217,103	5,712,857	7,274,375
All Other Governmental Funds										
Reserved / Restricted ⁽²⁾	1,919,839	4,906,598	4,761,147	6,236,705	6,553,663	2,700,099	2,866,179	4,892,838	5,359,384	8,406,331
Assigned for special revenue funds	-	-	-	-	-	-	-	2,464,923	2,098,252	2,577,063
Unreserved / Unassigned ⁽²⁾	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	7,357,761	7,457,636	10,983,394
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	\$12,574,864	\$13,170,493	\$18,257,769

Fund Balances of Governmental Funds⁽²⁾



Notes: (1) GASB 34 implemented in 2004

(2) The Town implemented GASB Statement No. 54 in fiscal year 2011; therefore the fund balances beginning 2011 are presented with different classifications.

Sources: Current and prior years' financial statements.

TOWN OF **WINDSOR**, COLORADO
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Calendar Years
(modified accrual basis of accounting)
(Unaudited)

For the Calendar Year Ended December 31,

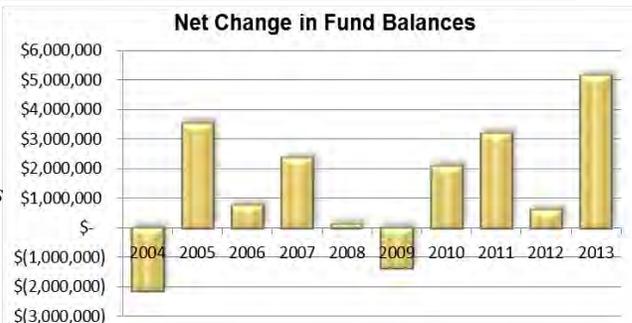
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenues										
Taxes and assessments	\$ 8,274,426	\$ 11,685,181	\$ 11,767,499	\$ 11,384,655	\$ 10,957,333	\$ 11,505,444	\$ 12,138,895	\$ 13,525,977	\$ 14,402,626	\$ 15,772,864
Licenses and permits	289,683	469,993	375,659	244,957	322,144	243,329	194,424	249,613	402,493	463,657
Intergovernmental	697,638	1,110,671	700,684	842,998	1,072,378	943,578	1,074,207	1,176,163	1,747,799	1,625,085
Charges for services	511,195	492,784	667,322	1,475,282	1,361,611	1,247,010	1,526,490	2,006,666	2,924,086	2,582,144
Fines and forfeitures	62,088	82,004	89,191	104,097	102,873	109,153	165,410	133,773	200,340	184,444
Earnings on investments	88,674	223,498	509,534	398,626	311,112	173,845	106,136	96,485	77,233	171,399
Grants and contributions	3,010,570	2,066,966	3,805,874	13,191,266	7,020,502	6,572,284	2,836,324	2,846,715	829,267	896,550
Miscellaneous	294,469	136,361	135,471	289,563	135,773	37,017	176,388	266,903	107,057	247,114
Total revenues	13,228,743	16,267,458	18,051,234	27,931,444	21,283,726	20,831,660	18,218,274	20,302,295	20,690,901	21,943,257
Expenditures										
General government	1,107,853	1,172,935	1,417,441	1,459,496	1,936,507	1,945,997	1,923,694	1,848,747	2,090,915	2,160,324
Public safety	1,321,973	1,429,746	1,526,803	1,680,902	1,978,868	2,157,411	2,160,243	2,350,682	2,543,883	2,661,338
Public works	1,774,203	1,504,598	1,680,030	1,882,640	2,724,498	2,191,542	2,046,832	1,980,741	2,062,330	2,086,678
Parks, recreation & culture	1,680,688	1,695,122	1,879,918	2,554,015	5,009,681	3,888,782	3,812,658	3,763,112	3,662,374	4,355,281
Community development	403,729	410,164	498,346	527,848	604,976	1,345,074	1,243,176	1,298,061	1,539,445	1,118,673
Safety and loss control	39,639	12,958	18,738	9,153	12,126	8,793	7,599	6,764	2,778	7,422
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	835,256	1,353,245	1,251,830
Debt services										
Principal	-	-	170,000	220,000	235,000	1,998,356	685,465	1,770,442	1,669,915	280,000
Interest	418,905	418,905	287,712	235,789	221,142	210,808	197,193	170,293	83,836	92,475
Debt issuance costs	-	-	-	-	-	-	-	-	107,184	-
Capital outlay	8,500,371	5,496,810	9,187,248	16,107,765	10,215,216	9,838,207	4,578,812	4,750,510	5,482,919	3,255,521
Total expenditures	15,602,038	13,170,761	17,812,603	26,131,211	24,184,579	24,653,198	17,609,684	18,774,608	20,598,824	17,269,542
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	1,527,687	92,077	4,673,715
Other Financing Sources (Uses)										
Insurance proceeds/Refunding bond proceeds	-	-	-	-	2,585,900	1,969,902	328,290	-	3,705,000	-
Premiums on refunding bonds	-	-	-	-	-	-	-	-	189,944	-
Payments to refunding bonds escrow agent	-	-	-	-	-	-	-	-	(3,787,760)	-
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	3,495,445	881,015	645,540
Transfers out	(1,272,460)	(844,589)	(855,647)	(795,000)	(727,300)	(1,110,684)	(821,834)	(1,829,567)	(484,647)	(231,979)
Total other financing sources (uses)	240,184	441,037	522,387	551,549	3,023,315	2,451,415	1,483,388	1,665,878	503,552	413,561
Net change in fund balances	\$ (2,133,111)	\$ 3,537,734	\$ 761,018	\$ 2,351,782	\$ 122,462	\$ (1,370,123)	\$ 2,091,978	\$ 3,193,565	\$ 595,629	\$ 5,087,276
Debt service as a percentage of noncapital expenditure*	5.9%	5.5%	5.3%	4.5%	3.3%	14.9%	6.8%	13.8%	11.6%	2.6%

* Capital outlay used in this calculation is different from the Amount above.

GASB 34 implemented in 2004

Sources: Current and prior years' financial statements

Chart Note: Radical differences are primarily due to large capital purchases in 2004 and fluctuations due to the tornado expenditures in 2008 and 2009. Also many 2013 projects were postponed until 2014.

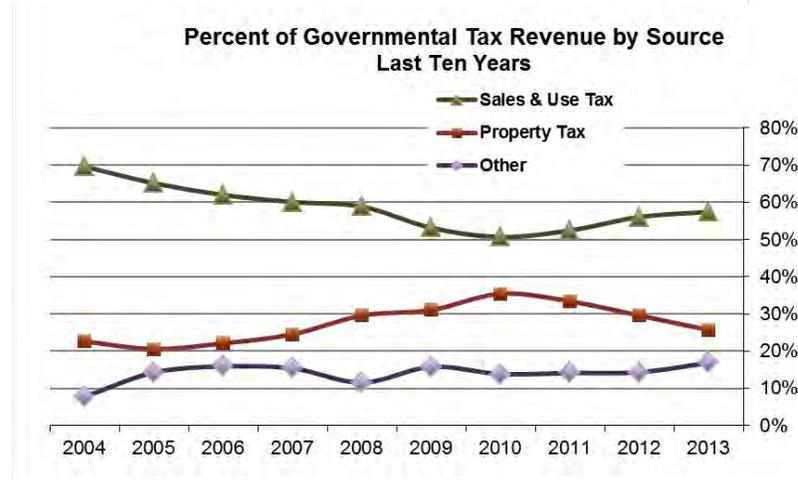
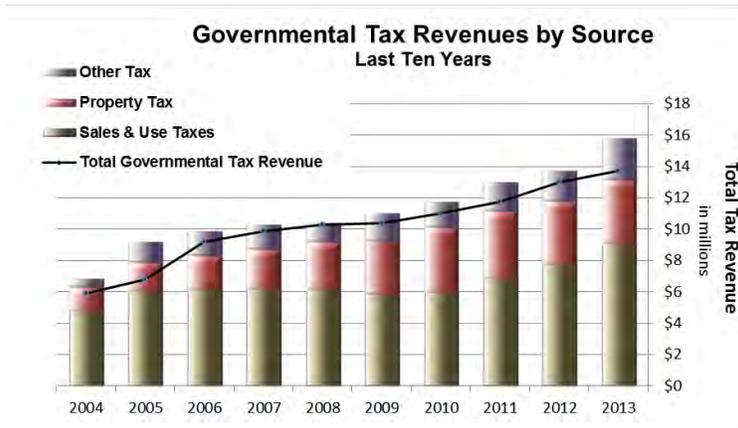


TOWN OF **WINDSOR**, COLORADO

GOVERNMENTAL TAX REVENUE BY SOURCE

Last Ten Calendar Years
(Unaudited)

	Property Tax		Sales & Use Taxes		Other ⁽¹⁾		Total Governmental Tax Revenue
	Amount	%	Amount	%	Amount	%	Amount
2013	\$4,049,110	25.7%	\$9,061,884	57.5%	\$2,661,870	16.9%	\$15,772,864
2012	4,059,462	29.6%	7,699,121	56.1%	1,968,496	14.3%	13,727,078
2011	4,332,996	33.4%	6,808,032	52.5%	1,832,249	14.1%	12,973,276
2010	4,158,343	35.5%	5,948,091	50.7%	1,623,288	13.8%	11,729,722
2009	3,412,104	31.1%	5,839,389	53.2%	1,734,333	15.8%	10,985,826
2008	3,065,778	29.6%	6,102,995	58.9%	1,198,801	11.6%	10,367,574
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



Note: ⁽¹⁾ This category includes auto, franchise, severance, and Larimer County Open Space taxes.

