



Town of WINDSOR Colorado

2015 Comprehensive Annual Financial Report

for period ending December 31, 2015



2015 Town Board

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TOWN OF Windsor, Colorado

COMPREHENSIVE ANNUAL FINANCIAL REPORT For the fiscal year ended December 31, 2015



REPORT ISSUED BY:

DEPARTMENT OF FINANCE
DEAN MOYER, DIRECTOR

TOWN OF **WINDSOR**, COLORADO
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 December 31, 2015

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June 30, 2016

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, 2015, 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, 2015 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, 2015 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 23,000.

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. Projects extending beyond the current budget year-end are 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 (61.6%) followed by property tax (20.4%), totaling 82% of the general revenues for fiscal year 2015. Fortunately, the Town’s sales tax base consists mostly of necessity-related vendors such as supermarkets, restaurants and utility companies (49.9%), 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.

The Town voted to increase sales and use tax at the November 2014 election from 3.2% to 3.95%. A new fund for 2015, Community Recreation Center Expansion Fund, was allocated to reflect bond proceeds, the new sales tax and debt service and is compliant with the Town’s debt policies regarding reserve requirement. Also this fund is required to be compliant to the Town’s expenditure policies, making sure ongoing operations will be funded with ongoing revenue sources, ensuring Cash, Long-Term and Service Level Solvency thus ensuring Town policies. This had a significant impact on this year’s financial statements.

Also, the Town addressed a major budgetary initiative to make available funds for economic development incentives when needed. A separate Economic Development Incentive Fund was created for this purpose. The Town allocated \$200,000 to this fund as a transfer from the General Fund to potentially support upcoming incentives. A supplemental budget was necessary to later allocate expenditures in that fund. This fund was created to make available budgeted funds and track them separately from general operations.

Please refer to the Management’s Discussion and Analysis for additional background, analysis and information on the Town’s operations during 2015.

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 ensures long-term financial stability, planning for future replacement and maintenance of capital assets, maintaining current levels of services provided to Windsor citizens and addresses 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, 2015. 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, 2014. This was the seventh 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 2015 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 tenth such award the Town has received. The 2016 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



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, 2014

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, 2014. This was the seventh 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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TOWN OF **WINDSOR**, COLORADO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
December 31, 2015

TOWN OFFICIALS

TOWN BOARD MEMBERS THROUGH DECEMBER 31, 2015

Elected for Four Year Terms

		<u>Term Expires</u>
Mayor - <i>at-large</i>	John Vazquez	Apr 2016
Mayor Pro Tem <i>District 1</i>	Myles Baker	Apr 2016
Town Board Member <i>District 2</i>	Christian Morgan	Apr 2018
Town Board Member <i>District 3</i>	Jeremy Rose	Apr 2016
Town Board Member <i>District 4</i>	Kristie Melendez	Apr 2018
Town Board Member <i>District 5</i>	Robert Bishop-Cotner	Apr 2016
8Town Board Member <i>District 6</i>	Ivan Adams	Apr 2018

APPOINTED OFFICIALS

Town Manager	Kelly Arnold
Town Attorney	Ian McCargar
Municipal Court Judge	Mike Manning
Town Clerk / Assistant to Town Manager	Patti Garcia
Director of Finance / Information Systems	Dean Moyer
Director of Human Resources / Risk Management	Mary Robins
Director of Planning	Joe Plummer
Economic Development Manager	Stacy Johnson
Chief of Police	John Michaels
Director of Public Works	Terry Walker
Director of Engineering	Dennis Wagner
Director of Parks, Recreation & Culture	Melissa M. Chew

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INDEPENDENT AUDITOR'S REPORT







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 (the "Town"), as of and for the year ended December 31, 2015, 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 of material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Town of Windsor, Colorado as of December 31, 2015, 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.

Emphasis of Matter

As discussed in Note 2 to the basic financial statements, the Town adopted Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of Statement No. 68*. As a result of the implementation of these standards, the Town reported a \$190,834 increase in beginning net position in governmental activities.



In addition, during the year, management determined that investments in the Water Fund were overstated in the prior year. The result of the correction was to decrease beginning net position in the Water Fund and the business-type activities by \$833,333. Our opinion is not modified with respect to these matters.

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, the budgetary comparison information on page 53, the Schedule of the Town's Proportionate Share of Net Pension Liability/(Asset) on page 55, and the Schedule of the Town's Contributions on page 56 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 evidence sufficient 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 combining and individual nonmajor fund financial statements, budgetary comparison schedules, debt service requirements schedules, Local Highway Finance Report, schedule of expenditures of federal awards, as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and 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 combining and individual nonmajor fund financial statements, 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 *Governmental Auditing Standards*, we have also issued our report dated June 30, 2016 on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

Anton Collins Mitchell LLP

Greeley, Colorado
June 30, 2016

MANAGEMENT'S DISCUSSION AND ANALYSIS





TOWN OF **WINDSOR**, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2015

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, 2015.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at the close of 2015 by \$205,284,937.
Of this amount, \$35,748,981 may be used to meet the Town's ongoing obligations to citizens and creditors.
- The Town's total net position increased by \$13,660,432.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$8,344,502 or 62.2 % of total General Fund expenditures excluding transfers out.
- The Town's total debt increased by \$17,291,168 during the current fiscal year. The increase was due to 2015 sales and use tax bonds for the Community Recreation Center Expansion in the amount of \$16,100,000. Without this bond and associated bond premiums, debt would have reflected a decrease of \$663,743 due to annual principal payments applied to the 2012 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, 2015

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 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, 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 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 29-51 of this report.

Other information. The budgetary comparison for the General Fund and Community Recreation Center Expansion Fund can be found on pages 53-54. The Schedule of the Town's Proportionate Share of the Net Pension Liability (Asset) and Schedule of Distinct Contributions for its defined benefit pension plan can be found on pages 56 and 57. The combining statements for the non-major Park Improvement, Community Recreation Center, and Conservation Trust Funds are on pages 59-60. The budgetary comparison for the Capital Improvement Fund can be found on page 61. The budgetary comparison for the non-major Park Improvement, Community Recreation Center, and Conservation Trust Funds are found on pages 62-64. The budgetary comparison schedule for the enterprise funds can be found on pages 65-67 and the combining statements for internal service funds are on pages 68-70. The budgetary comparison schedule for the internal service funds is on pages 71-74.

TOWN OF **WINDSOR**, COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2015

FINANCIAL ANALYSIS OF THE TOWN AS A WHOLE

As noted earlier, net position serves 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 \$205,284,937.

By far, the largest portion of the Town's net position (68.3%) 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
	2015	2014	2015	2014	2015	2014	2015	2014
Assets								
Current assets	\$43,892,103	\$ 25,154,867	\$ 28,625,128	\$ 26,878,908	\$ 72,517,231	\$ 52,033,775	\$ 541,509	\$ 359,106
Restricted assets	145,528	145,514	-	-	145,528	145,514	-	-
Loan proceeds receivable	-	-	1,299,730	1,299,730	1,299,730	1,299,730	-	-
Capital assets, net	76,883,424	72,285,244	95,940,813	90,020,857	172,824,237	162,306,101	241,481	243,062
Net pension asset	174,070	-	-	-	174,070	-	-	-
Total assets	121,095,125	97,585,625	125,865,671	118,199,495	246,960,796	215,785,120	782,990	602,168
Deferred outflows of resources								
Deferred loss on refunding	65,879	81,883	-	-	65,879	81,883	-	-
Deferred outflows of resources - pensions	76,276	-	-	-	76,276	-	-	-
Total deferred outflows of resources	142,155	81,883	-	-	142,155	81,883	-	-
Liabilities								
Current liabilities	1,774,707	1,753,574	443,388	1,080,501	2,218,095	2,834,075	100	2,275
Noncurrent liabilities	23,987,912	6,381,276	10,490,553	10,825,672	34,478,465	17,206,948	-	-
Total liabilities	25,762,619	8,134,850	10,933,941	11,906,173	36,696,560	20,041,023	100	2,275
Deferred inflows of resources								
Unearned revenue - property taxes	5,115,539	4,201,475	-	-	5,115,539	4,201,475	-	-
Deferred inflows of resources - pensions	5,915	-	-	-	5,915	-	-	-
Total deferred inflows of resources	5,121,454	4,201,475	-	-	5,121,454	4,201,475	-	-
Net position								
Net investment in capital assets	53,524,675	66,536,176	86,778,936	80,556,471	140,303,611	147,092,647	241,481	243,062
Restricted	27,982,345	10,417,938	1,250,000	1,250,000	29,232,345	11,667,938	-	-
Unrestricted	8,846,187	8,377,069	26,902,794	24,486,851	35,748,981	32,863,920	541,409	356,831
Total net position	\$90,353,207	\$ 85,331,183	\$114,931,730	\$106,293,322	\$205,284,937	\$ 191,624,505	\$ 782,890	\$ 599,893

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The *restricted portion of net position* (7.3%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* (\$50,060,270) may be used to meet the Town's ongoing obligations to citizens and creditors. The main changes in net position are due to an increase in sales and use tax collections and the \$16,100,000 sales and use tax bond for the Community Recreation Center Expansion issued in 2015.

Table 2 shows changes in net position of the Town's governmental and business-type activities. The Town presents comparative data from 2015 and 2014 as required by the Governmental Accounting Standards Board pronouncement 34 ("GASB 34").

Table 2
Condensed Changes in Net Position from Operating Results

	Governmental		Business-Type		Total Primary Government		Component Unit	
	Activities		Activities				Downtown	Development
	2015	2014	2015	2014	2015	2014	2015	2014
Revenues								
Program revenues								
Charges for services	\$ 2,800,874	\$ 2,590,466	\$ 7,784,370	\$ 6,430,001	\$ 10,585,244	\$ 9,020,467	\$ -	\$ -
Operating grants & contributions	1,977,623	2,004,711	-	-	1,977,623	2,004,711	-	-
Capital grants & contributions	2,272,849	811,664	7,888,412	2,787,806	10,161,261	3,599,470	-	-
General revenues								
Property taxes	4,171,557	4,036,268	-	-	4,171,557	4,036,268	25,090	24,470
Sales & use taxes	12,589,346	9,244,616	-	-	12,589,346	9,244,616	-	-
Franchise and other taxes	2,846,658	2,612,248	-	-	2,846,658	2,612,248	-	-
Intergovernmental	-	-	-	-	-	-	-	265,000
Earnings on investments	221,694	151,137	374,531	315,367	596,225	466,504	80	46
Gain (loss) on sale of capital assets	(19,891)	611,222	-	(877,500)	(19,891)	(266,278)	-	-
Other revenues	622,998	2,005,420	63,273	47,494	686,271	2,052,914	270,000	3,917
Total Revenues	27,483,708	24,067,752	16,110,586	8,703,168	43,594,294	32,770,920	295,170	293,433
Expenses								
General government	3,748,233	3,490,765	-	-	3,748,233	3,490,765	-	-
Public safety	3,510,691	3,092,222	-	-	3,510,691	3,092,222	-	-
Public works	7,175,480	6,707,613	-	-	7,175,480	6,707,613	-	-
Parks and recreation	4,890,399	4,624,500	-	-	4,890,399	4,624,500	-	-
Community development	701,861	497,796	-	-	701,861	497,796	-	-
Safety and loss control	4,844	3,536	-	-	4,844	3,536	-	-
Small equipment & maintenance	1,983,466	2,192,671	-	-	1,983,466	2,192,671	-	-
Assets conveyed to other governments	-	152,245	-	-	-	152,245	-	-
Debt issuance costs	237,578	-	-	-	237,578	-	-	-
Interest on long-term debt	554,517	189,438	-	-	554,517	189,438	-	-
Water	-	-	3,608,724	3,300,658	3,608,724	3,300,658	-	-
Sewer	-	-	2,271,608	1,946,739	2,271,608	1,946,739	-	-
Storm drainage	-	-	603,962	591,172	603,962	591,172	-	-
Total Expenses Primary Government	22,807,069	20,950,786	6,484,294	5,838,569	29,291,363	26,789,355	-	-
Component Unit								
Downtown Development Authority	-	-	-	-	-	-	112,173	83,012
Excess in Net Position before transfers and special items	4,676,639	3,116,966	9,626,292	2,864,599	14,302,931	5,981,565	182,997	210,421
Transfers in (out)	154,551	(641,314)	(154,551)	641,314	-	-	-	-
Change in net position	4,831,190	2,475,652	9,471,741	3,505,913	14,302,931	5,981,565	182,997	210,421
Net position - beginning of year (restated)	85,522,017	82,855,531	105,459,989	102,787,409	190,982,006	185,642,940	599,893	389,472
Net position - end of year	\$90,353,207	\$85,331,183	\$ 114,931,730	\$ 106,293,322	\$205,284,937	\$ 191,624,505	\$ 782,890	\$ 599,893

Note: Net position for 2014 was not restated above due to the implementation of GASB Statement No. 68

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Governmental Activities. There was a 14.2% increase in governmental revenues from 2014 to 2015, about \$3.4 million, of which \$3.3 million was sales and use taxes. The Town continues to grow with more construction and use tax from building permits. Charges for services increased 8.1% which includes park improvement fees received from building permits. Construction was up from 2014. Operating grants and contributions reflect a 1.4% decrease from 2014. However, there was an increase in capital grants and contributions of 180%, close to \$1.5 million due primarily to more developer contributed streets in 2015. The cost for developer contributed streets was \$1,623,074 as compared to \$753,080 in 2014. Property taxes increased 3.4% due to an increase in assessed valuation; the mill levy remained at 12.03 mills. As noted before, sales and use taxes increased 36.2% with a gain in sales tax of nearly \$2.4 million with \$2 million from the new 0.75% sales and use tax for the Community Center expansion. While governmental revenues increased 14.2% or \$3,415,956, expenses only increased 8.9% or \$1,856,283, with the largest operational increases in public works (\$467,867) adding a street supervisor public works operations, and in public safety (\$418,469) adding two additional police officers.

Business-type Activities. Total revenues increased 85.1% or about \$7.4 million, as developer contributions were \$2.8 million more in 2015, and in 2015 grants also totaled \$1.7 million. Water, sewer and storm drainage fund operating revenues were up \$1,354,369 or 21.1% for 2015 due to increases in water and sewer impact fee rates. Operating expenses were up 11.1% in 2015 amounting to \$645,725 as there were repairs to the Eastman Park Drive sewer force main. There were 198 more water customers, 193 more sewer customers, and 289 more storm drainage customers served in 2015.

Over all funds, the net position increased 7.1% or \$13.6 million due in part to the aforementioned increase in sales and use tax collections, developer contributions, and utility rate increases.

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.

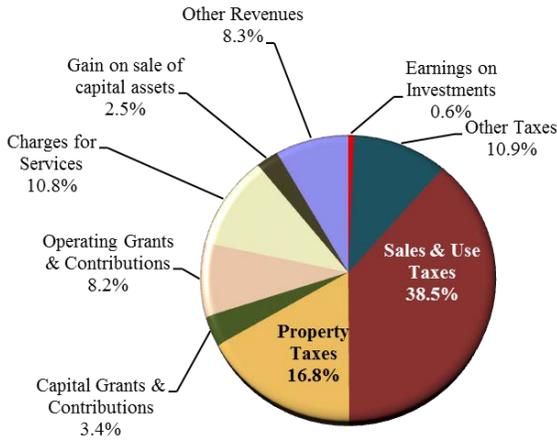
Governmental funds. The focus of the Town's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Town's financing requirements. In particular, *unassigned fund balance* serves as a useful measure 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 \$39,095,216. Approximately 21.3% of this total amount (\$8,344,502) 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 \$26,361,158 restricted for capital improvements (largely the Community Center Expansion), \$721,444 restricted for emergencies, \$725,673 restricted for parks and recreation for use under Conservation Trust Fund regulations, and \$2,942,439 assigned for parks and recreation projects. Governmental fund balances are up 83.6% or \$17,804,404 from 2014 maintaining a higher reserve in all funds but primarily for the uncompleted Community Center Expansion. Also, several 2014 budgeted capital projects were not completed in 2014 and were carried over to 2015 accounting for much of the \$2.8 million increase in the Capital Improvement Fund balance in 2015.

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TABLE 3
Revenues by Source-Governmental Activities 2014



2015 Property tax was up \$135,289 or 3.4% from 2014, sales and use tax was up 36.2% or \$3,344,730, which now includes the 0.75% sales and use tax approved by ballot beginning 2015 for the Community Center Expansion. Capital grants and developer contributions increased \$1.5 million. Total revenue was up 33.0% or about \$3.4 million in 2015.

There were larger developer street contributions in 2015 with Water Valley South, Eagle Crossing, and Highland Meadows Golf Course subdivisions filings.

TABLE 3
Revenues by Source-Governmental Activities 2015

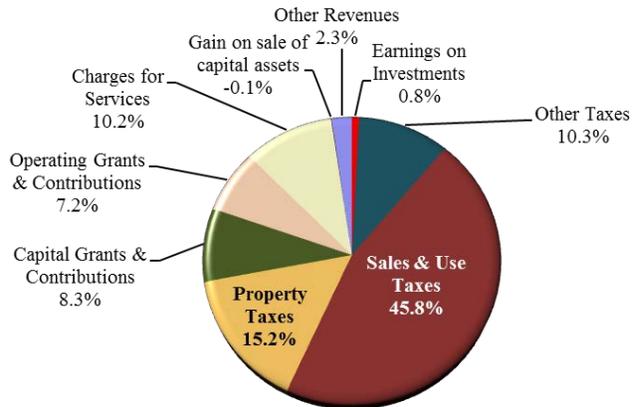
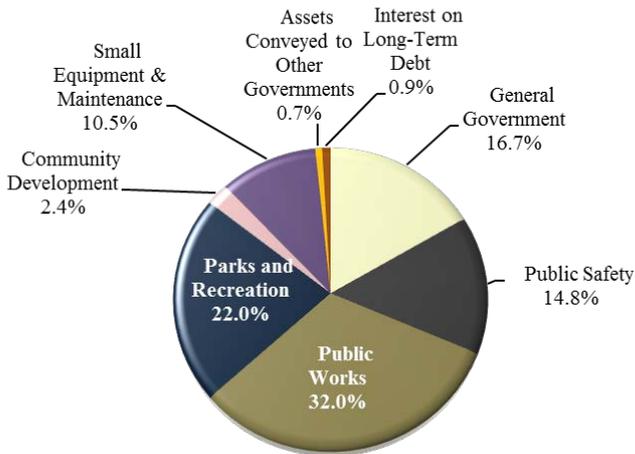
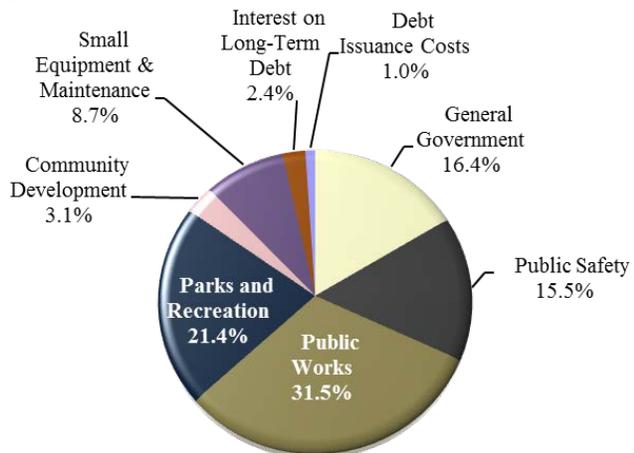


TABLE 4
2014 Expenses by Category Governmental Activities



The distribution of expenses remains about the same for 2015. No assets were conveyed to other governments in 2015 but there was \$237,578 in debt issuance costs.

TABLE 4
2015 Expenses by Category Governmental Activities



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Table 5
Balance Sheet Comparison by Fund
Governmental Funds

	General		Community Recreation Center Expansion		Capital Improvement		Other Governmental (Non Major)		Total	Total
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
ASSETS										
Cash and cash equivalents	\$ 1,697,016	\$ 5,810,158	\$ 17,727,177	\$ -	\$ 781,493	\$ -	\$ 149,720	\$ 372,022	\$20,355,406	\$ 6,182,180
Equity in pooled cash and cash equivalents	-	-	-	-	-	-	-	475,371	-	475,371
Investments	2,364,178	2,348,360	-	-	13,048,976	9,051,121	-	-	15,413,154	11,399,481
Receivables	6,033,818	5,160,175	256,911	-	827,265	1,300,062	68,471	327,012	7,186,465	6,787,249
Interfund receivable	4,899,220	-	-	-	-	579,616	3,591,700	2,573,482	8,490,920	3,153,098
Total assets	14,994,232	13,318,693	17,984,088	-	14,657,734	10,930,799	3,809,891	3,747,887	51,445,945	27,997,379
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES										
<u>Liabilities</u>										
Accounts and retainage payable	\$ 550,954	\$ 346,300	\$ 203,817	\$ -	\$ 212,115	\$ 484,693	\$ 93,243	\$ 57,133	\$ 1,060,129	\$ 888,126
Accrued liabilities	525,100	588,939	-	-	-	-	18,293	10,394	543,393	599,333
Other liabilities	47,477	7,758	-	-	-	-	-	-	47,477	7,758
Interfund payable	-	-	3,397,641	-	2,186,550	1,009,875	-	-	5,584,191	1,009,875
Total liabilities	1,123,531	942,997	3,601,458	-	2,398,665	1,494,568	111,536	67,527	7,235,190	2,505,092
<u>Deferred inflows of resources</u>										
Deferred revenue - property taxes	5,115,539	4,201,475	-	-	-	-	-	-	5,115,539	4,201,475
<u>Fund Balances</u>										
Restricted for emergencies	410,660	398,703	71,341	-	209,200	220,756	30,243	24,022	721,444	643,481
Restricted for capital improvements	-	-	14,311,289	-	12,049,869	9,215,475	-	-	26,361,158	9,215,475
Restricted for parks and recreation	-	-	-	-	-	-	725,673	558,982	725,673	558,982
Assigned for parks and recreation	-	-	-	-	-	-	2,942,439	3,097,356	2,942,439	3,097,356
Unassigned	8,344,502	7,775,518	-	-	-	-	-	-	8,344,502	7,775,518
Total fund balances	8,755,162	8,174,221	14,382,630	-	12,259,069	9,436,231	3,698,355	3,680,360	39,095,216	21,290,812
Total liabilities, deferred inflows of resources and fund balances	\$14,994,232	\$13,318,693	\$ 17,984,088	\$ -	\$14,657,734	\$10,930,799	\$ 3,809,891	\$ 3,747,887	\$51,445,945	\$ 27,997,379

In all, the total governmental assets increased 83.8%, liabilities increased 188.8%, deferred inflows of resources increased 21.8%, and fund balances increased 83.6% (\$17,804,404). 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 the General and Capital Improvement fund balances and the new Community Recreation Center (CRC) Expansion fund balance. Construction use tax increased as well in 2015 with 20% more construction in 2015, and the increased sales and use tax for the CRC Expansion. Without the CRC Expansion, the increase in total fund balance would be a more normal 16.1%, due in part to capital, from developer contributions and higher than expected revenue collection. Thus the Capital Improvement Fund shows a 29.9% increase in fund balance, the General Fund balance is 7.1% higher than 2014. In 2015 the CRC Expansion Fund was created to collect the \$16,100,000 bond proceeds and 0.75% sales and use tax to be separate from the existing Community Recreation Center Fund and is now a separate major fund.

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 2015, the *unassigned* fund balance of the General Fund totaled \$8,344,502, while the total fund balance was \$8,755,162. 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 2015, unassigned fund balance represents 62.2% of total fund expenditures while total fund balance represents 65.3% of that same amount.

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A new fund, the Economic Development Incentive Fund, was established in 2015 to manage developer incentives for tracking purposes. According to GASB 54 that states a fund must have its own source revenue, and this new fund was supplemented by the General Fund by way of transfers, it is thus incorporated into the General Fund for reporting purposes.

There was no supplemental budget for the General Fund. Taxes and assessments showed a positive variance of \$568,580 due to increase sales tax collection, highest on record. No other variances are notable.

TABLE 9
Revenues by Source
General Fund 2014

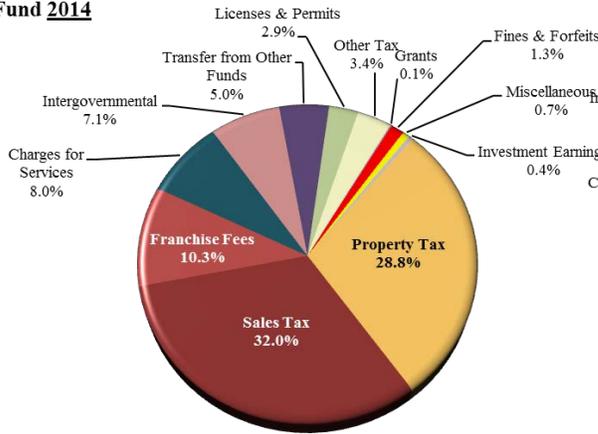
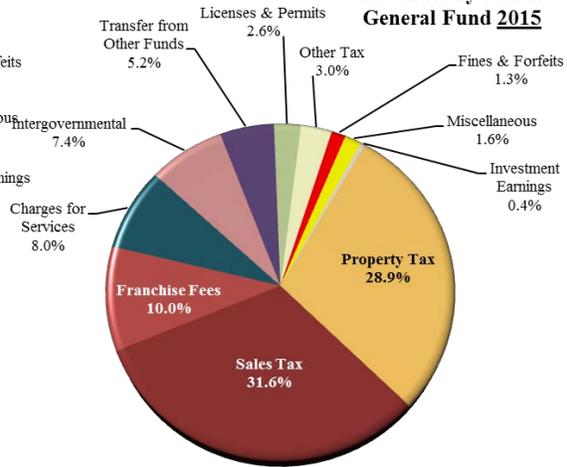


TABLE 9
Revenues by Source
General Fund 2015



The distribution of revenue sources for 2014 and 2015 is very similar as shown above and as you would expect operational revenues to be. There is then a 3.1% gain, or \$75,767, in comparable revenues for 2014 to 2015.

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 2015 are 8.3% (\$1,029,663) more than comparable expenditures of 2014. Community Development accounts for the largest increase with additional personnel.

TABLE 10
Expenditures by Type
General Fund 2014

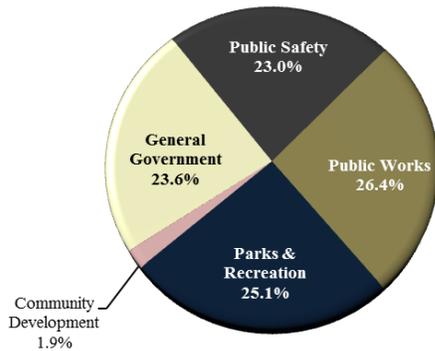
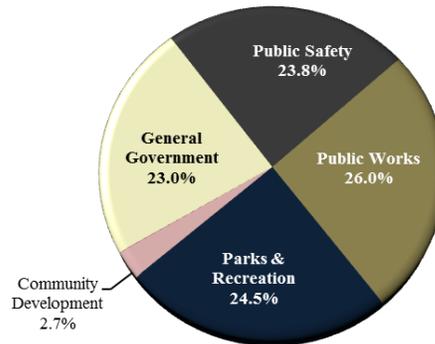


TABLE 10
Expenditures by Type
General Fund 2015



Community Development for 2015 includes additional personnel in the Economic Development Department.

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

Water Fund unrestricted net position increased 8.4% to \$15,657,287. The unrestricted net positions of both the sewer and storm drainage operations increased at the end of the year and were \$8,260,162, and \$2,856,889 respectively. Other factors concerning the finances of these three funds have already been addressed in the discussion of the Town's business-type activities.

TABLE 6
Revenues by Source-Business-Type Activities
2014

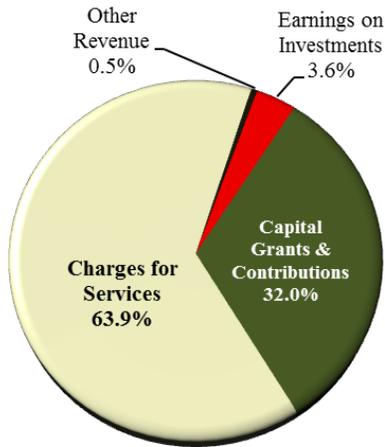
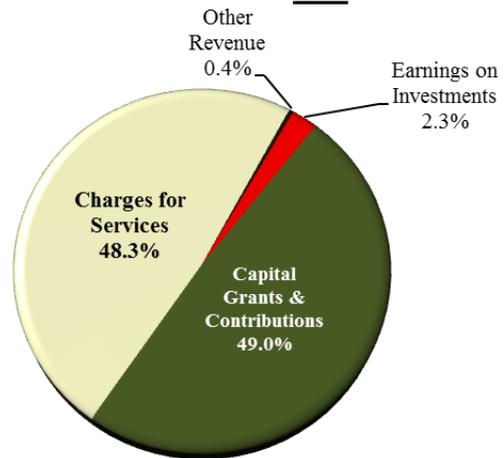


TABLE 6
Revenues by Source-Business-Type Activities
2015



The distribution of revenues in 2015 shows primarily Capital Grants and Contributions, while Charges for services is less of the total revenues. Charges for services increased \$1,354,369 in 2015 with the Water and Sewer Funds plant impact fee increases. Grants and contributions are \$5,100,606 higher due to \$1.7 million in grants for the remainder of the water tank construction, Federal Emergency Management Agency (FEMA) and Community Development Block Grant (CDBG) grant funding for the Law Basin Master Channel, Colorado Department of Public Health and Environment (CDPHE) Sewer Nutrient project grant, and the Colorado Department of Local Affairs (DOLA) sewer force main grants in 2015. There was also \$2.8 million in developer contributions in 2015. Total revenues are thus up 85.1% (\$7,407,418) in 2015. Both revenue streams increased, just the grants and contributions was more in 2015.

TABLE 7
Expenses by Source-Business-Type
Activities 2014

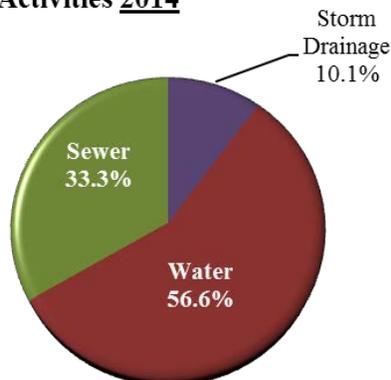
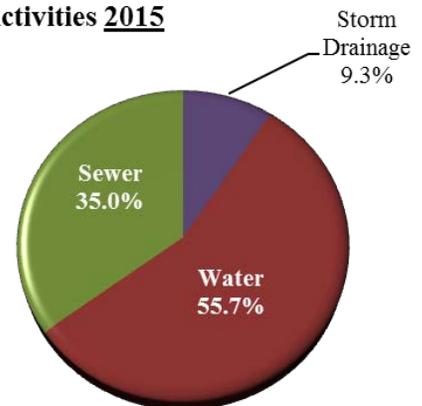


TABLE 7
Expenses by Source-Business-Type
Activities 2015



The distribution of expenses in the Business-type activities is similar to 2014. The water tank was completed in 2015, and both the sewer nutrient project and the Law Basin Master Channel projects continue into 2015. Expenses increased 11.1% or \$645,745 in 2015.

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Table 8
Statement of Net Positions Comparison by Fund
Proprietary Funds

	Water		Sewer		Storm Drainage		Total	Total
	2015	2014	2015	2014	2015	2014	2015	2014
ASSETS								
Total current assets	\$ 27,577,121	\$ 25,471,938	\$ 9,579,146	\$ 8,426,814	\$ 3,133,387	\$ 2,901,027	\$ 40,289,654	\$ 36,799,779
Loan proceeds receivable	1,299,730	1,299,730	-	-	-	-	1,299,730	1,299,730
Capital assets, net	54,034,673	50,612,316	26,346,331	25,958,988	15,559,809	13,449,553	95,940,813	90,020,857
Total assets	82,911,524	77,383,984	35,925,477	34,385,802	18,693,196	16,350,580	137,530,197	128,120,366
LIABILITIES								
Total current liabilities	12,027,214	11,122,187	247,140	292,046	276,498	61,804	12,550,852	11,476,037
Total noncurrent liabilities	7,963,332	8,097,436	2,212,739	2,427,729	-	3,945	10,176,071	10,529,110
Total liabilities	19,990,546	19,219,623	2,459,879	2,719,775	276,498	65,749	22,726,923	22,005,147
NET POSITION								
Net investment in capital assets	47,263,691	43,723,198	23,955,436	23,383,720	15,559,809	13,449,553	86,778,936	80,556,471
Restricted for operations and maintenance	-	-	1,250,000	1,250,000	-	-	1,250,000	1,250,000
Unrestricted	15,657,287	14,441,163	8,260,162	7,032,307	2,856,889	2,835,278	26,774,338	24,308,748
Total Net Position	\$ 62,920,978	\$ 58,164,361	\$ 33,465,598	\$ 31,666,027	\$ 18,416,698	\$ 16,284,831	\$ 114,803,274	\$ 106,115,219
<i>Amounts reported for business-type activities in the Statement of Net Position are different because</i>								
<i>Cumulative portion of internal service funds net operating income attributed to business-type activities</i>							128,456	178,103
							<u>\$114,931,730</u>	<u>\$ 106,293,322</u>

Total assets for the proprietary funds increased in 2015 to reflect a total increase of 7.3% (\$9,409,831), while liabilities increased 3.3% (\$721,776). Assets increased primarily due to developer contributions, the completion of the water tank, work on the Law Basin Master Channel and West Tributary Channel in 2015. Liabilities increased only slightly. The overall net position increased 8.2% (\$8,688,055).

Building and new construction 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 is retained for future projects. Water investment fee increase was approved half in 2015 and half in 2016. Sewer investment fee increases took effect in 2015.

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, 2015, amounts to \$172,824,237 (net of accumulated depreciation). This investment in capital assets includes land, buildings, and system improvements, machinery and equipment, park facilities, roads, highways, and bridges.

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Table 11
Capital Assets, Net

	Governmental		Business-Type		Total	
	Activities		Activities			
	2015	2014	2015	2014	2015	2014
Construction in progress	\$ 6,360,102	\$ 807,806	\$ 4,479,374	\$ 4,627,528	\$ 10,839,476	\$ 5,435,334
Land and water rights	2,300,443	2,300,443	29,071,954	26,245,814	31,372,397	28,546,257
Site improvements	7,880,002	8,085,948	-	-	7,880,002	8,085,948
Buildings and improvements	10,438,370	11,228,805	-	-	10,438,370	11,228,805
Streets and improvements	37,951,624	38,637,965	-	-	37,951,624	38,637,965
Parks and improvements	8,144,936	7,367,495	-	-	8,144,936	7,367,495
Machinery and equipment	3,737,294	3,788,348	-	-	3,737,294	3,788,348
Furniture and fixtures	70,653	68,434	-	-	70,653	68,434
Utility systems and equipment	-	-	62,389,485	59,147,513	62,389,485	59,147,513
Total	\$ 76,883,424	\$ 72,285,244	\$ 95,940,813	\$ 90,020,855	\$ 172,824,237	\$ 162,306,099

Additional information on the Town's capital assets can be found in Note 1 on page 33 and Note 6 on pages 41-42 of this report.

Long-term debt. At the end of the current fiscal year, the Town of Windsor had total bonded debt outstanding of \$18,655,000. The Town's total debt of \$34,478,465 represents bonds secured solely by the specified revenue sources (i.e., 2012 Refunding sales and use tax bonds and 2015 sales and use tax bond), a USDA loan for the police facility, two loans for the construction of the Kern Reservoir, a Sewer Waste Water Treatment Plant loan, a loan for the Kyger Reservoir and compensated absences.

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

	Governmental		Business-Type		Total	
	Activities		Activities			
	2015	2014	2015	2014	2015	2014
2012 Refunding Sales & Use						
Tax Bonds	\$ 2,555,000	\$ 2,855,000	\$ -	\$ -	\$ 2,555,000	\$ 2,855,000
2015 Sales & Use Tax Bonds	16,100,000	-	-	-	16,100,000	-
Bond Premium	1,948,494	116,316	-	-	1,948,494	116,316
USDA Community						
Facilities Loan (WBA)	2,821,134	2,859,635	-	-	2,821,134	2,859,635
CWCB Loans						
(Kern & Kyger Reservoirs)	-	-	8,070,712	8,188,848	8,070,712	8,188,848
CWR&PDA Loan						
Sewer WWTP	-	-	2,390,895	2,575,268	2,390,895	2,575,268
Compensated Absences	563,284	550,325	28,946	61,555	592,230	611,880
Total	\$ 23,987,912	\$ 6,381,276	\$ 10,490,553	\$ 10,825,671	\$ 34,478,465	\$ 17,206,947

The Town's debt increased 100.4% (\$17,271,518) from 2014.

The Town's debt policy imposes a legal debt margin 10% of assessed valuation. The debt limit at December 31, 2015 was \$34,975,602. The amount of debt applicable to the debt limit is \$31,937,740 leaving a legal debt margin of \$3,037,862.

Additional information on the Town's long-term debt can be found in Note 7 on pages 43-45 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 2016 budget was approved and adopted by the Windsor Town Board on November 23, 2015 appropriating \$57,404,716 for expenditures. The 2016 appropriation is an 8.4% increase from 2015 with increases in personnel, debt and capital projects. There is also a 22.5% decrease in projected revenues of \$45,132,717 as compared to \$58,273,118 budgeted in 2015. The decrease is primarily due to receiving \$16.1 million in bond proceeds for a Community Recreation Center (CRC) expansion in 2015. There is also 10.8% increase in taxes, mainly sales and use taxes. Beginning 2015, a 0.75% sales tax was collected to fund the CRC Expansion in both sales and use taxes. Comparing the 2016 budgeted revenue to 2015, fewer grants and loans, results in an anticipated 22.5% decrease. Part of the CRC Expansion is still showing in the 2015 expenditures. Without this \$8 million, 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. The mill levy will remain at 12.03 mills for 2016.

There is provision for a 3% merit pool for employees in the 2016 budget and a total net addition of 12.58 FTE. These are: administrative specialist, street laborer, 2 recreation coordinators, 1 planning technician, construction inspector, engineering technician, and an IT manager. Then there are multiple positions for the new CRC Expansion: 3 aquatics specialists, 4 guest coordinators, 1.5 custodian/guest porters, and 2.5 custodians. With these new additions there were 2 recreation coordinator positions and 4 guest service coordinator positions eliminated.

Parks and Recreation programs and facilities have also been important to our growing community. A total of \$17,967,389 has been allocated to quality of life and recreational programs. The largest project of course still remains the completion of the CRC Expansion. Other projects are a performance venue at Boardwalk Park, a small park in the 15th and Walnut Street corner, some trail construction and upgrades for parks and recreation in 2016.

Improving infrastructure is a primary concern in 2016. There are several large projects budgeted for 2016: Kyger Reservoir pump station, the beginning of the new Public Works maintenance facility, the Railroad Quiet Zone TIGER IV grant project, New Liberty Road extension, work on the Law Basin Master Channel with FEMA PDM grant and a CDBG grant, as well as work on the Law Basin west tributary channel, a large water line replacement with a DOLA grant, and sewer lift station. Funds are allocated to improve and maintain several streets along with Eastman Park Drive and 7th Street Roundabout, and of course the largest project is the Community Recreation Center Expansion completion. Also 2016 will fund some museum, cemetery and trail projects.