GASB 34 implemented in 2004

Sources: Current and prior years' financial statements.

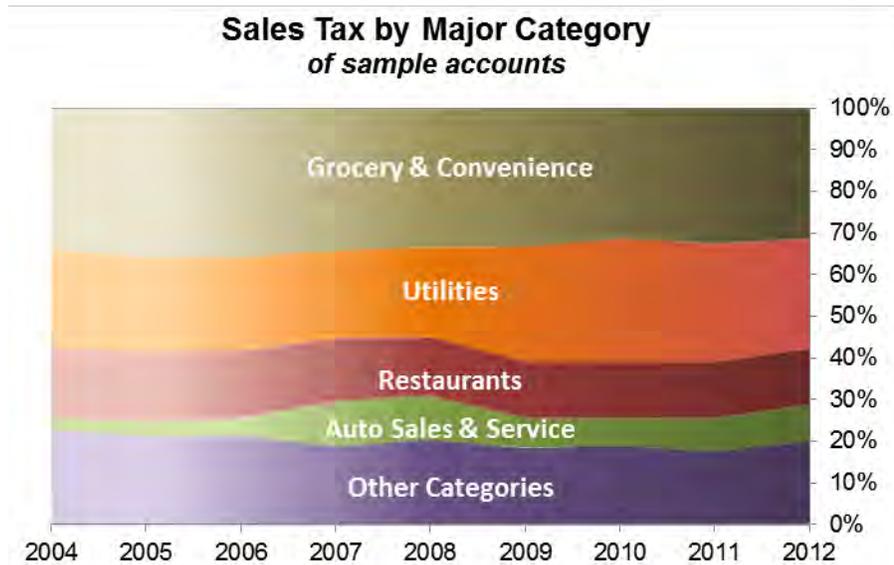
TOWN OF **WINDSOR**, COLORADO
SALES TAX COLLECTIONS BY CATEGORY (SAMPLE ACCOUNTS ONLY)

Last Ten Calendar Years
(Unaudited)

	Grocery & Convenience	Restaurants	Liquor	Hardware & Appliance	Other Retail	Utilities	Auto Sales & Service	Industry	Lodging	Entertainment	Total Sample Accounts	Total Sales Tax Collections
2013	\$ 1,723,020	\$ 708,346	\$ 206,155	\$ 187,061	\$ 383,581	\$ 1,171,728	\$ 516,472	\$ 91,946	\$ 55,885	\$ 55,239	\$ 5,099,433	\$ 7,033,014
% of Total	33.8%	13.9%	4.0%	3.7%	7.5%	23.0%	10.1%	1.8%	1.1%	1.1%	100.0%	
% of Change	13.3%	9.9%	3.7%	10.2%	46.7%	-9.0%	18.7%	122.2%	20.1%	10.0%	9.5%	26.0%
2012	\$ 1,520,983	\$ 644,321	\$ 198,862	\$ 169,689	\$ 261,420	\$ 1,287,931	\$ 435,027	\$ 41,380	\$ 46,516	\$ 50,224	\$ 4,656,353	\$ 5,579,576
2011	1,413,034	599,983	200,063	171,083	260,395	1,219,075	345,253	88,956	36,511	45,199	4,379,552	5,338,081
2010	1,330,896	582,867	181,821	134,889	278,472	1,243,628	281,404	80,409	29,642	43,742	4,187,770	5,039,276
2009	1,345,308	571,744	186,795	262,252	263,685	1,100,593	290,326	103,336	30,351	47,630	4,202,020	4,931,982
2008	1,387,411	584,748	187,132	167,331	272,948	892,744	443,861	130,615	37,729	53,678	4,158,197	4,930,803
2007	1,308,485	580,507	173,891	152,398	239,103	812,406	425,950	48,933	46,763	62,551	3,850,987	4,504,131
2006	1,163,333	542,600	154,933	130,493	208,619	748,856	138,392	89,090	47,437	67,882	3,291,635	3,795,870
2005	1,034,583	490,737	132,916	104,747	173,557	660,115	97,796	94,720	47,125	67,861	2,904,157	3,554,814
2004	795,273	389,918	131,856	99,891	176,042	567,157	72,561	85,960	48,865	-	2,367,513	2,805,531

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

Also large refund in 2012 Industry category caused a radical change from 2012 to 2013.



Notes: Information in these charts are not all inclusive of all accounts but representative of main business collections.

State collected sales tax through 2004.

Home Rule 2005 to present.

2013 Sales tax rate is 3.2%.

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

Sources: Town of Windsor Sales Tax Reports

TOWN OF **WINDSOR**, COLORADO

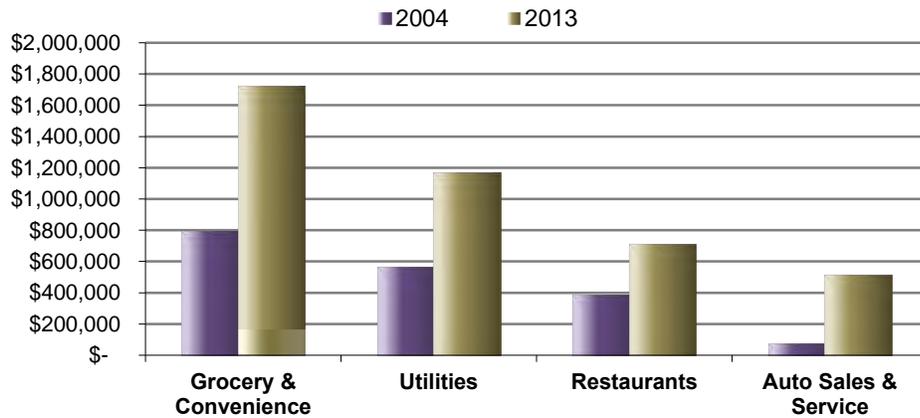
PRINCIPAL SALES TAX CATEGORIES

Current and Ten Years Prior
(Unaudited)

<u>Top Four Categories</u>	<u>2004</u>	<u>2013</u>
Grocery & Convenience	\$ 795,273	\$ 1,723,020
Utilities	567,157	1,171,728
Restaurants	389,918	708,346
Auto Sales & Service	72,561	516,472
Total	\$ 1,824,909	\$ 4,119,566
Aggregate all other categories	542,615	979,867
Total sales tax (sample accounts)	\$ 2,367,524	\$ 5,099,433
Top four categories as a percentage of total sales tax	77.1%	80.8%

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

Principal Sales Tax Categories (Sample Accounts)
Current and Nine Years Prior



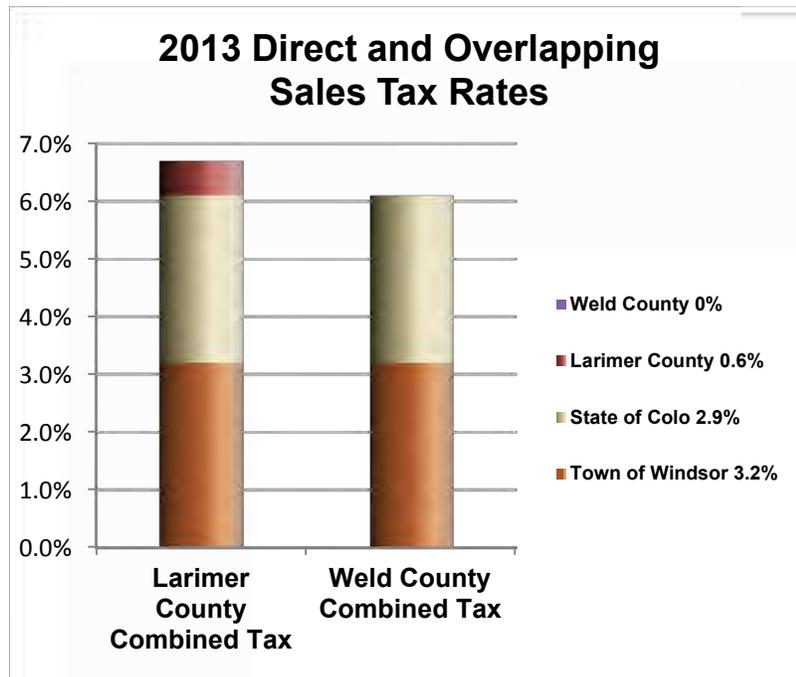
Note: Information in this chart is not all inclusive of all accounts but representative of main business collections.

Source: Town of Windsor Sales Tax Reports

TOWN OF **WINDSOR**, COLORADO
DIRECT AND OVERLAPPING SALES TAX RATES
 Last Ten Calendar Years
 (Unaudited)

Fiscal Year	Town of Windsor Direct Sales Tax Rate ⁽¹⁾	Overlapping Rates			Combined direct and overlapping rate for Windsor- Weld County	Combined direct and overlapping rate for Windsor- Larimer County
		State of Colorado ⁽²⁾	Weld County	Larimer County		
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%
2011	3.2%	2.9%	0.0%	0.8%	6.1%	6.9%
2012	3.2%	2.9%	0.0%	0.6%	6.1%	6.7%
2013	3.2%	2.9%	0.0%	0.6%	6.1%	6.7%

Note: ⁽¹⁾ Retail sales tax including food
⁽²⁾ Retail sales tax excluding food



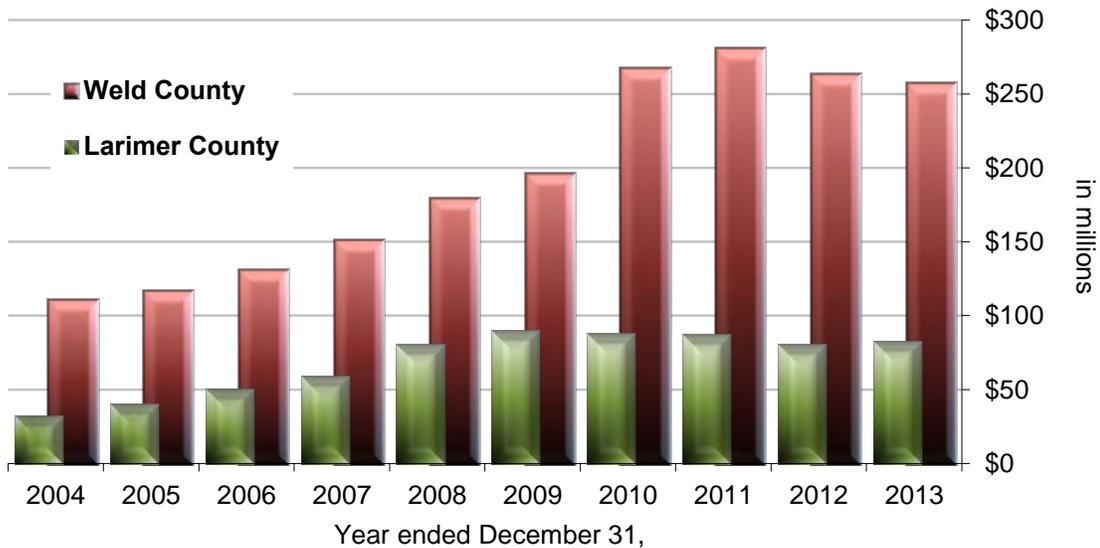
Note: GASB 34 implemented in 2004

Sources: Current and prior years' financial statements.
 Larimer and Weld County Assessors Offices.

TOWN OF **WINDSOR**, COLORADO
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 Last Ten Calendar Years
 (Unaudited)

Year Ended December 31	Larimer County Assessed Value	Weld County Assessed Value	Total Assessed Value	Estimated Actual Value	Ratio of Assessed Value to Actual Value	Levy Year	Total Direct Tax Rate
2013	\$ 82,563,660	\$ 257,736,690	\$ 340,300,350	\$ 2,352,676,491	14.46%	2012	12.03
% change	2.4%	-2.3%	-1.2%	2.9%			
2013	\$ 82,563,660	\$ 257,736,690	340,300,350	\$ 2,352,676,491	14.46%	2012	12.03
2012	80,632,340	263,810,920	344,443,260	2,287,406,027	15.06%	2011	12.03
2011	87,651,290	281,058,440	368,709,730	2,493,273,103	14.79%	2010	12.03
2010	88,509,807	267,850,150	356,359,957	2,414,684,385	14.76%	2009	12.03
2009	89,961,587	196,418,530	286,380,117	2,270,939,841	12.61%	2008	12.03
2008	81,064,698	179,560,540	260,625,238	2,097,898,578	12.42%	2007	12.03
2007	59,221,164	151,393,000	210,614,164	1,775,644,836	11.86%	2006	12.03
2006	50,665,167	131,060,440	181,725,607	1,552,910,985	11.70%	2005	12.03
2005	40,283,189	117,221,090	157,504,279	1,327,756,028	11.86%	2004	12.03
2004	32,596,180	110,813,313	143,409,493	1,205,827,585	11.89%	2003	10.86

Comparison of Assessed Valuations



Notes: Tax rates are per \$1,000 of assessed value.

Assessed Value: All real property in Colorado is reappraised on a two-year cycle, in odd-numbered years. The actual value assigned to residential properties in 2013 was based on market values as of August 25, 2011.

Sources: Larimer and Weld County Assessors Offices.

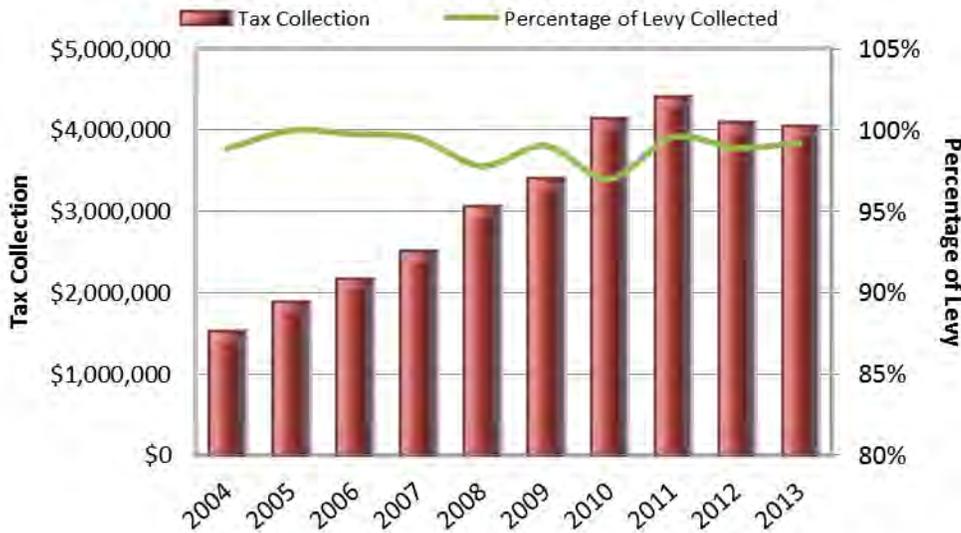
TOWN OF **WINDSOR**, COLORADO

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Years
(Unaudited)

Total Assessed Value	Town of Windsor Levy	Fiscal Year	Taxes Levied for the Fiscal Year ⁽¹⁾	Collected within the Fiscal Year of the Levy		Collections and Adjustments in Subsequent Years ⁽³⁾	Total Collections to Date		Total Uncollected Taxes	
				Tax Amount ⁽²⁾	Percentage of Levy		Tax Amount	Percentage of Levy	Tax Amount	Percentage of Levy
\$ 340,300,350	12.030	2013	\$ 4,093,813	\$ 4,062,138	99.23%	-	\$ 4,062,138.21	99.23%	\$ 31,675	0.8%
344,443,260	12.030	2012	4,143,652	4,104,646	99.06%	(6,242)	4,098,404	98.91%	45,248	1.1%
368,709,730	12.030	2011	4,435,578	4,418,586	99.62%	(2,253)	4,416,334	99.57%	19,244	0.4%
356,359,957	12.030	2010	4,287,010	4,201,801	98.01%	(43,458)	4,158,343	97.00%	128,667	3.0%
286,380,117	12.030	2009	3,445,153	3,408,470	98.94%	3,634	3,412,104	99.04%	33,049	1.0%
260,625,238	12.030	2008	3,135,322	3,103,535	98.99%	(37,757)	3,065,778	97.78%	69,544	2.2%
210,614,164	12.030	2007	2,533,688	2,509,994	99.06%	11,076	2,521,069	99.50%	12,619	0.5%
181,725,607	12.030	2006	2,186,159	2,179,471	99.69%	1,451	2,180,922	99.76%	5,237	0.2%
157,504,279	12.030	2005	1,894,776	1,890,741	99.79%	3,442	1,894,183	99.97%	593	0.0%
143,409,493	10.860	2004	1,557,427	1,540,967	98.94%	(1,116)	1,539,851	98.87%	17,576	1.1%
122,810,220	12.030	2003	1,477,407	1,464,528	99.13%	1,828	1,466,356	99.25%	11,051	0.7%

Property Tax and Percentage of Levy Collected



Note: ⁽¹⁾ Taxes levied is for the year of which levied.

⁽²⁾ YTD Treasurers' Tax Distribution

⁽³⁾ YTD Treasurers' Tax Distribution 2004 forward. Negative values reflect subsequent rebates and adjustments.