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





TOWN OF **WINDSOR**, COLORADO
STATEMENT OF NET POSITION
December 31, 2015

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Downtown Development Authority
<u>Assets</u>				
Cash and cash equivalents	\$ 20,355,421	\$ 3,473,535	\$ 23,828,956	\$ 69,604
Investments	15,413,154	24,455,451	39,868,605	-
Receivables	7,186,653	1,625,916	8,812,569	471,905
Prepaid items	7,101	-	7,101	-
Internal balances	929,774	(929,774)	-	-
Restricted assets:				
Cash and cash equivalents	145,528	-	145,528	-
Loan proceeds receivable	-	1,299,730	1,299,730	-
Capital assets, not being depreciated	8,660,545	33,551,328	42,211,873	213,809
Capital assets, being depreciated, net	68,222,879	62,389,485	130,612,364	27,672
Net pension asset	174,070	-	174,070	-
<u>Total assets</u>	<u>121,095,125</u>	<u>125,865,671</u>	<u>246,960,796</u>	<u>782,990</u>
<u>Deferred outflows of resources</u>				
Deferred loss on refunding	65,879	-	65,879	-
Deferred outflows of resources - pensions	76,276	-	76,276	-
<u>Total deferred outflows of resources</u>	<u>142,155</u>	<u>-</u>	<u>142,155</u>	<u>-</u>
<u>Liabilities</u>				
Accounts payable and other liabilities	1,179,934	391,275	1,571,209	100
Accrued payroll	543,393	18,873	562,266	-
Accrued interest payable	51,380	33,240	84,620	-
Noncurrent liabilities:				
Due within one year				
Bonds and loans payable	874,970	314,482	1,189,452	-
Accrued compensated absences	542,347	19,394	561,741	-
Due in more than one year				
Bonds and loans payable	22,549,658	10,147,125	32,696,783	-
Accrued compensated absences	20,937	9,552	30,489	-
<u>Total liabilities</u>	<u>25,762,619</u>	<u>10,933,941</u>	<u>36,696,560</u>	<u>100</u>
<u>Deferred inflows of resources</u>				
Unearned revenue - property taxes	5,115,539	-	5,115,539	-
Deferred inflows of resources - pensions	5,915	-	5,915	-
<u>Total deferred inflows of resources</u>	<u>5,121,454</u>	<u>-</u>	<u>5,121,454</u>	<u>-</u>
<u>Net position</u>				
Net investment in capital assets	53,524,675	86,778,936	140,303,611	241,481
Restricted for:				
Capital projects	26,361,158	-	26,361,158	-
TABOR emergency reserve	721,444	-	721,444	-
Parks and recreation	725,673	-	725,673	-
Pensions	174,070	-	174,070	-
Operations and maintenance	-	1,250,000	1,250,000	-
Unrestricted	8,846,187	26,902,794	35,748,981	541,409
<u>Total net position</u>	<u>\$ 90,353,207</u>	<u>\$ 114,931,730</u>	<u>\$ 205,284,937</u>	<u>\$ 782,890</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, 2015

<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	\$ 3,748,233	\$ -	\$ -	\$ -
Public safety	3,510,691	221,694	-	-
Public works	7,175,480	514,152	1,064,629	2,272,849
Parks and recreation	4,890,399	2,065,028	356,638	-
Community development	701,861	-	5,789	-
Safety and loss control	4,844	-	-	-
Small equipment and maintenance	1,983,466	-	550,567	-
Debt issuance costs	237,578	-	-	-
Interest on long-term debt	554,517	-	-	-
<u>Total governmental activities</u>	<u>22,807,069</u>	<u>2,800,874</u>	<u>1,977,623</u>	<u>2,272,849</u>
Business-type activities:				
Water	3,608,724	5,356,981	-	3,712,899
Sewer	2,271,608	2,020,489	-	2,209,238
Storm drainage	603,962	406,900	-	1,966,275
<u>Total business-type activities</u>	<u>6,484,294</u>	<u>7,784,370</u>	<u>-</u>	<u>7,888,412</u>
<u>Total primary government</u>	<u>\$ 29,291,363</u>	<u>\$ 10,585,244</u>	<u>\$ 1,977,623</u>	<u>\$ 10,161,261</u>
Component unit				
Downtown Development Authority	\$ 112,173	\$ -	\$ -	\$ -

General revenues

Taxes:

- Property taxes
- Sales and use taxes
- Franchise taxes
- Other taxes

Earnings on investments

Net loss 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 (restated) - See Note 2

Net position at end of year

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

TOWN OF **WINDSOR**, COLORADO
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2015

Net (Expense) Revenue and Changes in Net Position			Component Unit Downtown Development Authority
Primary Government			
Governmental Activities	Business-Type Activities	Total	
\$ (3,748,233)	\$ -	\$ (3,748,233)	\$ -
(3,288,997)	-	(3,288,997)	-
(3,323,850)	-	(3,323,850)	-
(2,468,733)	-	(2,468,733)	-
(696,072)	-	(696,072)	-
(4,844)	-	(4,844)	-
(1,432,899)	-	(1,432,899)	-
(237,578)	-	(237,578)	-
(554,517)	-	(554,517)	-
(15,755,723)	-	(15,755,723)	-
-	5,461,156	5,461,156	-
-	1,958,119	1,958,119	-
-	1,769,213	1,769,213	-
-	9,188,488	9,188,488	-
(15,755,723)	9,188,488	(6,567,235)	-
-	-	-	(112,173)
4,171,557	-	4,171,557	25,090
12,589,346	-	12,589,346	-
1,446,170	-	1,446,170	-
1,400,488	-	1,400,488	-
221,694	374,531	596,225	80
(19,891)	-	(19,891)	-
622,998	63,273	686,271	270,000
20,432,362	437,804	20,870,166	295,170
154,551	(154,551)	-	-
20,586,913	283,253	20,870,166	295,170
4,831,190	9,471,741	14,302,931	182,997
85,522,017	105,459,989	190,982,006	599,893
<u>\$ 90,353,207</u>	<u>\$ 114,931,730</u>	<u>\$ 205,284,937</u>	<u>\$ 782,890</u>

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

TOWN OF **WINDSOR**, COLORADO
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2015

	General	Capital Improvement	Community Recreation Center Expansion	Other Governmental Funds	Total Governmental Funds
<u>ASSETS</u>					
Cash and cash equivalents	\$ 1,697,016	\$ 781,493	\$ 17,727,177	\$ 149,720	\$ 20,355,406
Investments	2,364,178	13,048,976	-	-	15,413,154
Receivables	6,033,818	827,265	256,911	68,471	7,186,465
Interfund receivable	4,899,220	-	-	3,591,700	8,490,920
<u>Total assets</u>	<u>\$ 14,994,232</u>	<u>\$ 14,657,734</u>	<u>\$ 17,984,088</u>	<u>\$ 3,809,891</u>	<u>\$ 51,445,945</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>					
<u>Liabilities</u>					
Accounts and retainage payable	\$ 550,954	\$ 212,115	\$ 203,817	\$ 93,243	\$ 1,060,129
Accrued payroll	525,100	-	-	18,293	543,393
Other liabilities	47,477	-	-	-	47,477
Interfund payable	-	2,186,550	3,397,641	-	5,584,191
<u>Total liabilities</u>	<u>1,123,531</u>	<u>2,398,665</u>	<u>3,601,458</u>	<u>111,536</u>	<u>7,235,190</u>
<u>Deferred inflows of resources</u>					
Deferred revenue - property taxes	5,115,539	-	-	-	5,115,539
<u>Fund balances</u>					
Restricted for emergencies	410,660	209,200	71,341	30,243	721,444
Restricted for capital improvements	-	12,049,869	14,311,289	-	26,361,158
Restricted for parks and recreation	-	-	-	725,673	725,673
Assigned for parks and recreation	-	-	-	2,942,439	2,942,439
Unassigned	8,344,502	-	-	-	8,344,502
<u>Total fund balances</u>	<u>8,755,162</u>	<u>12,259,069</u>	<u>14,382,630</u>	<u>3,698,355</u>	<u>39,095,216</u>
<u>Total liabilities, deferred inflows of resources and fund balances</u>	<u>\$ 14,994,232</u>	<u>\$ 14,657,734</u>	<u>\$ 17,984,088</u>	<u>\$ 3,809,891</u>	<u>\$ 51,445,945</u>

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, 2015

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

Total fund balances - governmental funds		\$ 39,095,216
--	--	---------------

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in the governmental funds.

The cost of capital assets, net of accumulated depreciation		70,079,010
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The deferred loss on refunding is not a current financial resource and, therefore, is not reported as a deferred outflows of resources in the governmental funds.

65,879

Pension asset and related deferred inflows and deferred outflows of resources are not current financial resources and, therefore, are not reported in the fund financial statements.

Pension asset	\$ 174,070	
Deferred outflows of resources relating to pensions	76,276	
Deferred inflows of resources relating to pensions	<u>(5,915)</u>	244,431

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:

Long-term debt	\$ (18,655,000)	
Premium on bonds	(1,948,494)	
Accrued interest payable	(51,380)	
Accrued compensated absences	<u>(517,535)</u>	(21,172,409)

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.

2,041,080

Total net position of governmental activities

\$ 90,353,207

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, 2015

	General	Capital Improvement	Community Recreation Center Expansion	Other Governmental Funds	Total Governmental Funds
<u>Revenues</u>					
Taxes and assessments	\$ 10,605,882	\$ 5,999,454	\$ 2,358,653	\$ 643,572	\$ 19,607,561
Licenses and permits	374,400	-	-	-	374,400
Intergovernmental	1,064,629	550,567	-	356,638	1,971,834
Grants and contributions	5,789	649,775	-	-	655,564
Charges for services	1,159,138	-	-	1,074,044	2,233,182
Fines and forfeitures	193,292	-	-	-	193,292
Earnings on investments	54,987	146,655	19,370	667	221,679
Miscellaneous	236,336	276,662	-	-	512,998
<u>Total revenues</u>	<u>13,694,453</u>	<u>7,623,113</u>	<u>2,378,023</u>	<u>2,074,921</u>	<u>25,770,510</u>
<u>Expenditures</u>					
Current:					
General government	3,090,172	-	-	-	3,090,172
Public safety	3,187,567	-	-	-	3,187,567
Public works	3,480,393	-	-	-	3,480,393
Parks and recreation	3,277,438	-	-	688,259	3,965,697
Community development	363,544	-	-	-	363,544
Safety and loss control	4,844	-	-	-	4,844
Small equipment and maintenance	-	1,982,266	-	-	1,982,266
Debt service					
Principal	-	-	-	300,000	300,000
Interest	-	-	333,165	81,275	414,440
Debt issuance costs	-	-	237,578	-	237,578
Capital outlay	-	2,175,907	5,379,561	1,348,519	8,903,987
<u>Total expenditures</u>	<u>13,403,958</u>	<u>4,158,173</u>	<u>5,950,304</u>	<u>2,418,053</u>	<u>25,930,488</u>
<u>Revenues over (under) expenditures</u>	<u>290,495</u>	<u>3,464,940</u>	<u>(3,572,281)</u>	<u>(343,132)</u>	<u>(159,978)</u>
<u>Other financing sources (uses)</u>					
Transfers in	751,071	73,625	-	387,000	1,211,696
Transfers out	(460,625)	(715,727)	-	(25,873)	(1,202,225)
Bond proceeds	-	-	16,100,000	-	16,100,000
Bond premium	-	-	1,854,911	-	1,854,911
<u>Total other financing sources (uses)</u>	<u>290,446</u>	<u>(642,102)</u>	<u>17,954,911</u>	<u>361,127</u>	<u>17,964,382</u>
<u>Net changes in fund balances</u>	<u>580,941</u>	<u>2,822,838</u>	<u>14,382,630</u>	<u>17,995</u>	<u>17,804,404</u>
<u>Fund balance at beginning of year</u>	<u>8,174,221</u>	<u>9,436,231</u>	<u>-</u>	<u>3,680,360</u>	<u>21,290,812</u>
<u>Fund balance at end of year</u>	<u>\$ 8,755,162</u>	<u>\$ 12,259,069</u>	<u>\$ 14,382,630</u>	<u>\$ 3,698,355</u>	<u>\$ 39,095,216</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, 2015

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

Total net change in fund balance - governmental funds. \$ 17,804,404

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	\$ 8,903,987	
Contributed assets	1,623,074	
Loss on disposal of capital assets (net book value of capital assets disposed)	(152,245)	
Depreciation expense	<u>(5,549,607)</u>	4,825,209

The repayment of bond 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. 300,000

The issuance of long-term debt, including premiums, is reported as other financing sources in the governmental funds; however, issuing debt increases long-term liabilities in the Statement of Net Position. (17,954,911)

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 6,729

Increase in accrued interest payable reflected as 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. (40,227)

Decrease 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. 8,182

Some items reported in the Statement of Activities do not require the use of current financial resources, and therefore, are not reported as expenditures in the governmental fund financial statements.

Change in contributions subsequent to measurement date	\$ 7,063	
Pension expense - first year amortization	(244)	
Employer pension contribution expense	<u>46,778</u>	53,597

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. (171,793)

Change in net position of governmental activities \$ 4,831,190

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

TOWN OF **WINDSOR**, COLORADO
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2015

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Water	Sewer	Storm Drainage	Total	Internal Service Funds
ASSETS					
Current assets					
Cash and cash equivalents	\$ 1,803,181	\$ 1,249,079	\$ 421,275	\$ 3,473,535	\$ 15
Investments	24,455,451	-	-	24,455,451	-
Interfund receivable	944,042	7,917,074	1,873,636	10,734,752	530,211
Intergovernmental receivable	24,792	204,142	775,118	1,004,052	-
Accounts receivable	306,279	207,438	63,358	577,075	188
Accrued interest receivable	43,376	1,413	-	44,789	-
Total current assets	27,577,121	9,579,146	3,133,387	40,289,654	530,414
Noncurrent assets					
Restricted cash and investments	-	-	-	-	145,528
Prepaid items	-	-	-	-	7,101
Loan proceeds receivable	1,299,730	-	-	1,299,730	-
Capital assets:					
Land	3,538,101	84,083	9,000	3,631,184	157,853
Water rights	25,440,770	-	-	25,440,770	-
Utility system	31,555,653	36,616,628	16,453,430	84,625,711	-
Buildings and improvements	163,319	887,725	-	1,051,044	4,994,533
Machinery and equipment	803,458	991,197	46,382	1,841,037	6,161,045
Construction in progress	1,288,308	402,670	2,788,396	4,479,374	-
Less: accumulated depreciation	(8,754,936)	(12,635,972)	(3,737,399)	(25,128,307)	(4,509,017)
Total capital assets, net	54,034,673	26,346,331	15,559,809	95,940,813	6,804,414
Total noncurrent assets	55,334,403	26,346,331	15,559,809	97,240,543	6,957,043
Total assets	82,911,524	35,925,477	18,693,196	137,530,197	7,487,457
LIABILITIES					
Current liabilities					
Interfund payable	11,792,982	-	-	11,792,982	2,378,710
Accounts payable	42,009	40,668	276,498	359,175	23,508
Accrued liabilities	68,061	16,152	-	84,213	48,820
Accrued compensated absences - current	11,244	8,150	-	19,394	30,652
Loans payable - current	124,162	190,320	-	314,482	39,970
Total current liabilities	12,038,458	255,290	276,498	12,570,246	2,521,660
Noncurrent liabilities					
Accrued compensated absences	5,538	4,014	-	9,552	15,097
Loans payable	7,946,550	2,200,575	-	10,147,125	2,781,164
Total noncurrent liabilities	7,952,088	2,204,589	-	10,156,677	2,796,261
Total liabilities	19,990,546	2,459,879	276,498	22,726,923	5,317,921
NET POSITION					
Net investment in capital assets	47,263,691	23,955,436	15,559,809	86,778,936	3,983,280
Restricted for operations and maintenance	-	1,250,000	-	1,250,000	-
Unrestricted	15,657,287	8,260,162	2,856,889	26,774,338	(1,813,744)
Total net position	\$62,920,978	\$33,465,598	\$18,416,698	114,803,274	\$ 2,169,536

Amounts reported for business-type activities in the Statement of Net Position are different because of the cumulative portion of internal service funds net operating income attributed to business-type activities

128,456
\$114,931,730

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
For the Year Ended December 31, 2015

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Water	Sewer	Storm Drainage	Total	Internal Service Funds
<u>Operating revenues</u>					
Charges for services	\$ 3,451,293	\$ 1,997,705	\$ 335,988	\$ 5,784,986	\$ 2,511,420
Miscellaneous	1,905,688	22,784	70,912	1,999,384	-
<u>Total operating revenues</u>	<u>5,356,981</u>	<u>2,020,489</u>	<u>406,900</u>	<u>7,784,370</u>	<u>2,511,420</u>
<u>Operating expenses</u>					
Wages and benefits	161,601	343,259	19,094	523,954	919,266
Operating costs	2,612,340	879,832	202,438	3,694,610	1,020,627
Depreciation	631,889	976,885	373,450	1,982,224	1,073,837
<u>Total operating expenses</u>	<u>3,405,830</u>	<u>2,199,976</u>	<u>594,982</u>	<u>6,200,788</u>	<u>3,013,730</u>
<u>Operating income (loss)</u>	<u>1,951,151</u>	<u>(179,487)</u>	<u>(188,082)</u>	<u>1,583,582</u>	<u>(502,310)</u>
<u>Nonoperating revenues (expenses)</u>					
Earnings on investments	371,031	2,654	846	374,531	15
Gain (loss) on disposal of capital assets	-	-	-	-	132,354
Other income	-	63,273	-	63,273	-
Interest expense	(185,836)	(48,023)	-	(233,859)	(106,579)
<u>Total nonoperating revenues (expenses)</u>	<u>185,195</u>	<u>17,904</u>	<u>846</u>	<u>203,945</u>	<u>25,790</u>
<u>Income (loss) before contributions and transfers</u>	<u>2,136,346</u>	<u>(161,583)</u>	<u>(187,236)</u>	<u>1,787,527</u>	<u>(476,520)</u>
Capital contributions	3,503,114	1,517,276	917,759	5,938,149	110,000
Grants	209,785	691,962	1,048,516	1,950,263	-
Transfers in	217,819	-	504,814	722,633	145,080
Transfers out	(477,114)	(248,084)	(151,986)	(877,184)	-
<u>Change in net position</u>	<u>5,589,950</u>	<u>1,799,571</u>	<u>2,131,867</u>	<u>9,521,388</u>	<u>(221,440)</u>
<u>Net position at beginning of year (restated)</u>	<u>57,331,028</u>	<u>31,666,027</u>	<u>16,284,831</u>	<u>105,281,886</u>	<u>2,390,976</u>
<u>Net position at end of year</u>	<u>\$62,920,978</u>	<u>\$33,465,598</u>	<u>\$18,416,698</u>		<u>\$ 2,169,536</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

(49,647)

\$ 9,471,741

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, 2015

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Water	Sewer	Storm Drainage	Total	Internal Service Funds
<u>Cash flows from operating activities</u>					
Cash received from customers	\$ 5,510,919	\$ 1,951,142	\$ 398,374	\$ 7,860,435	\$ 2,494,236
Other receipts	-	63,273	-	63,273	-
Cash payments to suppliers	(3,407,346)	(936,633)	(242,060)	(4,586,039)	(1,161,033)
Cash payments to employees	(171,544)	(361,981)	(23,039)	(556,564)	(915,599)
<u>Net cash flows from operating activities</u>	1,932,029	715,801	133,275	2,781,105	417,604
<u>Cash flows from non-capital financing activities</u>					
Grant income	209,785	512,543	259,676	982,004	-
Change in interfund payable	1,694,008	-	-	1,694,008	182
Change in interfund receivable	65,833	(901,302)	434,996	(400,473)	(530,211)
Transfers from other funds	217,819	-	504,814	722,633	145,080
Transfers to other funds	(477,114)	(248,084)	(151,986)	(877,184)	-
<u>Net cash flows from non-capital financing activities</u>	1,710,331	(636,843)	1,047,500	2,120,988	(384,949)
<u>Cash flows from capital and related financing activities</u>					
Capital contributions	1,342,995	1,044,198	833,332	3,220,525	110,000
Principal paid on debt	(118,136)	(184,373)	-	(302,509)	(38,501)
Interest paid on debt	(185,836)	(48,023)	-	(233,859)	(106,579)
Proceeds from sale of capital assets	-	-	-	-	132,354
Acquisition of capital assets	(1,894,127)	(891,150)	(2,014,206)	(4,799,483)	(846,808)
<u>Net cash flows from capital and related financing activities</u>	(855,104)	(79,348)	(1,180,874)	(2,115,326)	(749,534)
<u>Cash flows from investing activities</u>					
Proceeds from sales of investments	1,877,019	-	-	1,877,019	-
Purchases of investments	(6,168,919)	-	-	(6,168,919)	-
Net change in restricted cash	-	-	-	-	(14)
Earnings on investments	371,031	2,597	846	374,474	15
<u>Net cash flows from investing activities</u>	(3,920,869)	2,597	846	(3,917,426)	1
<u>Net change in cash and cash equivalents</u>	(1,133,613)	2,207	747	(1,130,659)	(716,878)
<u>Cash and cash equivalents at beginning of year</u>	2,936,794	1,246,872	420,528	4,604,194	716,893
<u>Cash and cash equivalents at end of year</u>	\$ 1,803,181	\$ 1,249,079	\$ 421,275	\$ 3,473,535	\$ 15
<u>Reconciliation of operating income (loss) to net cash flows from operating activities</u>					
Operating income (loss)	\$ 1,951,151	\$ (179,487)	\$ (188,082)	\$ 1,583,582	\$ (502,310)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:					
Depreciation expense	631,889	976,885	373,450	1,982,224	1,073,837
Nonoperating revenue	-	63,273	-	63,273	-
Changes in operating assets and liabilities:					
Accounts receivable	153,938	(69,347)	(8,526)	76,065	(188)
Accounts payable and accrued expenses	(804,949)	(75,523)	(43,567)	(924,039)	(153,735)
<u>Net cash flows from operating activities</u>	\$ 1,932,029	\$ 715,801	\$ 133,275	\$ 2,781,105	\$ 417,604
<u>Non-cash investing, capital and financing activities</u>					
Contributed capital assets	\$ 2,160,119	\$ 473,078	\$ 215,184	\$ 2,848,381	\$ -
Capital assets acquired with accounts payable	\$ -	\$ -	\$ 254,318	\$ 254,318	\$ -

TOWN OF **WINDSOR**, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

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 reporting 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, 2015

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, and sales 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, 2015

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.

Community Recreation Center Expansion Fund - This major fund is a special revenue fund type which is funded by a voter-approved increase in sales and use taxes. The expenditures represent the construction and equipping the Windsor Community Recreation Center expansion. In addition, funds will be used to repay the debt obligations and operating and maintaining the Recreation Center.

Park Improvement Fund - This nonmajor fund is a special revenue fund type which is established to account for revenues derived from specific taxes or other earmarked revenue sources which finance specific activities as required by law or administrative action, primarily park improvement fees.

Community Recreation Center Fund - This nonmajor fund is a special revenue fund type which is funded by sales tax, construction use tax, grants, and facility user fees. The expenditures represent operating and cost of construction.

Conservation Trust Fund - This nonmajor special revenue fund was 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.

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, and Storm Drainage 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.

TOWN OF **WINDSOR**, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2015

Note 1 - Summary of Significant Accounting Policies (Continued)

Budgets and Budgetary Accounting

An annual budget and appropriation resolution is adopted by the Town Board 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.

On or about October 15, the Town staff submits to the Town Board 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 the year ended December 31, 2015:

	Original Budget	Total Revisions	Revised Budget
<u>Governmental funds:</u>			
General fund	\$ 13,740,849	\$ 161,326	\$ 13,902,175
<u>Special revenue funds:</u>			
Community recreation center fund	1,125,576	-	1,125,576
Park improvement fund	1,510,475	-	1,510,475
Conservation trust fund	423,392	-	423,392
<u>Capital projects funds:</u>			
Capital improvements fund	8,250,711	1,623,074	9,873,785
Community recreation center expansion fund	9,485,594	333,165	9,818,759
<u>Business-type funds:</u>			
Water fund	7,898,024	2,769,927	10,667,951
Sewer fund	2,755,621	954,938	3,710,559
Storm drainage fund	4,304,695	215,184	4,519,879
<u>Internal service funds:</u>			
Fleet management fund	1,382,853	168,865	1,551,718
Information technology fund	881,379	-	881,379
Windsor building authority	145,080	-	145,080
Facility service fund	600,340	-	600,340
Total funds	\$ 52,504,589	\$ 6,226,479	\$ 58,731,068

TOWN OF **WINDSOR**, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2015

Note 1 - Summary of Significant Accounting Policies (Continued)

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. 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.

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 5).

Bond Premiums, Discounts and Issuance Costs

In the governmental fund statements, bond premiums, discounts, and issuance costs are recognized as current period revenues and/or expenditures. Bond premiums and discounts in the government-wide and proprietary fund statements are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective-interest method. Issuance costs are expensed as incurred, while bond premiums and discounts are netted against the related debt.

Capital Assets

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

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

Description	Governmental Activities	Business- Type Activities
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, 2015.

TOWN OF **WINDSOR**, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

Note 1 - Summary of Significant Accounting Policies (Continued)

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, 2015.

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.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.

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.

TOWN OF **WINDSOR**, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

Note 1 - Summary of Significant Accounting Policies (Continued)

Fund Balance (Continued)

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.

Net Position

In the government-wide and proprietary fund financial statements, net position is classified in the following categories:

Net Investment in Capital Assets – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce this category.

Restricted Net Position – This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position – This category represents the net position of the Town, which is not restricted for any project or other purpose. A deficit will require future funding.

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 5).

TOWN OF **WINDSOR**, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

Note 1 - Summary of Significant Accounting Policies (Continued)

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 2015.

Pensions

The Town contributes to the Statewide Defined Benefit Plan (“SWDB”), a cost-sharing multiple-employer defined benefit pension plan administered by the Fire and Police Pension Association of Colorado (“FPPA”). For purposes of measuring the net pension asset or liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the SWDB plan and additions to/deductions from the SWDB plan fiduciary net position have been determined on the same basis as they are reported by the FPPA. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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.

Note 2 – Prior Period Restatement

Effective January 1, 2015, the Town adopted the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27 and GASB Statement No. 71, Pension Transition for Contributions made Subsequent to the Measurement Date*, which revises and establishes new financial reporting requirements for most governments that provide their employees with pension benefits. Prior to the adoption of GASB Statement No. 68, the Town followed the requirements of GASB Statement No. 27, *Accounting for Pensions by State and Local Government Employers*.

Statement No. 68 requires the Town, as a participant in FPPA’s multiple-employer cost-sharing defined benefit plans, to record its proportionate share, as defined in GASB Statement No. 68, of the plan’s pension asset. Statement No. 71 requires the Town to record as a deferred outflow of resources contributions made to the pension plan subsequent to the measurement date of the net pension liability. The impact of the adoption of GASB Statements No. 68 and 71 was to increase the net position at the beginning of the fiscal year by \$190,834.

In addition, during the year, management determined that investments in the Water Fund were overstated in the prior year. The result of the correction was to decrease beginning net position in the Water Fund and the business-type activities by \$833,333.

TOWN OF **WINDSOR**, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

Note 3 - Cash, Cash Equivalents and Investments

The composition of the Town's cash, cash equivalents and investments, including restricted cash and investments, on December 31, 2015, is as follows:

Cash, Cash Equivalents and Investments	Fair Value	Weighted Average Maturity Date (in days)	Concentration of Credit Risk
Cash on hand	\$ 3,710	-	N/A
Cash held by County Treasurer	58,528	-	N/A
Cash in financial institution	2,075,434	-	N/A
Certificates of deposit	8,513,811	837	13.8%
U.S. Treasury notes	218,364	317	0.4%
FHLMC	12,537,785	1,332	20.3%
FNMA	16,537,134	1,458	26.8%
Other U.S. instrumentalities	777,789	1,944	1.3%
Municipal bonds	800,085	385	1.3%
Corporate securities	629,165	2,572	1.0%
COLOTRUST	2,477,639	N/A	3.9%
CSAFE	19,283,249	N/A	31.2%
Total cash, cash equivalents and investments	\$ 63,912,693		

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, cash equivalent and investments per the government-wide Statement of Net Position are as follows:

Cash and cash equivalents	\$ 23,828,956
Investments	39,868,605
Restricted cash and cash equivalents	145,528
Cash and cash equivalents - component unit	69,604
Total cash, cash equivalents and investments	\$ 63,912,693

TOWN OF **WINDSOR**, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

Note 3 - 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, 2015 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, 2015, 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, 2015, the Town had invested \$21,760,888 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 value losses arising from increasing interest rates. The approximate weighted average yield to maturity for investments held at December 31, 2015 is 1.54% and the weighted average remaining term of investments is approximately 1,296 days.

TOWN OF **WINDSOR**, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

Note 4 - Receivables

Receivables at December 31, 2015, consist of the following:

<u>Receivables</u>	General	Capital Improvement	Community Center Expansion	Other Governmental	Enterprise	Total
Taxes	\$ 5,115,539	\$ -	\$ -	\$ -	\$ -	\$ 5,115,539
Trade accounts	829,936	498,203	256,911	68,471	508,333	2,161,854
Intergovernmental	88,343	329,062	-	-	1,004,052	1,421,457
Other	-	-	-	188	113,531	113,719
<u>Total</u>	<u>\$ 6,033,818</u>	<u>\$ 827,265</u>	<u>\$ 256,911</u>	<u>\$ 68,659</u>	<u>\$ 1,625,916</u>	<u>\$ 8,812,569</u>

Note 5 - 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.

TOWN OF **WINDSOR**, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

Note 5 - Interfund Transfers and Balances Receivable/Payable (Continued)

The following table summarizes interfund transfers for the year ended December 31, 2015:

	Transfers Out						Total
	General Fund	Capital Improvement Fund	Other Governmental Funds	Water Fund	Sewer Fund	Storm Drainage	
Transfers in:							
Governmental funds:							
General	\$ -	\$ -	\$ 25,873	\$ 477,114	\$ 248,084	\$ -	\$ 751,071
Capital Improvement	73,625	-	-	-	-	-	73,625
Other governmental	387,000	-	-	-	-	-	387,000
Total governmental funds:	460,625	-	25,873	477,114	248,084	-	1,211,696
Proprietary funds:							
Enterprise funds:							
Water	-	65,833	-	-	-	151,986	217,819
Storm Drainage	-	504,814	-	-	-	-	504,814
Internal service funds	-	145,080	-	-	-	-	145,080
Total proprietary funds	-	715,727	-	-	-	151,986	867,713
Total transfers	\$ 460,625	\$ 715,727	\$ 25,873	\$ 477,114	\$ 248,084	\$ 151,986	\$ 2,079,409

The Town's interfund receivables and payables at December 31, 2015 (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, 2015 of \$944,042

Receivable Fund	Payable Fund	Amount
General Fund	Water Fund	\$ 4,899,040
Storm Drainage Fund	Water Fund	1,873,636
Sewer Fund	Water Fund	5,020,306
Sewer Fund	Community Recreation Center Expansion Fund	2,896,768
Internal Service Funds	Community Recreation Center Expansion Fund	234,295
Community Recreation Center Fund	Community Recreation Center Expansion Fund	266,578
Internal Service Funds	Capital Improvement Fund	295,916
Conservation Trust Fund	Capital Improvement Fund	643,864
Park Improvement Fund	Capital Improvement Fund	302,548
General Fund	Capital Improvement Fund	180
Water Fund	Capital Improvement Fund	944,042
Park Improvement Fund	Internal Service Funds	2,378,710
		\$ 19,755,883

TOWN OF **WINDSOR**, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

Note 6 - Capital Assets

Capital asset activity for the year ended December 31, 2015 for governmental activities was as follows:

Governmental activities:

Capital assets, not being depreciated:

Land and water rights	\$ 2,300,443	\$ -	\$ -	\$ 2,300,443
Construction in progress	807,806	7,946,093	(2,393,797)	6,360,102

Total capital assets, not being depreciated	3,108,249	7,946,093	(2,393,797)	8,660,545
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Capital assets, being depreciated:

Site improvements	11,976,194	374,867	-	12,351,061
Buildings and improvements	20,353,681	-	-	20,353,681
Streets and improvements	71,574,200	2,776,388	-	74,350,588
Parks and improvements	13,633,145	1,396,829	-	15,029,974
Machinery and equipment	10,338,291	1,258,028	(507,389)	11,088,930
Furniture and fixtures	512,279	15,461	-	527,740

Total capital assets, being depreciated	128,387,790	5,821,573	(507,389)	133,701,974
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Less accumulated depreciation for:

Site improvements	(3,890,246)	(580,813)	-	(4,471,059)
Buildings and improvements	(9,124,876)	(790,435)	-	(9,915,311)
Streets and improvements	(32,936,235)	(3,462,729)	-	(36,398,964)
Parks and improvements	(6,265,650)	(619,388)	-	(6,885,038)
Machinery and equipment	(6,549,943)	(1,156,837)	355,144	(7,351,636)
Furniture and fixtures	(443,845)	(13,242)	-	(457,087)

Total accumulated depreciation	(59,210,795)	(6,623,444)	355,144	(65,479,095)
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Total capital assets, being depreciated, net	69,176,995	(801,871)	(152,245)	68,222,879
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Governmental activities capital assets, net	\$ 72,285,244	\$ 7,144,222	\$ (2,546,042)	\$ 76,883,424
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Depreciation expense was charged to function/programs of the Town's governmental activities as follows:

Governmental Activities:

General government	\$ 554,961
Public safety	277,480
Public works	3,607,245
Parks and recreation	832,441
Community development	277,480
Capital assets held by internal service funds are charged to the various functions based on usage	1,073,837

Total depreciation expense - governmental activities	\$ 6,623,444
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TOWN OF **WINDSOR**, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

Note 6 - Capital Assets (Continued)

Capital asset activity for the year ended December 31, 2015 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	\$ 4,627,528	\$ 3,681,908	\$ (3,830,062)	\$ 4,479,374
Land and water rights	26,245,814	2,834,950	(8,810)	29,071,954
Total capital assets, not being depreciated	30,873,342	6,516,858	(3,838,872)	33,551,328
Capital assets, being depreciated:				
Utility systems and equipment	82,449,718	5,224,196	(156,122)	87,517,792
	82,449,718	5,224,196	(156,122)	87,517,792
Less accumulated depreciation for:				
Utility systems and equipment	(23,302,205)	(1,982,224)	156,122	(25,128,307)
Total accumulated depreciation	(23,302,205)	(1,982,224)	156,122	(25,128,307)
Total capital assets, being depreciated, net	59,147,513	3,241,972	-	62,389,485
Business-type activities capital assets, net	\$ 90,020,855	\$ 9,758,830	\$ (3,838,872)	\$ 95,940,813

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

Business-type activities:		
Water		\$ 631,889
Sewer		976,885
Storm drainage		373,450
Total depreciation expense - business-type activities		\$ 1,982,224

Capital asset activity for the Downtown Development Authority, the discretely presented component unit, as of December 31, 2015, is as follows:

	Beginning Balance	Increases	(Decreases)	Ending Balance
Land	\$ 213,809	\$ -	\$ -	\$ 213,809
Site improvements	31,625	-	-	31,625
Total accumulated depreciation	(2,372)	(1,581)	-	(3,953)
Discretely presented component unit capital assets	\$ 243,062	\$ (1,581)	\$ -	\$ 241,481

The Downtown Development Authority charged depreciation expense of \$1,581 as of December 31, 2015.

TOWN OF **WINDSOR**, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

Note 7 - 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.

On June 16, 2015, the Town issued \$16,100,000 in sales and use tax revenue bonds. The 2015 sales and use tax revenue bonds are due serially on December 1, with interest at 5.0% payable semiannually; these bonds mature on December 1, 2034.

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.

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
2012 Refunding sales and use tax bonds	\$ 2,855,000	\$ -	\$ (300,000)	\$ 2,555,000	\$ 300,000
2015 sales and use tax bonds	-	16,100,000	-	16,100,000	535,000
USDA Community Facilities Loan	2,859,635	-	(38,501)	2,821,134	39,970
Bond premium	116,316	1,854,911	(22,733)	1,948,494	-
Compensated absences	550,325	791,564	(778,605)	563,284	542,347
Total long-term debt	\$ 6,381,276	\$ 18,746,475	\$ (1,139,839)	\$ 23,987,912	\$ 1,417,317

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

TOWN OF **WINDSOR**, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

Note 7- Long-Term Debt (Continued)

The annual requirements to amortize governmental activities debt outstanding as of December 31, 2015, are as follows:

Year Ending December 31	Principal	Interest	Total
2016	\$ 874,970	\$ 971,485	\$ 1,846,455
2017	906,495	947,160	1,853,655
2018	948,078	910,852	1,858,930
2019	994,721	870,459	1,865,180
2020	1,036,427	828,053	1,864,480
2021 - 2025	4,900,098	3,458,552	8,358,650
2026 - 2030	5,058,645	2,327,195	7,385,840
2031 - 2035	5,103,218	952,432	6,055,650
2036 - 2040	456,085	269,315	725,400
2041 - 2045	549,983	175,417	725,400
2046 - 2050	647,414	62,201	709,615
Total	\$ 21,476,134	\$ 11,773,121	\$ 33,249,255

Business-type Activities

Colorado Water Conservation Board (“CWCB”) Loans

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. The balance outstanding as of December 31, 2015 was \$3,525,712.

In January 2014, the Town entered into an additional loan agreement with the CWCB for the Kyger Reservoir Project for a principal amount of \$4,545,000. The loan accrues interest at 2.75% and includes a service fee of 1% of the project amount. Principal and interest shall be payable in equal loan payments, with the first payment due and payable one year from the date in which the CWCB determines the Project is substantially complete and annual thereafter. The outstanding loan balance as of December 31, 2015 was \$4,545,000.

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 interest at 1.94% and is payable in semi-annual principal and interest payments, beginning on February 1, 2014 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 outstanding loan balance as of December 31, 2015 was \$2,390,895.

TOWN OF **WINDSOR**, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2015

Note 7 - 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 Loans	\$ 8,188,848	\$ -	\$ (118,136)	\$ 8,070,712	\$ 124,162
CWR&PDA Loan	2,575,268	-	(184,373)	2,390,895	190,320
Compensated absences	61,555	23,105	(55,714)	28,946	19,394
Total long-term debt	\$ 10,825,671	\$ 23,105	\$ (358,223)	\$ 10,490,553	\$ 333,876

The annual requirements to amortize all business-type activities debt outstanding as of December 31, 2015, are as follows:

Year Ending December 31	Principal	Interest	Total
2016	\$ 314,482	\$ 205,687	\$ 520,169
2017	320,813	195,601	516,414
2018	327,469	185,540	513,009
2019	340,410	175,595	516,005
2020	347,762	166,934	514,696
2021-2025	1,880,732	683,183	2,563,915
2026-2030	1,558,697	400,696	1,959,393
2031-2033	826,242	85,674	911,916
Total	\$ 5,916,607	\$ 2,098,910	\$ 8,015,517

The above table does not include the future maturities for the Kyger Reservoir Project loan as the maturity will not be determined until one year after the project is complete.

Note 8 - 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 the Plan participants and the Town are established and may be amended by the Town Board. The Employee's Retirement 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 Employee's Retirement 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, 2015

Note 8 - Employees' Retirement Plans (Continued)

As of December 31, 2015, 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
2015	\$ 7,169,699	\$ 5,599,763	\$ 259,378
2014	6,694,100	5,021,942	236,624
2013	6,287,719	6,028,553	234,779

Defined Benefit Police Pension Plan The Town contributes to the Supplemental Social Security Employers portion of the Statewide Defined Benefit Plan, a cost-sharing multiple-employer defined benefit pension plan administered by FPPA. The Statewide Defined Benefit Plan provides retirement benefits for members and beneficiaries. Death and disability coverage is provided for members through the Statewide Death and Disability Plan, which is also administered by the FPPA. This is a non-contributory plan. All sworn police officers of the Town are members of the Plan. Title 31, Article 30 of the CRS, as amended, assigns the authority to establish benefit provisions to the state legislature.

FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for both the Statewide Defined Benefit Plan and the Statewide Death and Disability Plan. That report may be obtained by calling or writing to FPPA.

Benefits Provided. The annual normal retirement benefit is 2 percent of the average of the member's highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter. The benefit earned prior to January 1, 2007 for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually. Effective January 1, 2007, members currently covered under Social Security will receive half the benefit when compared to the Statewide Defined Benefit Plan. Benefits paid to retired members are evaluated and may be re-determined every October 1. The amount of any increase is based on the Board's discretion and can range from 0 to the higher of 3 percent or the Consumer Price Index.

In addition, upon retirement a member may receive additional benefits credited to the member's "Separate Retirement Account" each year after January 1, 1988. These are attributable to contributions in excess of the actuarially determined pension cost and the allocation of the net Fire & Police Members' Benefit Investment Fund earnings and losses thereon. Members do not vest in amounts credited to their Separate Retirement Account until retirement, and the Plan may use such stabilization reserve amounts to reduce pension cost in the event such cost exceeds contributions. It was previously mentioned that reentry members have a higher contribution rate. As a result their Separate Retirement Account ("SRA") has two components; the standard SRA and the reentry SRA. The component of a member's SRA attributable to the higher contribution rate is considered the reentry SRA. The reentry SRA cannot be used to subsidize the costs for the non-reentry members. Effective July 1, 2014, the standard Separate Retirement Account contribution rate for members of the Fire & Police Statewide Defined Benefit Plan was set at 0 percent. The reentry Separate Retirement Account contribution rate was set at 3.60 percent.