Sources: 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)

Property Tax Rates - Direct and Overlapping Governments - Last 10 Years per \$1,000 of Assessed Valuation

Levy Year	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Town of Windsor direct rate	12.030	12.030	12.030	12.030	12.030	12.030	12.030	12.030	12.030	12.030
Windsor-Severance Fire Rescue	5.209	4.944	4.944	4.944	6.119	6.074	7.194	7.194	7.194	7.194
Windsor-Severance Fire Rescue Bond 2023	N/A	N/A	N/A	N/A	N/A	0.610	0.700	0.710	0.770	0.729
Northern Colo Water Conserv Dist	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
North Weld County Water District	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
WELD COUNTY - potentially overlapping rates										
Aims Community College District	6.322	6.328	6.357	6.308	6.323	6.312	6.360	6.355	6.318	6.302
Big Thompson Conservation District	N/A	N/A	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Boxelder Sanitation District	N/A	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Clearview Library	3.546	3.546	3.584	3.557	3.546	3.546	3.579	3.615	3.594	3.558
Ft Collins Conservation District	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Great Western Metro #1	N/A	N/A	N/A	N/A	0.000	0.000	0.000	0.000	0.000	0.000
Great Western Metro #2	N/A	N/A	N/A	N/A	35.000	35.000	35.000	35.000	35.000	35.000
Great Western Metro #3, #4	N/A	N/A	N/A	N/A	25.000	25.000	25.000	25.000	25.000	25.000
Great Western Metro #5	N/A	N/A	N/A	N/A	25.000	35.000	35.000	35.000	35.000	35.000
Great Western Metro #6	N/A	N/A	N/A	N/A	20.000	20.000	20.000	20.000	20.000	20.000
Great Western Metro #7	N/A	N/A	N/A	N/A	11.000	11.000	11.000	11.000	11.000	11.000
Greenspire Metro #1 - Weld	0.000	0.000	0.000	0.000	0.000	32.000	32.000	32.000	32.000	32.989
Greenspire Metro #2, #3 - Weld	0.000	20.000	20.000	16.092	27.000	32.000	32.000	32.000	32.000	32.989
Greenwald Farms Metro #1, #2	N/A	N/A	N/A	N/A	N/A	0.000	0.000	0.000	0.000	0.000
Iron Mountain Metro #1	N/A	N/A	N/A	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Iron Mountain Metro #2, #3	N/A	N/A	N/A	20.000	20.000	20.000	20.000	20.000	20.000	30.000
Jacoby Farm Metro	N/A	N/A	N/A	N/A	N/A	30.000	30.000	30.000	30.000	30.000
Little Thompson Water District	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
New Windsor Metro District	N/A	N/A	N/A	N/A	30.000	30.000	30.000	30.000	30.000	30.000
Poudre Tech Metro	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Village East Metro #1, #2, #3	N/A	N/A	N/A	N/A	N/A	0.000	0.000	0.000	0.000	0.000
Water Valley Metro #1, #2	20.000	20.000	20.000	20.000	20.000	20.000	20.000	26.000	39.000	39.000
Weld County	21.474	19.957	17.900	16.804	16.804	16.804	16.804	16.804	16.804	16.804
West Greeley Conservation District	0.414	0.414	0.414	0.414	0.414	0.414	0.414	0.414	0.414	0.414
Windshire Park Metro #1, #2	N/A	N/A	35.000	35.000	35.000	35.000	35.000	35.000	35.000	35.000
Windsor Downtown Dev (WDDA)	N/A	0.000	1.000	2.000						
Windsor NW Metro #1, #2, #4	30.000	30.000	30.000	30.000	N/A	N/A	N/A	N/A	N/A	N/A
Windsor NW Metro #3	30.000	30.000	30.000	30.000	30.000	N/A	N/A	N/A	N/A	N/A
Windsor NW Metro #4	30.000	30.000	30.000	30.000	N/A	N/A	N/A	N/A	N/A	N/A
Windsor RE-4 (includes Bond)	52.964	48.735	43.446	46.129	47.418	46.372	48.449	48.991	47.949	47.505
Winter Farm Metro #1	0.000	0.000	34.480	34.480	34.480	34.480	34.480	34.480	0.000	41.000
Winter Farm Metro #2	0.000	0.000	34.480	34.480	34.480	34.480	34.480	34.480	34.480	41.000
Winter Farm Metro #3	0.000	0.000	34.480	34.480	34.480	34.480	34.480	34.480	0.000	0.000
LARIMER COUNTY - potentially overlapping rates										
Ft Collins-Loveland Water District	1.500	1.500	1.500	1.500	1.500	1.500	1.500	1.500	1.500	1.500
Health Dist of North Larimer County	2.167	2.167	2.167	2.167	2.167	2.167	2.167	2.167	2.167	2.167
Highpointe Vista Metro #1	N/A	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Highpointe Vista Metro #2	N/A	0.000	26.000	32.000	35.000	35.000	35.000	35.000	35.000	35.000
Larimer County Pest Control District	0.142	0.142	0.142	0.142	0.142	0.142	0.142	0.142	0.142	0.142
Larimer County	22.517	22.541	22.410	22.414	22.395	22.435	22.524	22.472	22.520	22.424
Poudre R-1 Bond Payment	12.318	13.000	13.555	12.605	12.605	12.703	12.119	11.339	12.430	11.091
Poudre R-1 General Fund & abatements	40.178	37.715	37.160	35.595	35.384	35.286	38.881	40.861	42.274	41.672
Poudre River Public Library District	N/A	N/A	3.000	3.000	3.000	3.000	3.000	3.000	3.000	3.013
South Ft Collins Sanitation District	0.500	0.500	0.500	0.500	0.487	0.500	0.500	0.500	0.500	0.500
Thompson R2-J Bond Payment	10.000	10.510	10.298	9.021	8.668	9.120	9.156	9.655	8.054	7.979
Thompson R2-J General Fund & abatements	32.687	29.740	33.159	32.636	32.306	32.175	32.487	32.655	32.830	32.437
Thompson Valley Hlth Serv District	1.541	1.509	1.492	1.471	1.716	2.093	1.899	1.716	1.757	1.766
Windsor Highlands Metro Dist #1	30.000	30.000	30.000	30.000	30.000	30.000	30.000	30.000	30.000	30.000
Windsor Highlands Metro Dist #2,3,4,5,6	30.000	30.000	35.000	35.000	35.000	35.000	35.000	35.000	35.000	35.000

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

Sources: Larimer and Weld County Assessors and Treasurers Offices, and Colorado Department of Local Affairs.

TOWN OF **WINDSOR**, COLORADO
PROPERTY TAX RATES – DIRECT AND PRIMARY OVERLAPPING ⁽¹⁾ GOVERNMENTS
 Last Ten Years per \$1,000 of Assessed Valuation
 (Unaudited)

	Total Town Operating Millage	County		School District			Windsor- Severance Fire Rescue	Total Direct and Overlapping Rates	
		Weld County Overlapping Millage	Larimer Overlapping Millage	Windsor RE- 4 School District	Thompson R2-J School District	Poudre R-1 School District		Windsor/Weld Co Tax Rate	Windsor/Larimer Co Tax Rate
2004	12.030	21.474	22.517	52.964	42.687	52.496	5.209	91.677	82.443
2005	12.030	19.957	22.541	48.735	40.250	50.715	4.944	85.666	79.765
2006	12.030	17.900	22.410	43.446	43.457	50.715	4.944	78.320	82.841
2007	12.030	16.804	22.414	46.129	41.657	48.200	4.944	79.907	81.045
2008	12.030	16.804	22.395	47.418	40.974	47.989	6.119	82.371	81.518
2009	12.030	16.804	22.435	46.372	41.295	47.989	6.684	81.890	82.444
2010	12.030	16.804	22.524	48.449	41.643	51.000	7.904	85.187	84.101
2011	12.030	16.804	22.472	48.991	42.310	52.200	7.904	85.729	84.716
2012	12.030	16.804	22.520	47.949	40.884	54.704	7.964	84.747	83.398
2013	12.030	16.804	22.424	47.505	40.416	44.685	7.923	84.262	82.793

Notes: (1) Overlapping rates are those of local and county governments that apply to property owners within the Town of Windsor. The Town of Windsor operating and Windsor-Severance Fire Rescue overlap with only one of the counties and one school district. Thus the Total Windsor/Weld Co Tax Rate includes Windsor's operating, Weld County, Windsor RE-4 and Windsor-Severance Fire Rescue. Windsor/Larimer Co Tax Rate includes Windsor's operating, Larimer County, Thompson R2-J, Poudre R-1, and Windsor-Severance Fire Rescue.

(2) These are only the primary overlapping taxing districts. Several smaller districts, shown on the previous page, overlap as well.

Sources: Larimer and Weld County Assessors and Treasurers Offices.

TOWN OF **WINDSOR**, COLORADO

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Six Years Prior
(Unaudited)

Taxpayer	2007			2008			2009			2010			2011			2012			2013		
	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	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.				\$4.2	1	1.60%	\$20.3	2	7.07%	\$25.9	1	7.27%	\$30.0	1	8.14%	\$31.0	1	9.00%	\$28.1	1	8.26%
Owens Brockway Glass Container Inc.							24.6	1	8.58%	16.7	2	4.69%	15.1	2	4.10%	13.2	2	3.85%	12.4	2	3.64%
Brockway Glass Container Inc.							11.2	3	3.91%	12.2	3	3.43%	11.3	3	3.07%	11.3	3	3.33%	11.0	3	3.24%
Front Range Energy LLC	\$2.3	2	1.07%	2.3	2	0.86%	3.1	4	1.07%	10.1	4	2.84%	9.6	4	2.61%	9.1	4	2.67%	8.8	4	2.57%
Metal Container Corp.	2.0	3	0.95%	2.0	3	0.77%	2.0	5	0.70%	7.4	5	2.08%	7.5	6	2.02%	7.5	5	2.21%	7.4	5	2.17%
Hexcel Corp.										7.3	6	2.04%	8.4	5	2.28%	5.7	6	1.69%	4.8	6	1.41%
Poudre Valley Health Care, Inc.													2.0	8	0.55%	1.9	9	0.56%	2.8	7	0.83%
New Windsor Station LLC																2.8	7	0.83%	2.1	8	0.61%
BCG Enterprises LTD LLLP	2.0	5	0.95%	2.0	4	0.76%	2.0	7	0.70%	2.0	8	0.56%	2.0	9	0.53%	2.0	8	0.58%	1.9	9	0.57%
201Cornerstone, LLC																			1.7	10	0.49%
S&E Investments LLC													1.5	10	0.41%	1.5	10	0.45%			
Quest Corporation																					
Safeway Stores 46 INC	1.6	6	0.74%	1.4	6	0.53%	1.6	8	0.55%	1.6	9	0.44%									
9351 Eastman Park Drive LLC				1.1	9	0.42%															
Praxair Inc / O-I Oxygen Plant										1.5	10	0.43%									
Pelican Lakes LLC																					
Pelican Point Business Park LLC	1.3	10	0.60%																		
Wells Fargo Bank NA													2.8	7	0.76%						
Windsor Shops LLC	2.8	1	1.35%	1.7	5	0.67%	2.9	6	1.00%	2.9	7	0.80%									
Deline-Cornerstone LLC	1.5	7	0.70%	1.1	10	0.42%	1.5	9	0.51%												
Champion Investments 2 LLC	1.4	8	0.65%	1.4	7	0.53%	1.4	10	0.47%												
Champion Investments 1 LLC	1.4	9	0.65%	1.4	8	0.53%															
Meyers 4701 LLC - Larimer Co	2.0	4	0.95%																		
Total Town Assessed Valuation (in millions)	18.1	8.61%		18.5	7.10%		70.4	24.57%		87.6	24.59%		90.3	24.48%		86.2	25.16%		81.0	23.80%	
	\$210.6			\$260.6			\$286.4			\$356.4			\$368.7			\$344.4			\$340.3		

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

List does not include oil and gas property owners or developers

Sources: Weld and Larimer County Assessors Offices.

TOWN OF **WINDSOR**, COLORADO

COMPUTATION OF LEGAL DEBT MARGIN

As of December 31, 2013
(Unaudited)

The Town of Windsor's debt represents bonds secured solely by specified revenue sources (i.e., sales and use tax revenue refunding bonds), Colorado Water Conservation Board loan for the Kern Reservoir/Windsor Lake, Sewer Waste Water Treatment Plant from Colorado Water Resources and Power Development Authority loan, and a Windsor Building Authority term note payable to the USDA. 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.

2013 Assessed valuation ⁽¹⁾	\$340,300,350
Debt limit percentage	10%
Legal debt limit	<u>\$34,030,035</u>
Less:	
Long-term debt outstanding ⁽²⁾	<u>(\$12,541,664)</u>
Legal debt margin	<u>\$21,488,371</u>

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.

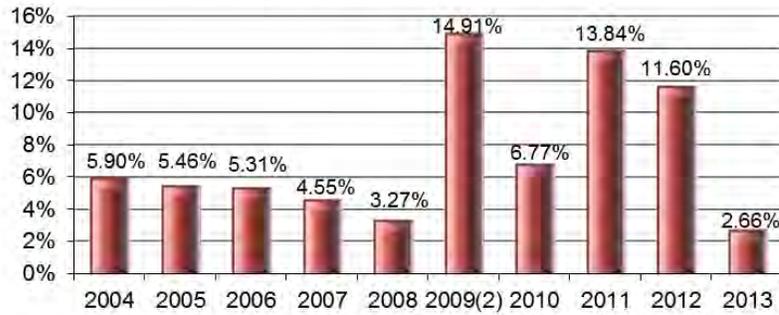
Operation expenditures ⁽¹⁾	\$20,118,905
Debt limit percentage	10% - 15%
Legal debt limit 10% of operation expenditures	<u>\$2,011,891</u>
Legal debt limit 15% of operation expenditures	\$3,017,836
Debt service for long-term debt ⁽²⁾	<u>(\$909,576)</u>
	or 4.52%
Legal debt margin	<u>\$2,108,260</u>

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 GOVERNMENTAL EXPENDITURES**
Last Ten Calendar Years
(Unaudited)

Year	Direct Operating Expense ⁽¹⁾	Debt Service Requirements			Percentage of noncapital expenditures
		Principal	Interest	Total Debt Service	
2004	\$ 7,101,667	\$ -	\$ 418,905	\$ 418,905	5.90%
2005	7,673,951	-	418,905	418,905	5.46%
2006	8,625,355	170,000	287,712	457,712	5.31%
2007	10,023,446	220,000	235,789	455,789	4.55%
2008	13,969,363	235,000	221,142	456,142	3.27%
2009 ⁽²⁾	14,814,991	1,998,356	210,808	2,209,163	14.91%
2010	13,030,872	685,465	197,193	882,658	6.77%
2011	14,024,098	1,770,442	170,293	1,940,735	13.84%
2012	15,115,905	1,669,915	83,836	1,753,751	11.60%
2013	14,014,021	280,000	92,475	372,475	2.66%

**Ratio of Total Debt Service Expenditures
to Noncapital Expenditures**



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

⁽²⁾ Began including Developer Reimbursement Agreements which fluctuate yearly.

Sources: Current and prior years' financial statements.

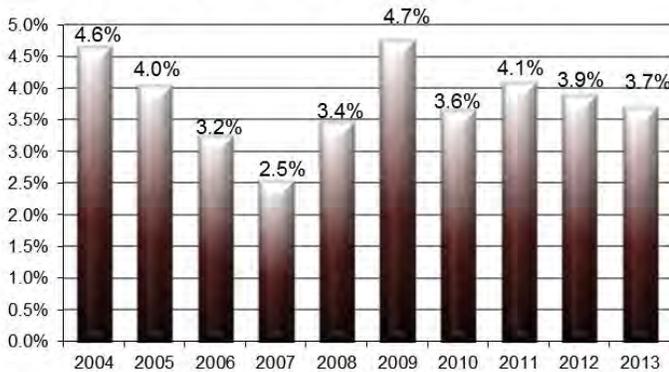
TOWN OF **WINDSOR**, COLORADO

RATIO OF OUTSTANDING DEBT BY TYPE

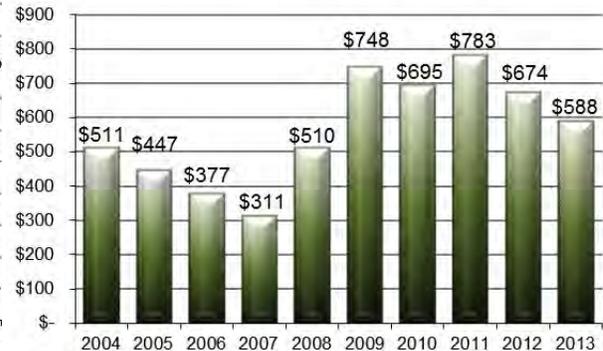
Last Ten Calendar Years
(Unaudited)

Year	Governmental Activities			Business-Type Activities			Total Primary Government	Debt to Assessed Valuation	Percentage of Personal Income	Debt Per Capita
	Sales & Use Tax Revenue Bonds /Refunding Sales & Use Tax Bonds (CRC)	USDA Community Facilities Loan (Police Facility)	Developer Reimbursement Agreements	Sewer Loan Revenue Bonds	Sewer WWTP CWRPDA Loan	CWCB Loan (Kern Reservoir)				
2004	\$ 5,000,000	\$ -	\$ -	\$1,663,988	\$ -	\$ -	\$ 6,663,988	4.6%	2.0%	\$ 511
2005	5,000,000	-	-	1,357,603	-	-	6,357,603	4.0%	1.6%	447
2006	4,830,000	-	-	1,040,653	-	-	5,870,653	3.2%	1.3%	377
2007	4,610,000	-	-	713,138	-	-	5,323,138	2.5%	0.9%	311
2008	4,375,000	-	-	369,777	-	4,241,556	8,986,333	3.4%	1.6%	510
2009	4,125,000	3,000,000	2,284,100	-	-	4,153,903	13,563,003	4.7%	2.4%	748
2010	3,880,000	3,000,000	2,010,887	-	-	4,061,780	12,952,667	3.6%	2.3%	695
2011	3,630,000	2,966,854	1,399,301	-	3,110,543	3,964,959	15,071,657	4.1%	2.5%	783
2012	3,604,944	2,932,444	-	-	2,932,118	3,863,199	13,332,705	3.9%	2.0%	674
2013	3,135,000	2,896,721	-	-	2,753,693	3,756,250	12,541,664	3.7%	1.7%	588

Long-Term Debt to Assessed Value



Long-Term Debt Per Capita



Note: Includes all long-term debt, including:

- Series 2012 Sales and Use Tax Revenue Refunding Bonds issued by the Town of Windsor to finance the construction of a community and recreation center.
- USDA Community Facilities Loan for construction of a new police facility, Windsor Building Authority (WBA).
- Developer Reimbursement Agreements.
- Colorado Water Resources and Power Development Authority Loan dated August 1, 1994, collateralized by Sewer Fund revenues, retired in 2008.
- Sewer Loan from Colorado Water Resources and Power Development Authority (CWRPDA) for Waste Water Treatment Facility (WWTP) Upgrade
- Colorado Water Conservation Board (CWCB) Loan for Kern Reservoir / Windsor Lake.
- Compensated absences are not reflected in the above chart.