A member is eligible for an early retirement at age 50 or after 30 years of service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, an employee may elect to have member contributions, along with 5 percent as interest, returned as a lump sum distribution. Alternatively, a member with at least five years of accredited service may leave contributions with the Plan and remain eligible for a retirement pension at age 55 equal to 2 percent of the member's average highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter.

TOWN OF **WINDSOR**, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

Note 8 - Employees' Retirement Plans (Continued)

A member may elect to participate in the deferred retirement option plan ("DROP") after reaching eligibility for normal retirement, early retirement, or vested retirement and age 55. A member can continue to work while participating in the DROP, but must terminate employment within 5 years of entry into DROP. The member's percentage of retirement benefit is determined at the time of entry into the DROP. The monthly payments that begin at entry into the DROP are accumulated in a DROP account until the member terminates service, at which time the DROP accumulated benefits can be paid as periodic installments, a lump sum, or if desired, a member may elect to convert the DROP to a lifetime monthly benefit with survivor benefits. While participating in the DROP, the member continues to make pension contributions that are credited to the DROP. Effective January 1, 2003, the member shall self-direct the investments of their DROP funds. The DROP balance invested with the asset custodian at December 31, 2014 was \$50,095,678. This amount was not included in the SWDB Plan Net Position.

Contributions. The Plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. Contribution rates for this Plan are set by state statute. Employer contribution rates can only be amended by state statute. Member contribution rates can be amended by state statute or by election of the membership.

Members of this Plan and their employers are contributing at the rate of 8 percent of base salary for a total contribution rate of 16 percent through 2014. In 2014, the members elected to increase the member contribution rate to the Plan beginning in 2015. Member contribution rates will increase 0.5 percent annually through 2022 to a total of 12 percent of base salary. Employer contributions will remain at 8 percent resulting in a combined contribution rate of 20 percent in 2022.

Contributions from members and employers of plans re-entering the system are established by resolution and approved by the FPPA Board of Directors. The reentry group has a combined contribution rate of 20 percent of base salary through 2014. Per the 2014 member election, the reentry group will also have their required member contribution rate increase 0.5 percent annually beginning in 2015 through 2022 for a total combined member and employer contribution rate of 24 percent.

The contribution rate for members and employers of affiliated social security employers is 4 percent of base salary for a total contribution rate of 8 percent effective January 1, 2007 through 2014. Per the 2014 member election, the affiliated social security group will also have their required member contribution rate increase 0.25 percent annually beginning in 2015 through 2022 to a total of 6 percent of base salary. Employer contributions will remain at 4 percent resulting in a combined contribution rate of 10 percent in 2022.

Contributions to the Plan from the Town were \$62,552 for the year ended December 31, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2015, the Town reported an asset of \$174,070 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2014, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of that date. The Town's proportion of the net pension asset was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating Departments, actuarially determined. At December 31, 2014, the Town's proportion was 0.15424 percent, which was an increase of 0.00288 percent from its proportion measured as of December 31, 2013.

TOWN OF **WINDSOR**, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

Note 8 - Employees' Retirement Plans (Continued)

For the year ended December 31, 2015, the Town recognized pension expense of \$53,597. At December 31, 2015, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 3,586
Net difference between projected and actual earnings on pension plan investments	13,724	-
Changes in proportionate share of contributions	-	2,329
City contributions subsequent to the measurement date	62,552	-
	\$ 76,276	\$ 5,915

\$62,552 reported as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Amortization
2016	\$ 2,811
2017	2,811
2018	2,811
2019	2,811
2020	(620)
Thereafter	(2,815)
	\$ 7,809

Actuarial assumptions. The total pension liability in the December 31, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Investment rate of return	7.5 percent, compounded annually net of operating expenses, and including inflation
Projected salary increases	4.0 – 14.0 percent
Cost of Living Adjustment	0.0 percent
Inflation	3.0 percent

Mortality rates were based on the RP-2000 Combined Mortality Table with Blue Collar Adjustment projected with Scale AA, 40 percent multiplier for off-duty mortality. On-duty related mortality is assumed to be 0.00020 per year for all members.

The actuarial assumptions used in the January 1, 2014 valuation were based on the results of an actuarial experience study for the period January 1, 2007–December 31, 2011. As a result of the 2011 actuarial experience study, the main actuarial factor changes were:

- Reduced the inflation assumption from 3.5 percent to 3.0 percent.
- Reduced the normal investment return assumption from 8.0 percent to 7.5 percent.

TOWN OF **WINDSOR**, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2015

Note 8 - Employees' Retirement Plans (Continued)

- Revised the post-retirement mortality tables to reflect increased longevity.

Asset Class	Target Allocation	Long Term Expected Rate of Return
Global Equity	40%	8.9%
Equity Long/Short	10%	7.5%
Illiquid Alternatives	18%	10.5%
Fixed Income	15%	4.6%
Absolute Return	12%	6.5%
Managed Futures	4%	5.5%
Cash	1%	2.5%
Total	100%	

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Plans target asset allocation as of December 31, 2014, are summarized in the above table.

Discount rate. The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the Fire & Police Pension Association Board of Director's funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the Plan fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Town's proportionate share of the net pension liability to changes in the discount rate. The following presents the Town's proportionate share of the net pension liability/(asset) calculated using the discount rate of 7.50 percent, as well as what the Town's proportionate share of the net pension liability/(asset) would be if it were calculated using a discount rate that is 1-percentage point lower (6.50 percent) or 1-percentage-point higher (8.50 percent) than the current rate:

	1.00% Decrease*	Current Discount Rate*	1.00% Increase*
Town's proportionate share of the net pension liability/(asset)	\$164,115	\$(174,070)	\$(456,160)

* The long-term rate of return used was 7.5 percent. The municipal bond rate used was 3.65 percent. The single discount rate for the plans was 7.50 percent.

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Fire & Police Pension Association of Colorado financial report.

TOWN OF **WINDSOR**, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

Note 9 - Contingency

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

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

Note 10 - 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 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 and provides coverage in statutory limits for the State of Colorado. The Town’s 2015 contributions were \$211,659 and \$168,401 and share of equity at December 31, 2015, amounted to approximately \$291,671 and \$271,060 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 \$721,444 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.

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.

TOWN OF **WINDSOR**, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

Note 12 - Commitments

The Town has contractual commitments and estimated costs to complete construction projects in progress totaling approximately \$13.3 million for various projects, including the Community Recreation Center expansion, Law Bain Master Channel, Sewer Nutrient Project, Coyote Gulch Park, and road and concrete projects.

Note 13 – Violation of State Statutes

During the year ended December 31, 2015, expenditures exceeded budget appropriations by \$1,142 in the Facility Services Fund and \$188 in the Windsor Building Authority Fund which may be in violation of state statutes.

Note 14 - Subsequent Events

Management of the Town has evaluated subsequent events through June 30, 2016, the date that the financial statements were available to be issued. No transactions or events that would require adjustment to, or disclosure in the financial statements were identified.

REQUIRED SUPPLEMENTARY INFORMATION
GENERAL FUND BUDGETARY COMPARISON SCHEDULE
COMMUNITY RECREATION CENTER EXPANSION FUND BUDGETARY COMPARISON
SCHEDULE
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF NET PENSION ASSET
SCHEDULE OF TOWN'S CONTRIBUTIONS



These financial statements present budget and actual comparisons for the Town's General Fund and Community Recreation Center Expansion Fund. In addition, it presents schedules for the Town's proportionate share of the net pension liability/(asset) and Town contributions for the Town's defined benefit pension plan.

TOWN OF **WINDSOR**, COLORADO
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues</u>				
Taxes and assessments	\$ 10,037,302	\$ 10,037,302	\$ 10,605,882	\$ 568,580
Licenses and permits	281,309	281,309	374,400	93,091
Intergovernmental	1,122,651	1,122,651	1,064,629	(58,022)
Grants and contributions	-	-	5,789	5,789
Charges for services	1,076,189	1,076,189	1,159,138	82,949
Fines and forfeitures	173,721	173,721	193,292	19,571
Earnings on investments	30,914	30,914	54,987	24,073
Miscellaneous	105,538	105,538	236,336	130,798
<u>Total revenues</u>	<u>12,827,624</u>	<u>12,827,624</u>	<u>13,694,453</u>	<u>866,829</u>
<u>Expenditures</u>				
General government				
Legislative	339,035	339,035	369,968	(30,933)
Judicial	19,623	19,623	18,337	1,286
Administrative and finance	2,164,511	2,164,511	2,096,204	68,307
Town clerk	639,239	639,239	605,663	33,576
Public safety	3,122,689	3,122,689	3,187,567	(64,878)
Public works				
Streets and alleys	1,574,159	1,574,159	1,590,478	(16,319)
Administration	1,222,879	1,222,879	1,033,791	189,088
Cemetery	128,885	128,885	108,048	20,837
Engineering	743,073	743,073	748,076	(5,003)
Parks and recreation	3,092,421	3,092,421	3,277,438	(185,017)
Community development	208,075	369,401	363,544	5,857
Safety and loss control	16,760	16,760	4,844	11,916
<u>Total expenditures</u>	<u>13,271,349</u>	<u>13,432,675</u>	<u>13,403,958</u>	<u>28,717</u>
<u>Revenues over (under) expenditures</u>	<u>(443,725)</u>	<u>(605,051)</u>	<u>290,495</u>	<u>895,546</u>
<u>Other financing uses</u>				
Transfers in	751,071	751,071	751,071	-
Transfers out	(469,500)	(469,500)	(460,625)	8,875
<u>Total other financing uses</u>	<u>281,571</u>	<u>281,571</u>	<u>290,446</u>	<u>8,875</u>
<u>Net change in fund balances</u>	<u>\$ (162,154)</u>	<u>\$ (323,480)</u>	<u>580,941</u>	<u>\$ 904,421</u>
<u>Fund balance at beginning of year</u>			<u>8,174,221</u>	
<u>Fund balance at end of year</u>			<u>\$ 8,755,162</u>	

See accompanying independent auditor's report.

TOWN OF **WINDSOR**, COLORADO
COMMUNITY RECREATION CENTER EXPANSION FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues</u>				
Taxes and assessments	\$ 1,688,815	\$ 1,688,815	\$ 2,358,653	\$ 669,838
Earnings on investments	135,000	135,000	19,370	(115,630)
<u>Total revenues</u>	<u>1,823,815</u>	<u>1,823,815</u>	<u>2,378,023</u>	<u>554,208</u>
<u>Expenditures</u>				
Capital outlay	9,485,594	9,485,594	5,379,561	4,106,033
Debt service:				
Interest	-	333,165	333,165	-
Debt issuance costs	-	-	237,578	(237,578)
<u>Total expenditures</u>	<u>9,485,594</u>	<u>9,818,759</u>	<u>5,950,304</u>	<u>3,868,455</u>
<u>Revenues under expenditures</u>	<u>(7,661,779)</u>	<u>(7,994,944)</u>	<u>(3,572,281)</u>	<u>4,422,663</u>
<u>Other financing sources</u>				
Bond proceeds	16,100,000	16,100,000	16,100,000	-
Premium on bonds	-	1,605,289	1,854,911	249,622
<u>Total other financing sources</u>	<u>16,100,000</u>	<u>17,705,289</u>	<u>17,954,911</u>	<u>249,622</u>
<u>Net change in fund balance</u>	<u>\$ 8,438,221</u>	<u>\$ 9,710,345</u>	<u>14,382,630</u>	<u>\$ 4,672,285</u>
<u>Fund balance at beginning of year</u>			<u>-</u>	
<u>Fund balance at end of year</u>			<u>\$ 14,382,630</u>	

See accompanying independent auditor's report.

TOWN OF **WINDSOR**, COLORADO
GENERAL FUND AND COMMUNITY RECREATION CENTER EXPANSION FUND
NOTE TO BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2015

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 Town Board 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.

TOWN OF **WINDSOR**, COLORADO
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY/(ASSET)
 Last Ten Years

	2015	2014
FPPA - Defined Benefit Plan		
Town's proportion of the net pension liability/(asset)	\$ (174,070)	\$ (190,834)
Town's proportionate share of the net pension liability/(asset)	0.1542%	0.1514%
Town's covered-employee payroll	\$ 1,605,714	\$ 1,509,394
City's proportionate share of the net pension liability/(asset) as a percentage of its covered-employee payroll	10.84%	12.64%
Plan fiduciary net position as a percentage of the total pension	106.80%	105.80%

* The amounts presented for each fiscal year were determined as of December 31 of the prior year.

Information for the prior eight years was not available to report.

See accompanying independent auditor's report.

TOWN OF **WINDSOR**, COLORADO
SCHEDULE OF THE TOWN'S CONTRIBUTIONS
 Last Ten Years

	2015	2014	2013
FPPA - Defined Benefit Plan			
Statutorily Required Contribution	\$ 62,552	\$ 55,706	\$ 52,594
Contributions in Relation to the Statutorily Required Contribution	62,552	55,706	52,594
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -
Covered employee payroll	\$ 1,835,051	\$ 1,605,714	\$ 1,509,394
Contributions as a Percentage of Covered Employee Payroll	3.41%	3.47%	3.48%
Information for the prior seven years was not available to report.			

Notes to Schedule

Changes in plan provisions. The plan provisions have not changed since the prior valuation. The member contribution rate will increase in 2015 as a result of the member election.

Benefit Adjustments. Benefits to members and beneficiaries may be increased annually on October 1. The amount is based on the Fire & Police Pension Association Board of Directors discretion and can range from 0 percent to 3 percent. Benefit adjustment may begin once the retired member has been receiving retirement benefits for at least 12 calendar months prior to October 1.

Changes of assumptions. Beginning in the January 1, 2014 actuarial valuation, the married assumption for active members was increased from 80 percent to 85 percent to reflect the passage of the Colorado Civil Union Act.

See accompanying independent auditor's report.

OTHER SUPPLEMENTARY INFORMATION
COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

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



TOWN OF **WINDSOR**, COLORADO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2015

	Park Improvement Fund	Community Recreation Center Fund	Conservation Trust Fund	Total
<u>ASSETS</u>				
Cash and cash equivalents	\$ 60,719	\$ 5,930	\$ 83,071	\$ 149,720
Receivables	-	68,471	-	68,471
Interfund receivable	2,681,258	266,578	643,864	3,591,700
<u>Total assets</u>	<u>\$ 2,741,977</u>	<u>\$ 340,979</u>	<u>\$ 726,935</u>	<u>\$ 3,809,891</u>
<u>LIABILITIES</u>				
Accounts payable	\$ 90,747	\$ 1,234	\$ 1,262	\$ 93,243
Accrued payroll	-	18,293	-	18,293
<u>Total liabilities</u>	<u>90,747</u>	<u>19,527</u>	<u>1,262</u>	<u>111,536</u>
<u>Fund balances</u>				
Restricted for emergencies	\$30,243	-	-	30,243
Restricted for parks and recreation	-	-	725,673	725,673
Assigned for parks and recreation	2,620,987	321,452	-	2,942,439
<u>Total fund balances</u>	<u>2,651,230</u>	<u>321,452</u>	<u>725,673</u>	<u>3,698,355</u>
<u>Total liabilities and fund balances</u>	<u>\$ 2,741,977</u>	<u>\$ 340,979</u>	<u>\$ 726,935</u>	<u>\$ 3,809,891</u>

See accompanying independent auditor's report.

TOWN OF **WINDSOR**, COLORADO
COMBINING REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2015

	Park Improvement Fund	Community Recreation Center Fund	Conservation Trust Fund	Total
<u>Revenues</u>				
Taxes and assessments	\$ -	\$ 643,572	\$ -	\$ 643,572
Intergovernmental	150,665		205,973	356,638
Charges for services	1,007,655	66,389		1,074,044
Earnings on investments	455	58	154	667
<u>Total revenues</u>	<u>1,158,775</u>	<u>710,019</u>	<u>206,127</u>	<u>2,074,921</u>
<u>Expenditures</u>				
Current:				
Parks and recreation	9,000	670,259	9,000	688,259
Debt service				
Principal	-	300,000	-	300,000
Interest	-	81,275	-	81,275
Capital outlay	1,318,083	-	30,436	1,348,519
<u>Total expenditures</u>	<u>1,327,083</u>	<u>1,051,534</u>	<u>39,436</u>	<u>2,418,053</u>
<u>Revenues over expenditures</u>	<u>(168,308)</u>	<u>(341,515)</u>	<u>166,691</u>	<u>(343,132)</u>
<u>Other financing sources (uses)</u>				
Transfers in	-	387,000	-	387,000
Transfers out	(25,873)	-	-	(25,873)
<u>Total other financing sources (uses)</u>	<u>(25,873)</u>	<u>387,000</u>	<u>-</u>	<u>361,127</u>
<u>Net changes in fund balances</u>	<u>(194,181)</u>	<u>45,485</u>	<u>166,691</u>	<u>17,995</u>
<u>Fund balance at beginning of year</u>	<u>2,845,411</u>	<u>275,967</u>	<u>558,982</u>	<u>3,680,360</u>
<u>Fund balance at end of year</u>	<u>\$ 2,651,230</u>	<u>\$ 321,452</u>	<u>\$ 725,673</u>	<u>\$ 3,698,355</u>

See accompanying independent auditor's report.

TOWN OF **WINDSOR**, COLORADO
CAPITAL IMPROVEMENT FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
<u>Revenues</u>				
Taxes and assessments	\$ 5,722,187	\$ 5,722,187	\$ 5,999,454	\$ 277,267
Intergovernmental	-	-	550,567	550,567
Grants and contributions	3,174,305	4,797,379	649,775	(4,147,604)
Earnings on investments	67,572	67,572	146,655	79,083
Miscellaneous	95,000	95,000	276,662	181,662
<u>Total revenues</u>	<u>9,059,064</u>	<u>10,682,138</u>	<u>7,623,113</u>	<u>(3,059,025)</u>
<u>Expenditures</u>				
Small equipment and maintenance	2,490,143	2,490,143	1,982,266	507,877
Capital outlay	4,934,841	6,557,915	2,175,907	4,382,008
Debt service	110,000	110,000	-	110,000
<u>Total expenditures</u>	<u>7,534,984</u>	<u>9,158,058</u>	<u>4,158,173</u>	<u>4,999,885</u>
<u>Revenues over expenditures</u>	<u>1,524,080</u>	<u>1,524,080</u>	<u>3,464,940</u>	<u>1,940,860</u>
<u>Other financing sources (uses)</u>				
Transfers in	82,500	82,500	73,625	(8,875)
Transfers out	(715,727)	(715,727)	(715,727)	-
<u>Total other financing sources (uses)</u>	<u>(633,227)</u>	<u>(633,227)</u>	<u>(642,102)</u>	<u>(8,875)</u>
<u>Net change in fund balance</u>	<u>\$ 890,853</u>	<u>\$ 890,853</u>	<u>2,822,838</u>	<u>\$ 1,931,985</u>
<u>Fund balance at beginning of year</u>			<u>9,436,231</u>	
<u>Fund balance at end of year</u>			<u>\$ 12,259,069</u>	

See accompanying independent auditor's report.

TOWN OF **WINDSOR**, COLORADO
PARK IMPROVEMENT FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues</u>				
Charges for services	\$ 1,391,043	\$ 1,391,043	\$ 1,007,655	\$ (383,388)
Intergovernmental	100,154	100,154	150,665	50,511
Earnings on investments	317	317	455	138
<u>Total revenues</u>	<u>1,491,514</u>	<u>1,491,514</u>	<u>1,158,775</u>	<u>(332,739)</u>
<u>Expenditures</u>				
Parks and recreation	11,000	11,000	9,000	2,000
Capital outlay	1,473,602	1,473,602	1,318,083	155,519
<u>Total expenditures</u>	<u>1,484,602</u>	<u>1,484,602</u>	<u>1,327,083</u>	<u>157,519</u>
<u>Revenues over (under) expenditures</u>	6,912	6,912	(168,308)	(175,220)
Transfers out	(25,873)	(25,873)	(25,873)	-
<u>Net change in fund balance</u>	<u>\$ (18,961)</u>	<u>\$ (18,961)</u>	(194,181)	<u>\$ (175,220)</u>
<u>Fund balance at beginning of year</u>			<u>2,845,411</u>	
<u>Fund balance at end of year</u>			<u>\$ 2,651,230</u>	

See accompanying independent auditor's report.