Sources:

- Population information located in Demographic section.
- Assessed valuation from Weld and Larimer County Assessors Offices.
- Personal Income computed from US Department of Commerce, Bureau of Econ. Analysis and 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 Calendar Years
(Unaudited)

Year	Principal	Interest	Total Debt Service	Total General Expenditures	General Bonded Debt Service as a Percentage of Expenditures
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%
2011	-	-	-	21,551,404	0.00%
2012	-	-	-	21,083,471	0.00%
2013	-	-	-	17,501,521	0.00%

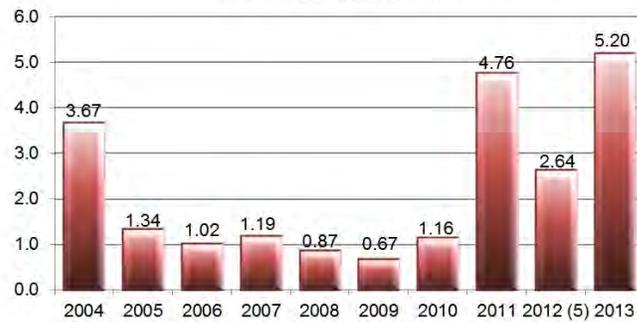
Note: There is no general obligation debt for 2013.

Sources: Current and prior years' financial statements.

TOWN OF **WINDSOR**, COLORADO
REVENUE REFUNDING BOND COVERAGE
COMMUNITY RECREATION CENTER FUND 2004-2010
GENERAL FUND 2011-2013 ⁽¹⁾
 Last Ten Calendar Years
 (Unaudited)

Year	Gross Revenue ⁽²⁾	Direct Operating Expense ⁽³⁾	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage Ratio ⁽⁴⁾
				Principal	Interest	Total	
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	669,233	490,876	245,000	179,480	424,480	1.16
2011	13,248,044	11,248,107	1,999,937	250,000	170,292	420,292	4.76
2012 ⁽⁵⁾	12,994,255	12,008,409	985,846	290,000	83,636	373,636	2.64
2013	14,321,709	12,384,716	1,936,993	280,000	92,275	372,275	5.20

Revenue Refunding Bond Coverage Ratio
Community Recreation Center Fund 2004-2010
General Fund 2011-2013



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

- ⁽¹⁾ GASB No. 54 implemented in 2011 and the Community Recreation Center merged into the General Fund.
- ⁽²⁾ Includes charges for services, sales and use tax, grants and contributions and other operating revenues, and interest income. Also includes transfers in.
- ⁽³⁾ Includes operating expenses such as personal services, supplies and other services and charges.
- ⁽⁴⁾ Net Revenue Available for Debt Service divided by Total Debt Service Requirements.
- ⁽⁵⁾ Revenue Bond was refinanced at a lower interest rate.

Sources: Current and prior years' financial statements.

TOWN OF **WINDSOR**, COLORADO
COMPUTATION OF DIRECT AND OVERLAPPING ACTIVITIES DEBT ⁽¹⁾
As of December 31, 2013
(Unaudited)

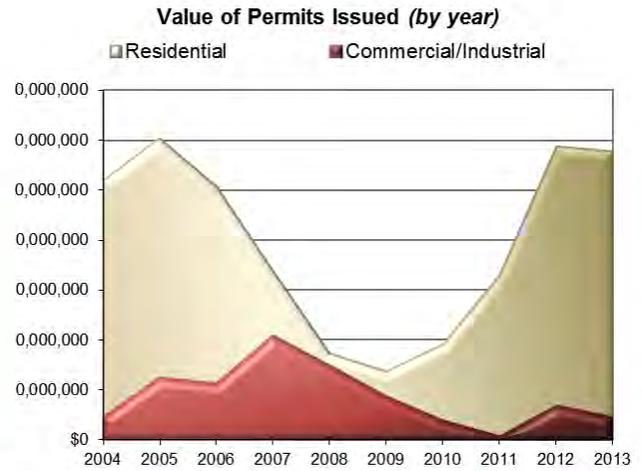
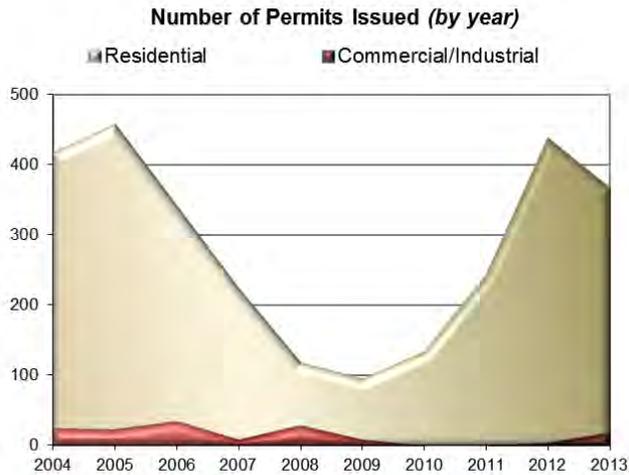
Jurisdiction	Debt Outstanding	Estimated Percentage Applicable to Town ⁽²⁾	Estimated Amount Applicable to Town
<i>Direct:</i>			
Town of Windsor - Direct Debt ^{(3)(A)}			
Sales and Use Tax Revenue Refunding Bonds	\$ 3,135,000		
Police Facility USDA Loan	<u>2,896,721</u>		
TOTAL Direct Debt	<u>\$ 6,031,721</u>	100.00%	<u>\$ 6,031,721</u>
<i>Overlapping:</i>			
Poudre R-1 School District ^(B)	294,841,693	3.52%	10,367,222
Thompson R2-J School District ^(C)	101,340,000	6.43%	6,517,245
Windsor RE-4 School District ^(D)	41,935,000	52.93%	22,195,924
Weld County ^{(3)(E)}	-	-	-
Larimer County ^{(3)(E)}	-	-	-
Windsor-Severance Fire Protection District ^(F)	<u>3,215,000</u>	<u>63.82%</u>	<u>2,051,707</u>
TOTAL Overlapping Debt	<u>\$ 441,331,693</u>		<u>\$ 41,132,098</u>
TOTAL Direct and Overlapping Debt			<u>\$ 47,163,819</u>

- Notes:*
- ⁽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.

- 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 Rescue Finance Department

TOWN OF **WINDSOR**, COLORADO
BUILDING PERMITS AND VALUE OF CONSTRUCTION
 Last Ten Calendar Years
 (Unaudited)

<u>Year</u>	<u>Number of New Residential Building Permits</u>	<u>Value of Construction for New Residential Construction</u>	<u>Number of New Commercial/Industrial Permits</u>	<u>Total Value of Construction for New Commercial/Industrial Buildings</u>
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
2011	244	66,235,532	2	1,511,034
2012	437	117,686,539	4	13,816,992
2013	365	115,383,579	18	9,160,783



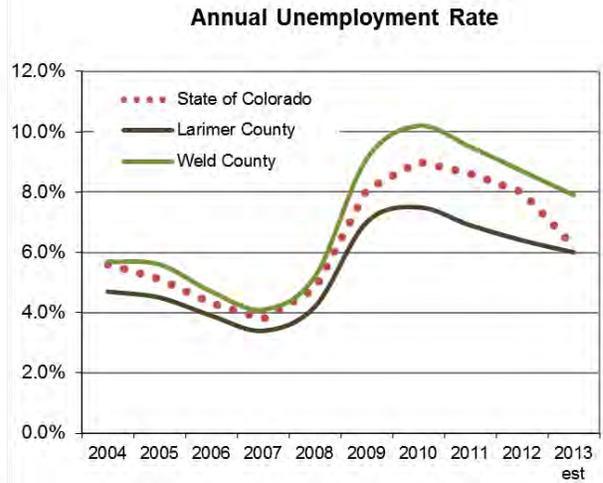
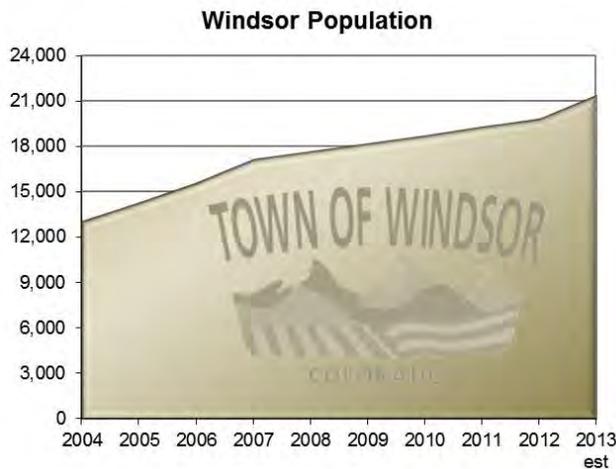
Source: Permit information is provided by the Town Planning and Zoning Department.

TOWN OF **WINDSOR**, COLORADO

DEMOGRAPHIC STATISTICS

Last Ten Calendar Years
(Unaudited)

Year	Population ⁽¹⁾	Median Household Income ⁽²⁾	Mean Household Size ⁽³⁾	Personal Income (in thousands) ⁽⁴⁾	Per Capita Personal Income ⁽⁴⁾	Annual Unemployment Rate			
						Larimer County ⁽⁵⁾	Weld County ⁽⁵⁾	Colorado State ⁽⁵⁾	Town of Windsor ⁽⁶⁾
2004	13,029	62,300	2.75	337,107	25,874	4.7%	5.7%	5.6%	N/A
2005	14,238	64,100	2.76	389,705	27,371	4.5%	5.6%	5.1%	4.4%
2006	15,554	66,000	2.76	442,167	28,428	3.9%	4.7%	4.3%	3.3%
2007	17,112	68,000	2.76	598,828	34,995	3.4%	4.1%	3.8%	3.6%
2008	17,623	70,000	2.76	574,009	32,572	4.2%	5.2%	4.8%	4.8%
2009	18,133	75,276	2.76	559,789	30,871	7.0%	9.1%	8.1%	7.3%
2010	18,644	75,970	2.76	573,927	30,783	7.5%	10.2%	9.0%	7.4%
2011	19,259	78,013	2.76	601,846	31,250	6.9%	9.5%	8.6%	6.5%
2012	19,795	79,948	2.76	673,733	34,036	6.4%	8.7%	8.0%	6.0%
2013 est	21,330	81,931	2.76	741,721	34,774	6.0%	7.9%	6.2%	5.0%



Population Decade Changes ⁽²⁾

Year	Town of Windsor	Percent Change	Weld County	Percent Change	Colorado	Percent Change
1960	1,509	-	72,344	-	1,753,947	-
1970	1,564	3.6%	89,297	23.4%	2,207,259	25.9%
1980	4,277	173.5%	123,438	38.2%	2,889,964	30.9%
1990	5,062	18.4%	131,821	6.8%	3,294,394	14.0%
2000	9,896	95.5%	180,926	37.3%	4,301,261	30.6%
2010	18,644	88.4%	252,825	39.7%	5,029,196	16.9%

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.
⁽²⁾ US Census Bureau.
⁽³⁾ Colorado Department of Local Affairs (DOLA).
⁽⁴⁾ Personal income computed from US Dept. of Commerce, Bureau of Econ. Analysis statistics.
⁽⁵⁾ U.S. Department of Labor, Bureau of Labor Statistics.
⁽⁶⁾ Online at www.homefacts.com

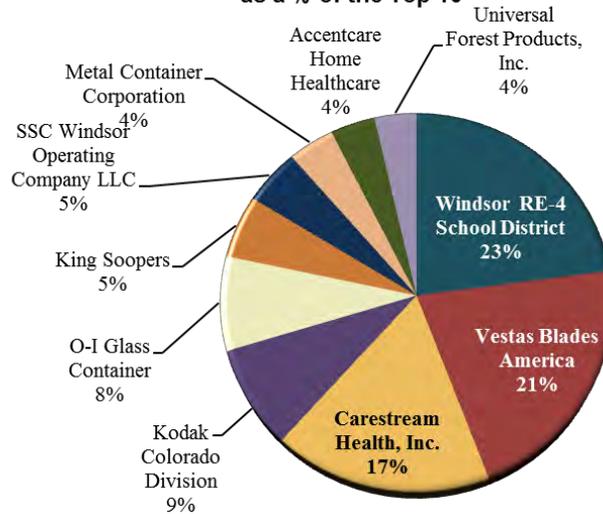
TOWN OF **WINDSOR**, COLORADO

TOP 10 PRINCIPAL EMPLOYERS

Current Year and Six Years Prior
(Unaudited)

	2007		2008		2009		2010		2011		2012		2013		% of Top 10 Total
	Employees ⁽¹⁾	Rank	Employees ⁽²⁾	Rank	Employees ⁽²⁾	Rank	Employees ⁽²⁾	Rank	Employees ⁽³⁾	Rank	Employees ⁽³⁾	Rank	Employees ⁽³⁾	Rank	
Windsor RE-4 School District	339	2	615	4	640	2	618	2	638	2	600	1	600	1	22.90%
Vestas Blades America			650	3	650	1	650	1	716	1	475	2	558	2	21.30%
Carestream Health, Inc.			650	2	600	3	600	3	588	3	430	3	457	3	17.44%
Kodak Colorado Division	1,800	1	720	1	390	4	390	4	200	5	225	4	227	4	8.66%
O-I Glass Container	175	3	200	6	206	5	206	5	205	4	182	5	211	5	8.05%
King Soopers									128	7	132	6	142	6	5.42%
SSC Windsor Operating Company LLC									131	6	131	7	127	7	4.85%
Metal Container Corporation	85	6	112	8	117	6	117	6	108	8	107	8	104	8	3.97%
Accentcare Home Healthcare													100	9	3.82%
Universal Forest Products, Inc.	135	4	160	7	85	7	80	8	93	10	95	9	94	10	3.59%
Town of Windsor	85	6	86	10	85	9	89	7	95	9	95	10			0.00%
Ice Energy, LLC					55	10	55	9							0.00%
Front Range Energy							35	10							0.00%
TOTAL Principal Employers	2,619		3,193		2,828		2,840		2,902		2,472		2,620		100.00%

Principal Employers
as a % of the Top 10

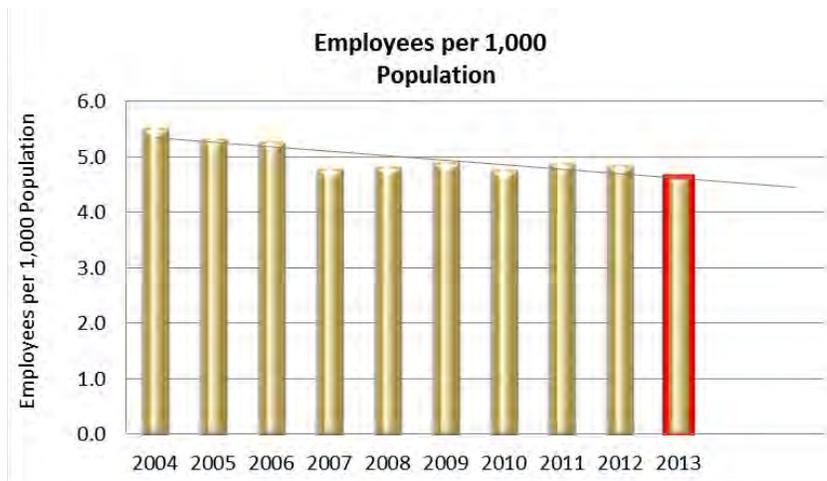


Note: Change in format of CAFR. Employer data is not available prior to 2007. In future years, as information becomes available, additional years will be presented.

*Sources: (1) Windsor Chamber of Commerce and company information
(2) Northern Colorado / Upstate Colorado
(3) Colorado Department of Labor QCEW (data as of 3Q2013)*

TOWN OF **WINDSOR**, COLORADO
FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION / PROGRAM
 Last Ten Calendar Years
 (Unaudited)

Function/Program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	% change in 10 yrs
General Government											
Administration ⁽¹⁾	14	16	19	18	20	22	24	25	25	25	
Community Development	5	5	6	6	6	6	5	5	5	5	
Public Safety											
Sworn	16	17	17	18	18	20	20	20	21	21	
Non-sworn	3	3	3	3	3	3	3	3	4	4	
Public Works											
Utilities ^{(2) (4)}	8	8	7	7	7	7	7	7	7	7	
Streets & other	8	8	9	9	9	8	8	14	14	15	
Parks, Recreation & Culture	13	13	13	16	17	18	17	16	16	17	
Community Center ⁽³⁾	5	6	8	5	5	5	5	4	4	5	
TOTAL	72	76	82	82	85	89	89	94	96	99	38%
Population	13,029	14,238	15,554	17,112	17,623	18,133	18,644	19,259	19,795	21,330	64%
Employees per 1,000 Population											
Population	5.5	5.3	5.3	4.8	4.8	4.9	4.8	4.9	4.8	4.6	-16%



Notes: General Government Administration consists of Clerk, Town Manager, Finance, Human Resources, Economic Development, 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, Fleet and Facilities divisions