TOWN OF **WINDSOR**, COLORADO
COMMUNITY RECREATION CENTER FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues</u>				
Taxes and assessments	\$ 564,549	\$ 564,549	\$ 643,572	\$ 79,023
Charges for services	53,717	53,717	66,389	12,672
Earnings on investments	39	39	58	19
<u>Total revenues</u>	<u>618,305</u>	<u>618,305</u>	<u>710,019</u>	<u>91,714</u>
<u>Expenditures</u>				
Personal services	315,317	315,317	263,582	51,735
Operating and maintenance	428,984	428,984	406,677	22,307
Debt service	381,275	381,275	381,275	-
<u>Total expenditures</u>	<u>1,125,576</u>	<u>1,125,576</u>	<u>1,051,534</u>	<u>74,042</u>
<u>Revenues over (under) expenditures</u>	<u>(507,271)</u>	<u>(507,271)</u>	<u>(341,515)</u>	<u>165,756</u>
<u>Other financing sources</u>				
Transfers in	387,000	387,000	387,000	-
<u>Total other financing sources</u>	<u>387,000</u>	<u>387,000</u>	<u>387,000</u>	<u>-</u>
<u>Net change in fund balance</u>	<u>\$ (120,271)</u>	<u>\$ (120,271)</u>	45,485	<u>\$ 165,756</u>
<u>Fund balance at beginning of year</u>			<u>275,967</u>	
<u>Fund balance at end of year</u>			<u>\$ 321,452</u>	

See accompanying independent auditor's report.

TOWN OF **WINDSOR**, COLORADO
CONSERVATION TRUST FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues</u>				
Intergovernmental	\$ 198,560	\$ 198,560	\$ 205,973	\$ 7,413
Earnings on investments	94	94	154	60
<u>Total operating revenues</u>	<u>198,654</u>	<u>198,654</u>	<u>206,127</u>	<u>7,473</u>
<u>Expenditures</u>				
Parks and recreation	-	-	9,000	(9,000)
Capital outlay	423,392	423,392	30,436	392,956
<u>Total operating expenditures</u>	<u>423,392</u>	<u>423,392</u>	<u>39,436</u>	<u>383,956</u>
<u>Net change in fund balance</u>	<u>\$ (224,738)</u>	<u>\$ (224,738)</u>	166,691	<u>\$ 391,429</u>
<u>Fund balance at beginning of year</u>			<u>558,982</u>	
<u>Fund balance at end of year</u>			<u>\$ 725,673</u>	

See accompanying independent auditor's report.

TOWN OF **WINDSOR**, COLORADO
WATER FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues</u>				
Charges for services	\$ 3,215,288	\$ 3,215,288	\$ 3,451,293	\$ 236,005
Miscellaneous	588,732	1,570,991	1,905,688	334,697
<u>Total operating revenues</u>	<u>3,804,020</u>	<u>4,786,279</u>	<u>5,356,981</u>	<u>570,702</u>
<u>Budgetary expenditures</u>				
Wages and benefits	250,273	250,273	161,601	88,672
Operating and maintenance costs	2,716,811	2,716,811	2,612,340	104,471
Interest	185,836	185,836	185,836	-
Principal paid	118,136	118,136	118,136	-
Capital outlay	4,149,854	6,919,781	1,894,127	5,025,654
<u>Total budgetary expenditures</u>	<u>7,420,910</u>	<u>10,190,837</u>	<u>4,972,040</u>	<u>5,218,797</u>
<u>Operating revenues over (under) budgetary expenditures</u>	<u>(3,616,890)</u>	<u>(5,404,558)</u>	<u>384,941</u>	<u>5,789,499</u>
<u>Nonoperating revenue</u>				
Earnings on investments	232,229	232,229	371,031	138,802
<u>Total nonoperating revenue</u>	<u>232,229</u>	<u>232,229</u>	<u>371,031</u>	<u>138,802</u>
<u>Income (loss) before contributions and transfers</u>	<u>(3,384,661)</u>	<u>(5,172,329)</u>	<u>755,972</u>	<u>5,928,301</u>
Transfers in	217,819	217,819	217,819	-
Transfers out	(477,114)	(477,114)	(477,114)	-
Grants and contributions	95,000	95,000	209,785	114,785
Contributed capital	1,140,534	3,300,653	3,503,114	202,461
<u>Income budgetary basis</u>	<u>\$ (2,408,422)</u>	<u>\$ (2,035,971)</u>	<u>4,209,576</u>	<u>\$ 6,245,547</u>
<u>Reconciliation to GAAP basis</u>				
Depreciation			(631,889)	
Principal paid			118,136	
Capital outlay			1,894,127	
<u>Change in net position - GAAP basis</u>			<u>5,589,950</u>	
<u>Net position at beginning of year (restated)</u>			<u>57,331,028</u>	
<u>Net position at end of year</u>			<u>\$ 62,920,978</u>	

See accompanying independent auditor's report.

TOWN OF **WINDSOR**, COLORADO
SEWER FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Operating revenues</u>				
Charges for services	\$ 1,733,621	\$ 1,733,621	\$ 1,997,705	\$ 264,084
Miscellaneous	44,003	44,003	22,784	(21,219)
<u>Total operating revenues</u>	<u>1,777,624</u>	<u>1,777,624</u>	<u>2,020,489</u>	<u>242,865</u>
<u>Budgetary expenditures</u>				
Wages and benefits	341,810	341,810	343,259	(1,449)
Operating and maintenance costs	903,701	903,701	879,832	23,869
Interest	48,023	48,023	48,023	-
Principal paid	184,373	184,373	184,373	-
Capital outlay	1,029,630	1,984,568	1,364,228	620,340
<u>Total budgetary expenditures</u>	<u>2,507,537</u>	<u>3,462,475</u>	<u>2,819,715</u>	<u>642,760</u>
<u>Operating revenues under budgetary expenditures</u>	<u>(729,913)</u>	<u>(1,684,851)</u>	<u>(799,226)</u>	<u>885,625</u>
<u>Nonoperating revenues</u>				
Earnings on investments	2,130	2,130	2,654	524
Other income	-	-	63,273	63,273
<u>Total nonoperating revenues</u>	<u>2,130</u>	<u>2,130</u>	<u>65,927</u>	<u>63,797</u>
<u>Loss before contributions and transfers</u>	<u>(727,783)</u>	<u>(1,682,721)</u>	<u>(733,299)</u>	<u>949,422</u>
Transfers out	(248,084)	(248,084)	(248,084)	-
Grants	1,027,000	1,027,000	691,962	(335,038)
Contributed capital	905,079	1,378,157	1,517,276	139,119
<u>Income budgetary basis</u>	<u>\$ 956,212</u>	<u>\$ 474,352</u>	<u>1,227,855</u>	<u>\$ 753,503</u>
<u>Reconciliation to GAAP basis</u>				
Depreciation			(976,885)	
Principal paid			184,373	
Capital outlay			1,364,228	
<u>Change in net position - GAAP basis</u>			<u>1,799,571</u>	
<u>Net position at beginning of year</u>			<u>31,666,027</u>	
<u>Net position at end of year</u>			<u>\$ 33,465,598</u>	

See accompanying independent auditor's report.

TOWN OF **WINDSOR**, COLORADO
STORM DRAINAGE FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Operating revenues</u>				
Charges for services	\$ 333,867	\$ 333,867	\$ 335,988	\$ 2,121
Miscellaneous	-	-	70,912	70,912
<u>Total operating revenues</u>	<u>333,867</u>	<u>333,867</u>	<u>406,900</u>	<u>73,033</u>
<u>Budgetary expenditures</u>				
Wages and benefits	16,401	16,401	19,094	(2,693)
Operating and maintenance costs	268,164	268,164	202,438	65,726
Capital outlay	3,868,144	4,083,328	2,268,522	1,814,806
<u>Total budgetary expenditures</u>	<u>4,152,709</u>	<u>4,367,893</u>	<u>2,490,054</u>	<u>1,877,839</u>
<u>Operating revenues over (under) budgetary expenditures</u>	<u>(3,818,842)</u>	<u>(4,034,026)</u>	<u>(2,083,154)</u>	<u>1,950,872</u>
<u>Nonoperating revenue</u>				
Earnings on investments	536	536	846	310
<u>Total nonoperating revenue</u>	<u>536</u>	<u>536</u>	<u>846</u>	<u>310</u>
<u>Loss before transfers and contributions</u>	<u>(3,818,306)</u>	<u>(4,033,490)</u>	<u>(2,082,308)</u>	<u>1,951,182</u>
Transfers in	504,814	504,814	504,814	-
Transfers out	(151,986)	(151,986)	(151,986)	-
Grants	1,031,172	1,031,172	1,048,516	17,344
Contributed capital	643,259	858,443	917,759	59,316
<u>Income budgetary basis</u>	<u>\$ (1,791,047)</u>	<u>\$ (1,791,047)</u>	<u>236,795</u>	<u>\$ 2,027,842</u>
<u>Reconciliation to GAAP basis</u>				
Depreciation			(373,450)	
Capital outlay			2,268,522	
<u>Change in net position - GAAP basis</u>			<u>2,131,867</u>	
<u>Net position at beginning of year</u>			<u>16,284,831</u>	
<u>Net position at end of year</u>			<u>\$ 18,416,698</u>	

See accompanying independent auditor's report.

TOWN OF **WINDSOR**, COLORADO
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
December 31, 2015

	Information Technology Fund	Fleet Management Fund	Windsor Building Authority	Facility Services Fund	Total
<u>ASSETS</u>					
<u>Current assets</u>					
Cash and cash equivalents	\$ -	\$ -	\$ 15	\$ -	\$ 15
Accounts receivable	-	188	-	-	188
Interfund receivable	30,023	400,326	-	99,862	530,211
Total current assets	30,023	400,514	15	99,862	530,414
<u>Noncurrent assets</u>					
Restricted cash and investments	-	-	145,528	-	145,528
Prepaid items	7,101	-	-	-	7,101
Capital assets:					
Land	-	-	157,853	-	157,853
Buildings and improvements	6,924	-	4,987,609	-	4,994,533
Machinery and equipment	1,357,396	4,803,649	-	-	6,161,045
Less accumulated depreciation	(681,565)	(2,579,867)	(1,247,585)	-	(4,509,017)
Total capital assets, net	682,755	2,223,782	3,897,877	-	6,804,414
Total noncurrent assets	689,856	2,223,782	4,043,405	-	6,957,043
Total assets	719,879	2,624,296	4,043,420	99,862	7,487,457
<u>LIABILITIES</u>					
<u>Current liabilities</u>					
Interfund payable	-	-	2,378,710	-	2,378,710
Accounts payable	22,058	135	-	1,315	23,508
Accrued liabilities	25,431	8,586	-	14,803	48,820
Accrued compensated absences - current	8,382	7,155	-	15,115	30,652
Loan payable - current	-	-	39,970	-	39,970
Total current liabilities	55,871	15,876	2,418,680	31,233	2,521,660
<u>Noncurrent liabilities</u>					
Accrued compensated absences	4,128	3,524	-	7,445	15,097
Loan payable	-	-	2,781,164	-	2,781,164
Total noncurrent liabilities	4,128	3,524	2,781,164	7,445	2,796,261
Total liabilities	59,999	19,400	5,199,844	38,678	5,317,921
<u>NET POSITION</u>					
Net investment in capital assets	682,755	2,223,782	1,076,743	-	3,983,280
Unrestricted	(22,875)	381,114	(2,233,167)	61,184	(1,813,744)
Total net position	\$ 659,880	\$ 2,604,896	\$ (1,156,424)	\$ 61,184	\$ 2,169,536

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, 2015

	Information Technology Fund	Fleet Management Fund	Windsor Building Authority	Facility Services Fund	Total
<u>Operating revenues</u>					
Charges for services	\$ 881,006	\$ 988,350	\$ -	\$ 642,064	\$ 2,511,420
<u>Total operating revenues</u>	881,006	988,350	-	642,064	2,511,420
<u>Operating expenses</u>					
Wages and benefits	324,344	222,385	-	372,537	919,266
Operating costs	521,670	269,824	188	228,945	1,020,627
Depreciation	183,878	639,895	250,064	-	1,073,837
<u>Total operating expenses</u>	1,029,892	1,132,104	250,252	601,482	3,013,730
<u>Operating income (loss)</u>	(148,886)	(143,754)	(250,252)	40,582	(502,310)
<u>Nonoperating revenue (expense)</u>					
Gain on sale of capital assets	-	132,354	-	-	132,354
Interest Expense	-	-	(106,579)	-	(106,579)
Earnings on investments	-	-	15	-	15
<u>Total nonoperating revenue (expense)</u>	-	132,354	(106,564)	-	25,790
<u>Income (loss) before transfers and contributions</u>	(148,886)	(11,400)	(356,816)	40,582	(476,520)
Transfers in	-	-	145,080	-	145,080
Contributed capital	-	110,000	-	-	110,000
<u>Change in net position</u>	(148,886)	98,600	(211,736)	40,582	(221,440)
<u>Net position at beginning of year</u>	808,766	2,506,296	(944,688)	20,602	2,390,976
<u>Net position at end of year</u>	\$ 659,880	\$ 2,604,896	\$ (1,156,424)	\$ 61,184	\$ 2,169,536

See accompanying independent auditor's report.

TOWN OF **WINDSOR**, COLORADO
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended December 31, 2015

	Information Technology Fund	Fleet Management Fund	Windsor Building Authority	Facility Services Fund	Total
<u>Cash flows from operating activities</u>					
Cash received from customers	\$ 867,602	\$ 988,162	\$ -	\$ 638,472	\$ 2,494,236
Cash payments to suppliers	(660,131)	(287,919)	(188)	(212,795)	(1,161,033)
Cash payments to employees	(321,523)	(212,802)	-	(381,274)	(915,599)
<u>Net cash flows from operating activities</u>	(114,052)	487,441	(188)	44,403	417,604
<u>Cash flows from non-capital financing activities</u>					
Change in interfund payable	-	-	182	-	182
Change in interfund receivable	(30,023)	(400,326)	-	(99,862)	(530,211)
Transfers from other funds	-	-	145,080	-	145,080
<u>Net cash flows from non-capital activities</u>	(30,023)	(400,326)	145,262	(99,862)	(384,949)
<u>Cash flows from capital and related financing activities</u>					
Principal paid on debt	-	-	(38,501)	-	(38,501)
Interest paid on debt	-	-	(106,579)	-	(106,579)
Capital contributions	-	110,000	-	-	110,000
Proceeds from sale of capital assets	-	132,354	-	-	132,354
Acquisition of capital assets	-	(846,808)	-	-	(846,808)
<u>Net cash flows from capital and related financing activities</u>	-	(604,454)	(145,080)	-	(749,534)
<u>Cash flows from investing activities</u>					
Net change in restricted cash and investments	-	-	(14)	-	(14)
Earnings on investments	-	-	15	-	15
<u>Net cash flows from investing activities</u>	-	-	1	-	1
<u>Net change in cash and cash equivalents</u>	(144,075)	(517,339)	(5)	(55,459)	(716,878)
<u>Cash and cash equivalents at beginning of year</u>	144,075	517,339	20	55,459	716,893
<u>Cash and cash equivalents at end of year</u>	\$ -	\$ -	\$ 15	\$ -	\$ 15
<u>Reconciliation of operating income (loss) to net cash flows from operating activities</u>					
Operating income (loss)	\$ (148,886)	\$ (143,754)	\$ (250,252)	\$ 40,582	\$ (502,310)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:					
Depreciation expense	183,878	639,895	250,064	-	1,073,837
Changes in operating assets and liabilities:					
Accounts receivable	-	(188)	-	-	(188)
Accounts payable and accrued expenses	(149,044)	(8,512)	-	3,821	(153,735)
<u>Net cash flows from operating activities</u>	\$ (114,052)	\$ 487,441	\$ (188)	\$ 44,403	\$ 417,604

See accompanying independent auditor's report.

TOWN OF **WINDSOR**, COLORADO
INFORMATION TECHNOLOGY FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Operating revenues</u>				
Charges for services	\$ 881,006	\$ 881,006	\$ 881,006	\$ -
<u>Total operating revenues</u>	881,006	881,006	881,006	-
<u>Budgetary expenditures</u>				
Wages and benefits	303,907	303,907	324,344	(20,437)
Operating costs	567,472	567,472	521,670	45,802
Capital outlay	10,000	10,000	-	10,000
<u>Total budgetary expenditures</u>	881,379	881,379	846,014	35,365
<u>Income (loss) budgetary basis</u>	<u>\$ (373)</u>	<u>\$ (373)</u>	34,992	<u>\$ 35,365</u>
<u>Reconciliation to GAAP basis</u>				
Depreciation expense			(183,878)	
<u>Change in net position - GAAP basis</u>			(148,886)	
<u>Net position at beginning of year</u>			808,766	
<u>Net position at end of year</u>			<u>\$ 659,880</u>	

See accompanying independent auditor's report.

TOWN OF **WINDSOR**, COLORADO
FLEET MANAGEMENT FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues</u>				
Charges for services	\$ 988,351	\$ 988,351	\$ 988,350	\$ (1)
Gain on sale of capital assets	105,000	218,074	132,354	(85,720)
<u>Total revenues</u>	<u>1,093,351</u>	<u>1,206,425</u>	<u>1,120,704</u>	<u>(85,721)</u>
<u>Budgetary expenditures</u>				
Wages and benefits	213,403	213,403	222,385	(8,982)
Operating costs	301,450	301,450	269,824	31,626
Capital outlay	868,000	1,036,865	846,808	190,057
<u>Total budgetary expenditures</u>	<u>1,382,853</u>	<u>1,551,718</u>	<u>1,339,017</u>	<u>212,701</u>
<u>Loss before transfers and contributions of capital</u>	<u>(289,502)</u>	<u>(345,293)</u>	<u>(218,313)</u>	<u>126,980</u>
Contributed capital	110,000	110,000	110,000	-
<u>Loss budgetary basis</u>	<u>\$ (179,502)</u>	<u>\$ (235,293)</u>	<u>(108,313)</u>	<u>\$ 126,980</u>
<u>Reconciliation to GAAP basis</u>				
Depreciation expense			(639,895)	
Capital outlay			846,808	
<u>Change in net position - GAAP basis</u>			<u>98,600</u>	
<u>Net position at beginning of year</u>			<u>2,506,296</u>	
<u>Net position at end of year</u>			<u>\$ 2,604,896</u>	

See accompanying independent auditor's report.

TOWN OF **WINDSOR**, COLORADO

WINDSOR BUILDING AUTHORITY FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2015

	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	-	-	188	(188)
Interest expense	106,579	106,579	106,579	-
Principal paid	38,501	38,501	38,501	-
<u>Total budgetary expenditures</u>	145,080	145,080	145,268	(188)
<u>Loss before contributions and transfers</u>	(145,080)	(145,080)	(145,253)	(173)
Transfers in	145,080	145,080	145,080	-
<u>Income budgetary basis</u>	\$ -	\$ -	(173)	\$ (173)
<u>Reconciliation to GAAP basis</u>				
Depreciation expense			(250,064)	
Principal paid			38,501	
<u>Change in net position - GAAP basis</u>			(211,736)	
<u>Net position at beginning of year</u>			(944,688)	
<u>Net position at end of year</u>			\$ (1,156,424)	

See accompanying independent auditor's report.

TOWN OF **WINDSOR**, COLORADO
FACILITY SERVICES FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Operating revenues</u>				
Charges for services	\$ 642,064	\$ 642,064	\$ 642,064	\$ -
<u>Total operating revenues</u>	642,064	642,064	642,064	-
<u>Budgetary expenditures</u>				
Wages and benefits	366,815	366,815	372,537	(5,722)
Operating costs	233,525	233,525	228,945	4,580
<u>Total budgetary expenditures</u>	600,340	600,340	601,482	(1,142)
<u>Income budgetary and GAAP basis</u>	<u>\$ 41,724</u>	<u>\$ 41,724</u>	40,582	<u>\$ (1,142)</u>
<u>Net position at beginning of year</u>			<u>20,602</u>	
<u>Net position at end of year</u>			<u>\$ 61,184</u>	

See accompanying independent auditor's report.