⁽¹⁾ Separate Human Resources division formed 2008

⁽²⁾ Public Works reorganized in 2006 - previously included IT

⁽³⁾ Community Recreation Center opening in 2004 and reorganization 2007

⁽⁴⁾ Public Works included Facilities Services from 2011 forward

Source: Town of Windsor budget office and Demographic Section

GASB 34 implemented in 2004

TOWN OF **WINDSOR**, COLORADO
OPERATING INDICATORS BY FUNCTION / PROGRAM

Last Ten Calendar Years
(Unaudited)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	% change in 10 years
General Government											
Registered voters	8,339	9,215	9,938	9,935	11,879	12,310	12,457	12,978	12,482	12,695	52%
Elected officials	7	7	7	7	7	7	7	7	7	7	
Full-time employees	72	76	82	82	85	89	89	94	96	99	38%
Part-time employees	N/A	15	15	13	14	12	12	40.95 FTE	42.13 FTE	39.85 FTE	
Seasonal employees	N/A	130	132	133	134	133	133	see above	see above	see above	
Public Safety											
Adult arrests	201	199	212	272	195	234	264	310	329	340	69%
Juvenile detentions	33	54	45	79	53	63	64	46	57	27	-18%
Traffic citations	307	464	442	689	1,365	1,749	2,208	2,036	2,471	2,211	620%
Calls for service	4,495	5,483	6,352	6,747	5,242	5,442	7,506	6,123	6,344	5,906	31%
Parks, Recreation & Culture, & Community Recreation Center											
Participants served	45,526	69,104	47,782	55,713	59,082	65,764	76,159	83,735	105,323	95,190	109%
Community Development											
Building permits	440	480	374	233	147	104	137	246	441	383	-13%
Site plan reviews	16	34	34	9	18	10	12	11	7	16	0%
Utilities (Water, Sewer, and Storm Drainage)											
Number of total accounts	4,958	5,372	5,697	6,151	6,368	6,544	6,856	7,603	7,634	8,433	70%
New utility accounts	288	438	366	378	236	124	194	306	313	441	53%
Average daily water consumption (millions of gallons)	1.49	1.69	1.87	1.89	1.74	1.58	1.72	1.72	2.01	1.73	16%
Average daily water consumption per capita (gallons)	114.36	118.70	120.23	110.45	98.73	87.13	92.25	89.31	104.37	81.11	-29%
Annual consumption (millions of gallons)	544.7	617.2	683.4	692.4	635.8	578.2	627.8	627.6	735.3	632.6	16%
Other Public Works											
Paved road miles	88.7	105.5	108.5	113.0	131.1	133.2	140.0	143.2	145.0	144.3	63%
Work orders processed	N/A	N/A	5,240	4,392	4,719	5,125	4,419	4,631	10,321	5,527	
Information Systems											
Servers on the Network	5	6	5	19	26	30	35	29	35	42	740%
New Computers Purchased	20	21	20	15	20	30	30	35	20	43	115%
Work Stations on the Network	60	62	60	95	109	115	120	132	125	150	150%
Number of Users on Network	75	96	75	115	119	125	135	142	136	142	89%
Annual Hits to Town Web Site	48,352	51,283	48,352	132,065	142,034	149,823	158,989	165,720	287,222	384,936	696%
Average Daily Hits to Web Site	133	141	133	362	389	410	600	679	486	548	312%

Note: Average daily water consumption per capita can be attributed to the tiered watering system and water conservation awareness.

Sources: Various Town of Windsor departments

GASB 34 implemented in 2004

TOWN OF **WINDSOR**, COLORADO
CAPITAL ASSET STATISTICS BY FUNCTION / PROGRAM
 Last Ten Calendar Years
 (Unaudited)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	% change in 10 years
Public Safety											
Patrol units	16	17	17	18	18	20	20	21	22	22	38%
Public Works											
Area in square miles	17.80	18.72	22.59	22.98	23.25	24.61	24.61	24.63	24.67	24.75	39%
Paved roads (<i>miles</i>)	88.7	105.5	108.5	113.0	131.1	133.2	140.0	143.2	145.0	144.3	63%
Parks, Recreation & Culture											
Playgrounds	5	7	7	7	8	10	12	12	16	18	260%
Swimming pools	1	1	1	1	1	1	1	1	1	1	0%
Waterslides	1	1	1	1	1	1	1	1	1	1	0%
Skate parks	1	1	1	1	1	1	1	1	1	1	0%
Community centers	1	1	1	1	1	1	1	1	1	1	0%
Shelters	11	12	15	15	15	15	16	16	22	24	118%
Museums (<i>includes Pioneer Village</i>)	1	1	1	1	1	1	1	1	1	1	0%
Multi-purpose fields	15	15	15	15	15	15	15	15	15	15	0%
Acres managed	290	313	320	358	366.2	445	445	445	445	445	53%
Developed parks (<i>acres</i>) ⁽¹⁾	N/A	N/A	97	106	106	126.1	129.6	133.6	139.2	143.3	48%
Undeveloped parks (<i>acres</i>)	N/A	N/A	176	175	179.2	179.2	179.2	171.7	166.1	169.5	-4%
Open space (<i>acres</i>) ⁽²⁾	N/A	N/A	76	80	127	139.7	139.7	139.7	139.7	139.7	84%
Trails (<i>miles</i>)	N/A	38	40	42	42	42	42	44	44	55	45%
Utilities											
Water mains (<i>miles</i>)	N/A	95.6	97	N/A	116	117	117	117	117	118.1	24%
Storage capacity (<i>millions of gallons</i>)	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	0%
Sewer treatment plants	1	1	1	1	1	1	1	1	1	1	0%
Sanitary sewer (<i>miles</i>)	64.9	N/A	82	N/A	82	86	94	94	95	94.7	46%
Treatment capacity (<i>millions of gallons</i>)	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	0%

Notes: ⁽¹⁾ 2009 to present includes Cemetery

⁽²⁾ 2009 to present includes land adjacent to trails

Sources: Various Town of Windsor departments

GASB 34 implemented in 2004

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REPORTS TO GOVERNMENTAL AGENCIES

TOWN OF WINDSOR



COLORADO



INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Town of Windsor, Colorado (the “Town”), as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Town’s basic financial statements, and have issued our report thereon dated June 23, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Town’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or 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. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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*.



Purpose of this Report

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

Anton Collins Mitchell LLP

Greeley, Colorado
June 23, 2014



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

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

Report on Compliance for Each Major Federal Program

We have audited the Town of Windsor's (the "Town") compliance 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, 2013. The Town's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Town's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and 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 on compliance for its major federal program. However, our audit does not provide a legal determination of the Town's compliance with those requirements.

Opinion on Each Major Federal Program

In our opinion, the Town complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2013.

Report on Internal Control over Compliance

Management of the Town is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit, 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 that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for its major federal program 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. A *significant deficiency in internal control over compliance* with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Anton Collins Mitchell LLP

Greeley, Colorado
June 23, 2014

TOWN OF **WINDSOR**, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2013

SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditor's report issued	Unqualified
Internal control over financial reporting:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	No
Noncompliance material to financial statements noted	No

Federal Awards

Internal control over major programs:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	No
Type of auditor's report issued on compliance for major programs	Unqualified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133	No

<u>Name of Federal Program or Cluster</u>	<u>CFDA Number</u>
Capitalization Grants for Clean Water State Revolving Funds	66.458
Community Development Block Grants	14.228
Dollar threshold used to distinguish between type A and type B programs	\$300,000
Auditee qualify as a low-risk auditee	Yes

FINDINGS—FINANCIAL STATEMENTS AUDIT

None

FINDINGS AND QUESTIONED COSTS—MAJOR FEDERAL AWARD PROGRAMS AUDIT

None

SUMMARY OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS

2013-01 – Long Term Debt (Significant Deficiency)

Finding and Recommendation:

During the audit, we noted a number of misstated account balances relating to the long-term debt of the Town. This included the revenue bond refunding transactions and the recording of the new debt for the headworks loan with CWR&PDA. Complete and accurate account balances and transactions are necessary for accurate financial statements. We recommend that

TOWN OF **WINDSOR**, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2013

entries to record long-term debt transactions be reviewed to ensure that long-term debt is accurately reflected in the accounting system.

Current Year Status:
Implemented.

2013-02 – Purchase Cards (Significant Deficiency)

Finding and Recommendation:

We selected purchase card transactions during the year to test the Town's policies surrounding the use of purchase cards. For two purchase card holders selected, we noted that there was no purchase card agreement in place. In addition, we noted several items that did not contain a receipt to support the transactions. Finally, we noted that purchase card transactions were not always approved in accordance with Town policy. We recommend that the Town improve its policies over purchase cards by requiring purchase card agreements for all employees with purchase cards, purchase card transactions be reviewed and approved in accordance with established policy, and that purchase card transactions be supported by receipts.

Current Year Status:
Implemented.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS



TOWN OF **WINDSOR**, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2013

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>2013 Expenditures</u>
<u>Department of Commerce</u>			
Direct programs:			
Investments for Public Works and Economic Development Facilities	11.300	N/A	\$ 109,187
Total Department of Commerce			<u>109,187</u>
<u>U.S. Environmental Protection Agency</u>			
Passed through Colorado Water Resources & Power Development Authority			
Capitalization Grants for Clean Water State Revolving Funds	66.458	W 11A 119	<u>2,310,507</u>
Total U.S. Environmental Protection Agency			<u>2,310,507</u>
<u>Department of Housing and Urban Development</u>			
Direct programs:			
Community Development Block Grants	14.228	N/A	<u>307,000</u>
Total Department of Health and Human Services			<u>307,000</u>
<u>Department of Transportation</u>			
Passed through Colorado Department of Transportation:			
Highway Planning and Construction	20.205		<u>11,453</u>
Total Department of Transportation			<u>11,453</u>
Total Expenditures of Federal Awards			<u>\$ 2,738,147</u>

TOWN OF **WINDSOR**, COLORADO
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
December 31, 2013

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*. The basis of accounting used for the schedule of expenditures of federal awards is consistent with the basis of accounting used for the financial statements.

Note 2 - Subrecipients

Of the federal expenditures presented in the accompanying schedule of expenditures, the Town provided federal awards to sub-recipients for the Community Development Block Grant (CFDA 14.228) for \$307,000.

Note 3 - Loan

The accompanying schedule of expenditures of federal awards includes a loan received from the Colorado Water Resources and Power Development Authority (“CWR&PDA”) totaling \$2,310,507. The majority of the expenditures were incurred by the Town during 2012. However, the Town did not draw down funds from CWR&PDA until 2013. The amount included for the Capitalization Grants for Clean Water State Revolving Funds (CFDA 66.458) represents the amount of funds drawn in 2013 under this loan.