OTHER FINANCIAL INFORMATION





TOWN OF **WINDSOR**, COLORADO

DEBT SERVICE REQUIREMENTS

December 31, 2015

GOVERNMENTAL ACTIVITIES

SALES & USE TAX REVENUE REFUNDING BONDS - Series 2012				
COMMUNITY & RECREATION CENTER - Repayment at 2.0% to 3.0% interest				
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	

SALES & USE TAX REVENUE BONDS - Series 2015				
COMMUNITY & RECREATION CENTER EXPANSION - Repayment at 5.0% interest				
Year	Principal	Interest	Total Payment	Principal Balance
				\$ 16,100,000
2015	\$ -	\$ 333,165	\$ 333,165	16,100,000
2016	535,000	794,300	1,329,300	15,565,000
2017	555,000	778,250	1,333,250	15,010,000
2018	580,000	750,500	1,330,500	14,430,000
2019	610,000	721,500	1,331,500	13,820,000
2020	640,000	691,000	1,331,000	13,180,000
2021	670,000	659,000	1,329,000	12,510,000
2022	705,000	625,500	1,330,500	11,805,000
2023	740,000	590,250	1,330,250	11,065,000
2024	780,000	553,250	1,333,250	10,285,000
2025	815,000	514,250	1,329,250	9,470,000
2026	860,000	473,500	1,333,500	8,610,000
2027	900,000	430,500	1,330,500	7,710,000
2028	945,000	385,500	1,330,500	6,765,000
2029	995,000	338,250	1,333,250	5,770,000
2030	1,045,000	288,500	1,333,500	4,725,000
2031	1,095,000	236,250	1,331,250	3,630,000
2032	1,150,000	181,500	1,331,500	2,480,000
2033	1,210,000	124,000	1,334,000	1,270,000
2034	1,270,000	63,500	1,333,500	\$ -
TOTALS	\$ 16,100,000	\$ 9,532,465	\$ 25,632,465	

TOWN OF **WINDSOR**, COLORADO
DEBT SERVICE REQUIREMENTS
December 31, 2015

USDA COMMUNITY FACILITIES LOAN FOR THE POLICE FACILITY WINDSOR BUILDING AUTHORITY - Repayment at 3.75% interest				
Payment	Principal	Interest	Total Payment	Principal Balance
				\$ 3,000,000.00
2011 (12 monthly payments)	33,145.85	111,934.15	145,080.00	2,966,854.15
2012 (12 monthly payments)	34,410.40	110,669.60	145,080.00	2,932,443.75
2013 (12 monthly payments)	35,723.20	109,356.80	145,080.00	2,896,720.55
2014 (12 monthly payments)	37,086.09	107,993.91	145,080.00	2,859,634.46
2015 (12 monthly payments)	38,500.98	106,579.02	145,080.00	2,821,133.48
2016 (12 monthly payments)	39,969.84	105,110.16	145,080.00	2,781,163.64
2017 (12 monthly payments)	41,494.72	103,585.28	145,080.00	2,739,668.92
2018 (12 monthly payments)	43,077.79	102,002.21	145,080.00	2,696,591.13
2019 (12 monthly payments)	44,721.29	100,358.71	145,080.00	2,651,869.84
2020 (12 monthly payments)	46,427.46	98,652.54	145,080.00	2,605,442.38
2021 (12 monthly payments)	48,198.74	96,881.26	145,080.00	2,557,243.64
2022 (12 monthly payments)	50,037.59	95,042.41	145,080.00	2,507,206.05
2023 (12 monthly payments)	51,946.58	93,133.42	145,080.00	2,455,259.47
2024 (12 monthly payments)	53,928.40	91,151.60	145,080.00	2,401,331.07
2025 (12 monthly payments)	55,985.83	89,094.17	145,080.00	2,345,345.24
2026 (12 monthly payments)	58,121.78	86,958.22	145,080.00	2,287,223.46
2027 (12 monthly payments)	60,339.20	84,740.80	145,080.00	2,226,884.26
2028 (12 monthly payments)	62,641.21	82,438.79	145,080.00	2,164,243.05
2029 (12 monthly payments)	65,031.04	80,048.96	145,080.00	2,099,212.01
2030 (12 monthly payments)	67,512.05	77,567.95	145,080.00	2,031,699.96
2031 (12 monthly payments)	70,087.73	74,992.27	145,080.00	1,961,612.23
2032 (12 monthly payments)	72,761.68	72,318.32	145,080.00	1,888,850.55
2033 (12 monthly payments)	75,537.64	69,542.36	145,080.00	1,813,312.91
2034 (12 monthly payments)	78,419.48	66,660.52	145,080.00	1,734,893.43
2035 (12 monthly payments)	81,411.30	63,668.70	145,080.00	1,653,482.13
2036 (12 monthly payments)	84,517.24	60,562.76	145,080.00	1,568,964.89
2037 (12 monthly payments)	87,741.66	57,338.34	145,080.00	1,481,223.23
2038 (12 monthly payments)	91,089.14	53,990.86	145,080.00	1,390,134.09
2039 (12 monthly payments)	94,564.32	50,515.68	145,080.00	1,295,569.77
2040 (12 monthly payments)	98,172.05	46,907.95	145,080.00	1,197,397.72
2041 (12 monthly payments)	101,917.45	43,162.55	145,080.00	1,095,480.27
2042 (12 monthly payments)	105,805.74	39,274.26	145,080.00	989,674.53
2043 (12 monthly payments)	109,842.36	35,237.64	145,080.00	879,832.17
2044 (12 monthly payments)	114,032.97	31,047.03	145,080.00	765,799.20
2045 (12 monthly payments)	118,383.51	26,696.49	145,080.00	647,415.69
2046 (12 monthly payments)	122,899.98	22,180.02	145,080.00	524,515.71
2047 (12 monthly payments)	127,588.78	17,491.22	145,080.00	396,926.93
2048 (12 monthly payments)	132,456.45	12,623.55	145,080.00	264,470.48
2049 (12 monthly payments)	137,509.86	7,570.14	145,080.00	126,960.62
2050 (12 monthly payments)	126,960.62	2,335.52	129,296.14	\$ -
TOTALS	\$ 3,000,000	\$ 2,787,416	\$ 5,787,416	

TOWN OF **WINDSOR**, COLORADO

DEBT SERVICE REQUIREMENTS

December 31, 2015

BUSINESS-TYPE ACTIVITIES

COLORADO WATER CONSERVATION LOAN REPAYMENT FOR KERN RESERVOIR / WINDSOR LAKE 30-YEAR REPAYMENT AT 5.1% INTEREST STORM DRAINAGE FUND				
Year	Principal	Interest	Total Payment	Principal Balance
				\$ 4,620,000.00
2004	\$ 68,352.17	\$ 235,620.00	\$ 303,972.17	4,551,647.83
2005	71,838.13	232,134.04	303,972.17	4,479,809.70
2006	75,501.88	228,470.29	303,972.17	4,404,307.82
2007	79,352.47	224,619.70	303,972.17	4,324,955.35
2008	83,399.45	220,572.72	303,972.17	4,241,555.91
2009	87,652.82	216,319.35	303,972.17	4,153,903.09
2010	92,123.11	211,849.06	303,972.17	4,061,779.97
2011	96,821.39	207,150.78	303,972.17	3,964,958.58
2012	101,759.28	202,212.89	303,972.17	3,863,199.30
2013	106,949.01	197,023.16	303,972.17	3,756,250.30
2014	112,403.40	191,568.77	303,972.17	3,643,846.89
2015	118,135.98	185,836.19	303,972.17	3,525,710.91
2016	124,160.91	179,811.26	303,972.17	3,401,550.00
2017	130,493.12	173,479.05	303,972.17	3,271,056.88
2018	137,148.27	166,823.90	303,972.17	3,133,908.61
2019	144,142.83	159,829.34	303,972.17	2,989,765.78
2020	151,494.12	152,478.05	303,972.17	2,838,271.66
2021	159,220.32	144,751.85	303,972.17	2,679,051.35
2022	167,340.55	136,631.62	303,972.17	2,511,710.80
2023	175,874.92	128,097.25	303,972.17	2,335,835.88
2024	184,844.54	119,127.63	303,972.17	2,150,991.34
2025	194,271.61	109,700.56	303,972.17	1,956,719.73
2026	204,179.46	99,792.71	303,972.17	1,752,540.26
2027	214,592.62	89,379.55	303,972.17	1,537,947.64
2028	225,536.84	78,435.33	303,972.17	1,312,410.80
2029	237,039.22	66,932.95	303,972.17	1,075,371.59
2030	249,128.22	54,843.95	303,972.17	826,243.37
2031	261,833.76	42,138.41	303,972.17	564,409.61
2032	275,187.28	28,784.89	303,972.17	289,222.33
2033	289,222.33	14,750.30	303,972.63	\$ (0)
TOTALS	\$ 4,620,000.00	\$ 4,499,165.56	\$ 9,119,165.56	

The Town entered into an additional loan agreement with Colorado Water Conservation Board (CWCB) in January 2014 for the purchase of the Kyger Reservoir for \$4,545,000 for a term of 20 years with an interest rate of 2.75% per annum and includes a service fee of 1% of the project amount. Loan payments will be in equal payments of \$298,478.02, with the first payment due and payable one year from the date in which the CWCB determines the Project is substantially complete and annual thereafter. The Town has three years to draw the funds.

TOWN OF **WINDSOR**, COLORADO

DEBT SERVICE REQUIREMENTS

December 31, 2015

BUSINESS-TYPE ACTIVITIES

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% interest					
Payment	Principal	Interest	Administrative Fee	Total Payment	Principal Balance
					\$ 3,110,543.20
2/1/2012	\$ 89,212.52	\$ 15,048.95	\$ 10,109.27	\$ 114,370.74	3,021,330.68
8/1/2012	89,212.52	17,625.36	10,109.27	116,947.15	2,932,118.16
2/1/2013	89,212.52	16,273.18	11,073.53	116,559.23	2,842,905.64
8/1/2013	89,212.52	16,283.12	11,073.53	116,569.17	2,753,693.12
2/1/2014	89,212.52	14,925.25	11,073.53	115,211.30	2,664,480.60
8/1/2014	89,212.52	14,925.25	11,073.53	115,211.30	2,575,268.08
2/1/2015	92,186.27	12,938.18	11,073.53	116,197.98	2,483,081.81
8/1/2015	92,186.27	12,938.18	11,073.53	116,197.98	2,390,895.54
2/1/2016	95,160.02	11,061.11	11,073.53	117,294.66	2,295,735.52
8/1/2016	95,160.02	11,061.11	11,073.53	117,294.66	2,200,575.50
2/1/2017	95,160.02	9,358.47	11,073.53	115,592.02	2,105,415.48
8/1/2017	95,160.02	9,358.47	11,073.53	115,592.02	2,010,255.46
2/1/2018	95,160.02	7,883.23	11,073.53	114,116.78	1,915,095.44
8/1/2018	95,160.02	7,883.23	11,073.53	114,116.78	1,819,935.42
2/1/2019	98,133.77	7,227.81	11,073.53	116,435.11	1,721,801.65
8/1/2019	98,133.77	7,227.81	11,073.53	116,435.11	1,623,667.88
2/1/2020	98,133.77	6,144.22	11,073.53	115,351.52	1,525,534.11
8/1/2020	98,133.77	6,144.22	11,073.53	115,351.52	1,427,400.34
2/1/2021	98,133.77	5,216.96	11,073.53	114,424.26	1,329,266.57
8/1/2021	98,133.77	5,216.96	11,073.53	114,424.26	1,231,132.80
2/1/2022	98,133.77	4,414.78	11,073.53	113,622.08	1,132,999.03
8/1/2022	98,133.77	4,414.78	11,073.53	113,622.08	1,034,865.26
2/1/2023	101,107.52	3,667.31	11,073.53	115,848.36	933,757.74
8/1/2023	101,107.53	3,667.31	11,073.53	115,848.37	832,650.21
2/1/2024	101,107.52	2,993.84	11,073.53	115,174.89	731,542.69
8/1/2024	101,107.53	2,993.84	11,073.53	115,174.90	630,435.16
2/1/2025	101,107.52	2,408.95	8,984.38	112,500.85	529,327.64
8/1/2025	101,107.53	2,408.95	8,984.38	112,500.86	428,220.11
2/1/2026	104,081.27	1,904.61	6,434.38	112,420.26	324,138.84
8/1/2026	104,081.28	1,904.61	6,434.38	112,420.27	220,057.56
2/1/2027	110,028.78	1,342.38	2,768.38	114,139.54	110,028.78
8/1/2027	110,028.78	1,342.38	2,768.38	114,139.54	\$ (0)
TOTALS	\$ 3,110,543.20	\$ 248,204.81	\$ 322,357.54	\$ 3,681,105.55	

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 2014 December 2015
This Information From The Records Of (example - City of _ or County of _ Town of Windsor CO	Prepared By: 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)	4,801,054
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	1,202,413
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	531,225	b. Snow and ice removal	
3. Other local imposts (from page 2)	3,437,681	c. Other	
4. Miscellaneous local receipts (from page 2)	205,323	d. Total (a. through c.)	0
5. Transfers from toll facilities		4. General administration & miscellaneous	416,883
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	1,593,784
a. Bonds - Original Issues		6. Total (1 through 5)	8,014,134
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)	4,174,229	b. Redemption	
B. Private Contributions	1,623,074	c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	1,748,417	2. Notes:	
D. Receipts from Federal Government (from page 2)	534,247	a. Interest	5,049
E. Total receipts (A.7 + B + C + D)	8,079,967	b. Redemption	60,784
		c. Total (a. + b.)	65,833
		3. Total (1.c + 2.c)	65,833
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	8,079,967

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)				0
1. Bonds (Refunding Portion)				
B. Notes (Total)	1,009,875	0	60,784	949,091

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
		8,079,967	8,079,967		0

Notes and Comments:

TOWN OF **WINDSOR**, COLORADO

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado	
		YEAR ENDING (mm/yy): December 2014	
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	10,386
b. Other local imposts:		b. Traffic Fines & Penalties	194,937
1. Sales Taxes	2,205,395	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	972,584	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	259,702	g. Other Misc. Receipts	
6. Total (1. through 5.)	3,437,681	h. Other	
c. Total (a. + b.)	3,437,681	i. Total (a. through h.)	205,323
	(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	804,927	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	393,965	d. Federal Transit Admin	
d. Other (Specify) - Severance Tax	549,525	e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	534,247
f. Total (a. through e.)	943,490	g. Total (a. through f.)	534,247
4. Total (1. + 2. + 3.f)	1,748,417	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		39,300	39,300
b. Engineering Costs		14,991	14,991
c. Construction:			
(1). New Facilities		1,623,074	1,623,074
(2). Capacity Improvements		84,911	84,911
(3). System Preservation		1,696,402	1,696,402
(4). System Enhancement & Operation		1,342,376	1,342,376
(5). Total Construction (1) + (2) + (3) + (4)	0	4,746,763	4,746,763
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	4,801,054	4,801,054
			(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>	85
<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>	91
<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>	100
<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>	106
<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>	109



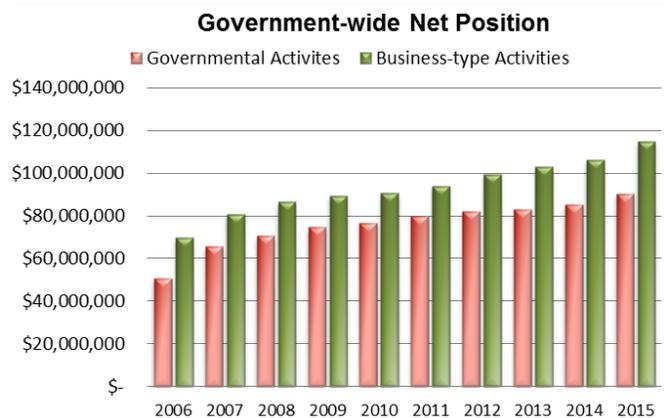
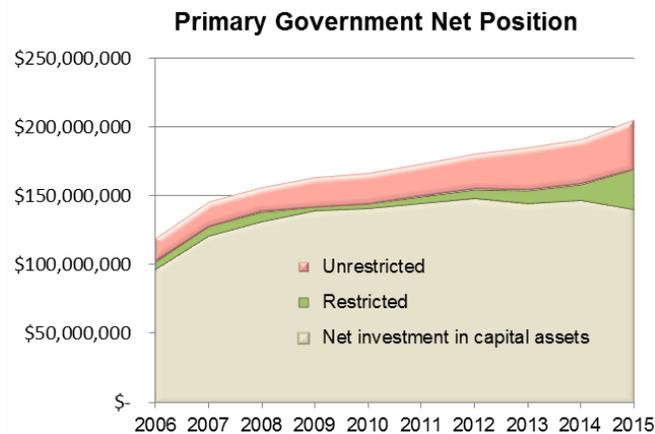
TOWN OF WINDSOR, COLORADO

NET POSITION BY COMPONENT

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

for the fiscal year ended December 31,

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental Activities										
Net investment in capital assets	\$ 43,845,310	\$ 56,506,921	\$ 60,621,653	\$ 66,543,815	\$ 68,435,996	\$ 69,741,468	\$ 71,372,079	\$ 66,966,909	\$ 66,536,176	\$ 53,524,675
Restricted	4,982,849	6,631,315	6,824,295	3,002,668	3,197,413	5,259,855	5,722,444	8,807,193	10,417,938	27,982,345
Unrestricted	1,944,243	2,546,618	2,995,044	5,106,232	5,095,783	4,925,404	4,872,377	7,081,429	8,377,069	8,846,187
Total governmental activities net position	50,772,402	65,684,854	70,440,992	74,652,715	76,729,192	79,926,727	81,966,900	82,855,531	85,331,183	90,353,207
Business-type Activities										
Net investment in capital assets	53,242,927	64,597,102	70,928,478	72,733,118	72,788,122	74,875,222	76,752,836	77,401,561	80,556,471	86,778,936
Restricted	540,490	379,247	522,895	-	-	-	1,250,000	1,250,000	1,250,000	1,250,000
Unrestricted	15,780,075	15,895,018	15,183,662	16,678,418	17,704,468	18,804,020	21,342,334	24,135,848	24,486,851	26,902,794
Total business-type activities net position	69,563,492	80,871,367	86,635,035	89,411,536	90,492,590	93,679,242	99,345,170	102,787,409	106,293,322	114,931,730
Net Position										
Net investment in capital assets	97,088,237	121,104,023	131,550,131	139,276,933	141,224,118	144,616,690	148,124,915	144,368,470	147,092,647	140,303,611
Restricted	5,523,339	7,010,562	7,347,190	3,002,668	3,197,413	5,259,855	6,972,444	10,057,193	11,667,938	29,232,345
Unrestricted	17,724,318	18,441,636	18,178,706	21,784,650	22,800,251	23,729,424	26,214,711	31,217,277	32,863,920	35,748,981
Total primary government net position	\$ 120,335,894	\$ 146,556,221	\$ 157,076,027	\$ 164,064,251	\$ 167,221,782	\$ 173,605,969	\$ 181,312,070	\$ 185,642,940	\$ 191,624,505	\$ 205,284,937



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

GASB 68 implemented in 2015

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 fiscal year ended December 31,

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses										
Governmental activities:										
General government	\$ 1,456,925	\$ 2,353,583	\$ 3,098,522	\$ 2,340,659	\$ 2,469,265	\$ 2,450,785	\$ 2,674,626	\$ 2,731,588	\$ 3,490,765	\$ 3,748,233
Public safety	1,526,803	2,469,482	2,110,123	2,310,299	2,430,053	2,664,155	2,826,313	2,938,201	3,092,222	3,510,691
Public works	1,680,030	2,750,360	5,430,843	5,245,719	5,261,225	5,457,935	5,662,954	5,551,046	6,707,613	7,175,480
Parks, recreation & culture	1,879,918	3,524,975	7,352,667	4,525,218	4,604,283	4,616,024	4,498,409	5,163,907	4,624,500	4,890,399
Community development	498,436	785,239	569,008	1,497,962	1,489,965	1,589,562	1,819,818	1,391,260	497,796	701,861
Safety and loss control	18,738	17,918	12,126	8,793	7,599	6,764	2,778	7,422	3,536	4,844
Community center	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	2,192,671	1,983,466
Assets conveyed to other government	-	-	-	-	-	-	-	2,408,601	152,245	-
Loss on disposal of capital assets	-	17,864	-	97,715	44,071	-	-	-	-	-
Debt issuance costs	-	-	-	-	-	-	107,184	-	-	237,578
Interest on long-term debt	287,364	127,674	196,395	656,591	201,024	329,985	180,236	186,788	189,438	554,517
Depreciation - unallocated	2,979,398	-	-	-	-	-	-	-	-	-
Total governmental activities	11,473,979	13,500,698	20,016,249	17,751,185	17,461,497	18,897,695	19,125,563	21,700,348	20,950,786	22,807,069
Business-type activities:										
Water	2,650,247	2,956,272	2,782,882	2,765,244	2,849,014	2,711,740	3,287,679	2,961,686	3,300,658	3,608,724
Sewer	1,376,938	1,425,429	1,572,588	1,594,425	1,587,205	1,488,890	1,537,136	2,160,376	1,946,739	2,271,608
Storm drainage	452,471	471,513	502,491	825,013	725,892	608,734	672,899	605,811	591,172	603,962
Non-potable water ⁽³⁾	-	-	-	481,335	138,887	294,879	269,505	323,532	-	-
Total business-type activities	4,479,656	4,853,214	4,857,961	5,666,017	5,300,998	5,104,243	5,767,219	6,051,405	5,838,569	6,484,294
Total primary government	15,953,635	18,353,912	24,874,210	23,417,202	22,762,495	24,001,938	24,892,782	27,751,753	26,789,355	29,291,363
Program Revenues										
Governmental activities:										
Charges for services:										
General government	2,835,106	1,354,233	48,611	-	-	-	-	-	-	-
Public safety	111,784	104,097	114,408	46,971	19,043	184,708	227,231	207,671	210,620	221,694
Public works	47,850	-	1,284,342	48,600	97,137	297,237	479,043	567,546	513,932	514,152
Parks, recreation & culture	615,657	1,440,272	1,224,901	1,151,439	1,410,310	1,908,107	2,820,645	2,455,028	1,865,914	2,065,028
Community development	11,210	35,010	332,346	-	-	-	-	-	-	-
Safety and loss control	24,978	-	-	-	-	-	-	-	-	-
Community center	-	-	62,606	-	-	-	-	-	-	-
Operating grants and contributions	10,558	1,650	5,450	136,533	629,751	18,691	11,250	1,936,182	2,004,711	1,977,623
Capital grants and contributions	3,168,635	14,124,589	7,369,720	6,435,751	2,207,216	2,828,024	818,017	585,453	811,664	2,272,849
Total governmental activities	6,825,778	17,059,851	10,442,384	7,819,294	4,363,457	5,236,767	4,356,186	5,751,880	5,406,841	7,051,346
Business-type activities:										
Charges for services:										
Water	3,397,085	3,196,801	3,089,312	3,123,259	3,278,404	3,590,885	4,733,251	4,093,797	4,268,497	5,356,981
Sewer	1,521,857	1,514,479	1,607,461	1,631,304	1,610,672	1,638,591	1,697,989	1,755,725	1,837,969	2,020,489
Storm drainage	228,780	254,244	242,688	317,313	292,357	341,822	305,141	329,018	323,535	406,900
Capital grants and contributions	5,798,646	10,945,920	6,123,523	5,534,074	2,069,869	4,090,958	4,940,832	3,579,048	2,787,806	7,888,412
Total business-type activities	10,946,368	15,911,444	11,062,984	10,605,950	7,251,302	9,662,256	11,677,213	9,757,588	9,217,807	15,672,782
Total primary government	\$17,772,146	\$32,971,295	\$21,505,368	\$18,425,244	\$11,614,759	\$14,899,023	\$16,033,399	\$15,509,468	\$14,624,648	\$22,724,128

TOWN OF **WINDSOR**, COLORADO

CHANGES IN NET POSITION (continued)

Last Ten Calendar Years

(accrual basis of accounting)

(Unaudited)

for the fiscal year ended December 31,

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Net (Expense)/Revenue										
Governmental activities	\$ (4,648,201)	\$ 3,559,153	\$ (9,573,865)	\$ (9,931,891)	\$ (13,098,040)	\$ (13,660,928)	\$ (14,769,377)	\$ (15,948,468)	\$ (15,543,945)	\$ (15,755,723)
Business-type activities	6,466,712	11,058,230	6,205,023	4,939,933	1,950,304	4,558,013	5,909,994	3,706,183	3,379,238	9,188,488
Total primary government net expenses	1,818,511	14,617,383	(3,368,842)	(4,991,958)	(11,147,736)	(9,102,915)	(8,859,383)	(12,242,285)	(12,164,707)	(6,567,235)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes	2,180,922	2,521,069	3,065,778	3,412,104	4,158,343	4,332,996	4,059,462	4,049,110	4,036,268	4,171,557
Sales and use tax	6,116,371	6,174,594	6,102,995	5,843,736	5,948,090	6,807,775	7,699,121	9,061,884	9,244,616	12,589,346
Franchise taxes	-	-	-	1,225,888	1,123,574	1,178,866	1,202,273	1,336,785	1,424,084	1,446,170
Other taxes	1,567,286	1,579,716	1,225,684	1,023,716	908,888	1,206,340	1,441,770	1,325,085	1,188,164	1,400,488
Intergovernmental	-	-	-	943,578	1,074,207	111,120	1,747,799	-	-	-
Unrestricted grants and contributions	626,681	-	-	-	-	-	-	-	-	-
Earnings on investments	547,966	398,626	246,661	169,331	100,205	96,826	77,273	171,414	151,137	221,694
Other revenue	225,010	127,745	144,070	2,359,401	873,363	267,979	107,057	275,680	2,005,420	622,998
Gain on sale of capital assets	-	-	-	-	-	-	65,780	58,500	611,222	(19,891)
Transfers in (out)/ insurance proceeds:	522,387	551,549	3,544,815	487,184	987,846	1,791,518	541,448	558,641	(641,314)	154,551
Total governmental activities	11,786,623	11,353,299	14,330,003	15,464,938	15,174,516	15,793,420	16,941,983	16,837,099	18,019,598	20,586,913
Business-type activities:										
Earnings on investments	567,642	801,195	517,560	144,431	90,410	149,701	231,308	263,197	315,367	374,531
Other revenue	-	-	-	26,547	28,187	270,456	66,074	31,500	47,494	63,273
Gain (loss) on sale of capital assets	-	-	-	(1,923,217)	-	-	-	-	(877,500)	-
Transfers	(522,387)	(551,549)	(958,915)	(487,184)	(987,846)	(1,791,518)	(541,448)	(558,641)	641,314	(154,551)
Total business-type activities	45,255	249,646	(441,355)	(2,239,423)	(869,249)	(1,371,361)	(244,066)	(263,944)	126,675	283,253
Total primary government	11,831,878	11,602,945	13,888,648	13,225,515	14,305,267	14,422,059	16,697,917	16,573,155	18,146,273	20,870,166
Changes in Net Position										
Governmental activities	7,138,422	14,912,452	4,756,138	5,533,047	2,076,476	2,132,492	2,172,606	888,631	2,475,653	4,831,190
Business-type activities	6,511,967	11,307,876	5,763,668	2,700,510	1,081,055	3,186,652	5,665,928	3,442,239	3,505,913	9,471,741
Total primary government	\$13,650,389	\$26,220,328	\$10,519,806	\$ 8,233,557	\$ 3,157,531	\$ 5,319,144	\$ 7,838,534	\$ 4,330,870	\$ 5,981,566	\$ 14,302,931

Notes: (1) GASB 34 implemented in 2004; 2014 not restated for implementation in GASB 68.

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

(3) Years 2006-2008 and 2014-2015 the Non-potable water was included in the Water Fund

Sources: Current and prior years' financial statements.

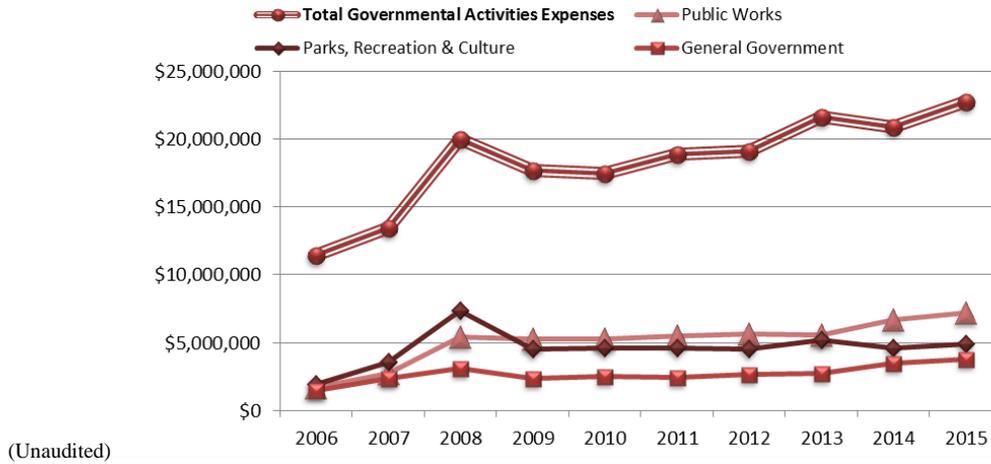
TOWN OF **WINDSOR**, COLORADO

CHANGES IN NET POSITION (continued)

Last Ten Calendar Years

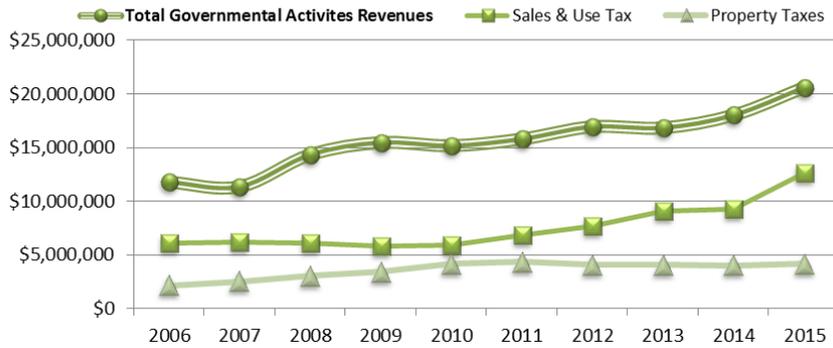
(accrual basis of accounting)

General Governmental Expenses



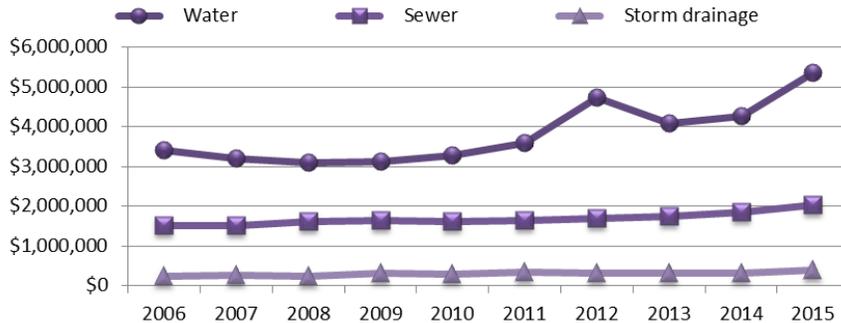
*Note: Only three activities are represented in this chart.
Chart shows increased expenditures due to the 2008 tornado.*

General Governmental Revenues



*Note: Only the top two revenues are represented in this chart.
Sales and Use taxes from building permits were lower during 2006 through 2010 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. From there revenue shows a recovering economy.*

Business-type Charges for Services Revenues



*Note: This is service charges collected for the utility funds.
Drainage services the whole town, while water and sewer each only service parts of Windsor.*

TOWN OF **WINDSOR**, COLORADO

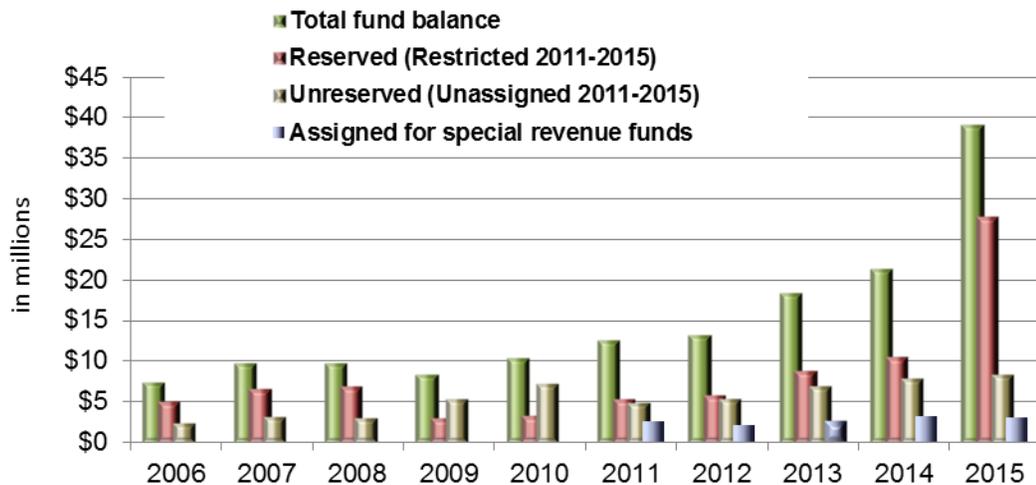
FUND BALANCES OF GOVERNMENTAL FUNDS

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

for the fiscal year ended December 31,

	2006	2007	2008	2009	2010	2011 ⁽²⁾	2012	2013	2014	2015
General Fund										
Reserved / Restricted ⁽²⁾	\$ 221,702	\$ 243,022	\$ 270,632	\$ 302,569	\$ 366,234	\$ 367,017	\$ 363,060	\$ 400,862	\$ 398,703	\$ 410,660
Unreserved / Unassigned ⁽²⁾	2,086,489	2,423,288	1,548,701	3,524,859	4,849,941	4,850,086	5,349,797	6,873,513	7,775,518	8,344,502
Total general fund	2,308,191	2,666,310	1,819,333	3,827,428	5,216,175	5,217,103	5,712,857	7,274,375	8,174,221	8,755,162
All Other Governmental Funds										
Reserved / Restricted ⁽²⁾	4,761,147	6,236,705	6,553,663	2,700,099	2,866,179	4,892,838	5,359,384	8,406,331	10,019,235	27,397,615
Assigned for special revenue funds	-	-	-	-	-	2,464,923	2,098,252	2,577,063	3,097,356	2,942,439
Unreserved / Unassigned ⁽²⁾	202,842	720,947	1,373,428	1,709,023	2,246,174	-	-	-	-	-
Total all other governmental funds	4,963,989	6,957,652	7,927,091	4,409,122	5,112,353	7,357,761	7,457,636	10,983,394	13,116,591	30,340,054
Total general fund + all other governmental funds	\$7,272,180	\$9,623,962	\$9,746,424	\$8,236,550	\$10,328,528	\$12,574,864	\$13,170,493	\$18,257,769	\$21,290,812	\$39,095,216

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)

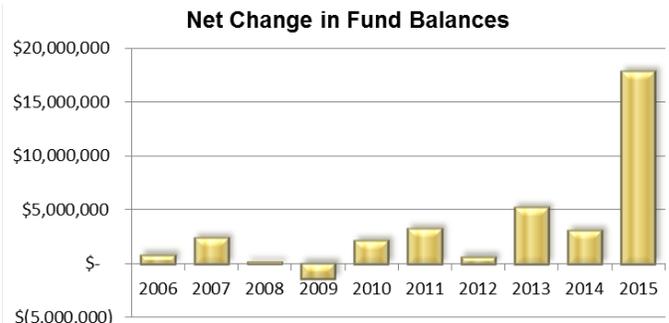
for the fiscal year ended December 31,

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues										
Taxes and assessments	\$11,767,499	\$11,384,655	\$10,957,333	\$11,505,444	\$12,138,895	\$13,525,977	\$14,402,626	\$15,772,864	\$15,893,132	\$19,607,561
Licenses and permits	375,659	244,957	322,144	243,329	194,424	249,613	402,493	463,657	412,304	374,400
Intergovernmental	700,684	842,998	1,072,378	943,578	1,074,207	1,176,163	1,747,799	1,625,085	1,984,709	1,971,834
Charges for services	667,322	1,475,282	1,361,611	1,247,010	1,526,490	2,006,666	2,924,086	2,582,144	1,990,625	2,233,182
Fines and forfeitures	89,191	104,097	102,873	109,153	165,410	133,773	200,340	184,444	187,537	193,292
Earnings on investments	509,534	398,626	311,112	173,845	106,136	96,485	77,233	171,399	151,126	221,679
Grants and contributions	3,805,874	13,191,266	7,020,502	6,572,284	2,836,324	2,846,715	829,267	896,550	831,666	655,564
Miscellaneous	135,471	289,563	135,773	37,017	176,388	266,903	107,057	247,114	1,927,422	512,998
Total revenues	18,051,234	27,931,444	21,283,726	20,831,660	18,218,274	20,302,295	20,690,901	21,943,257	23,378,521	25,770,510
Expenditures										
General government	1,417,441	1,459,496	1,936,507	1,945,997	1,923,694	1,848,747	2,090,915	2,160,324	2,915,164	3,090,172
Public safety	1,526,803	1,680,902	1,978,868	2,157,411	2,160,243	2,350,682	2,543,883	2,661,338	2,838,639	3,187,567
Public works	1,680,030	1,882,640	2,724,498	2,191,542	2,046,832	1,980,741	2,062,330	2,086,678	3,271,253	3,480,393
Parks, recreation & culture	1,879,918	2,554,015	5,009,681	3,888,782	3,812,658	3,763,112	3,662,374	4,355,281	3,842,890	3,965,697
Community development	498,346	527,848	604,976	1,345,074	1,243,176	1,298,061	1,539,445	1,118,673	237,819	363,544
Safety and loss control	18,738	9,153	12,126	8,793	7,599	6,764	2,778	7,422	3,536	4,844
Community center	783,973	576,472	700,766	-	-	-	-	-	-	-
Small equipment and maintenance	362,394	877,131	545,799	1,068,229	954,012	835,256	1,353,245	1,251,830	2,198,249	1,982,266
Debt services										
Principal	170,000	220,000	235,000	1,998,356	685,465	1,770,442	1,669,915	280,000	280,000	300,000
Interest	287,712	235,789	221,142	210,808	197,193	170,293	83,836	92,475	86,875	414,440
Debt issuance costs	-	-	-	-	-	-	107,184	-	-	237,578
Capital outlay	9,187,248	16,107,765	10,215,216	9,838,207	4,578,812	4,750,510	5,482,919	3,185,816	3,884,659	8,903,987
Total expenditures	17,812,603	26,131,211	24,184,579	24,653,198	17,609,684	18,774,608	20,598,824	17,199,837	19,559,084	25,930,488
Excess of revenues over (under) expenditures	238,631	1,800,233	(2,900,853)	(3,821,538)	608,590	1,527,687	92,077	4,743,420	3,819,437	(159,978)
Other Financing Sources (Uses)										
Insurance proceeds/bond proceeds	-	-	2,585,900	1,969,902	328,290	-	3,705,000	-	-	16,100,000
Premiums on bonds	-	-	-	-	-	-	189,944	-	-	1,854,911
Payments to refunding bonds escrow agent	-	-	-	-	-	-	(3,787,760)	-	-	-
Capital contributions subject to reimbursement	-	-	-	428,099	167,252	-	-	-	-	-
Transfers in	1,378,034	1,346,549	1,164,715	1,164,098	1,809,680	3,495,445	881,015	645,540	1,144,768	1,211,696
Transfers out	(855,647)	(795,000)	(727,300)	(1,110,684)	(821,834)	(1,829,567)	(484,647)	(231,979)	(1,931,162)	(1,202,225)
Total other financing sources (uses)	522,387	551,549	3,023,315	2,451,415	1,483,388	1,665,878	503,552	413,561	(786,394)	17,964,382
Net change in fund balances	\$ 761,018	\$ 2,351,782	\$ 122,462	\$ (1,370,123)	\$ 2,091,978	\$ 3,193,565	\$ 595,629	\$ 5,156,981	\$ 3,033,043	\$ 17,804,404
Debt service as a percentage of noncapital expenditure*	5.3%	4.5%	3.3%	14.9%	6.8%	13.8%	11.6%	2.7%	2.3%	4.3%

* Capital outlay used in this calculation is from the reconciliation between the government-wide statement of activities and the statement of revenues, expenditures and changes in fund balance. GASB 34 implemented in 2004

Sources: Current and prior years' financial statements

Chart Note: Radical differences are primarily due to large capital purchases and fluctuations due to the tornado expenditures in 2008 and 2009. Miscellaneous revenue for 2014 includes \$1.1 million in gas and oil drilling royalties. CRC Expansion bond proceeds are included for 2015.



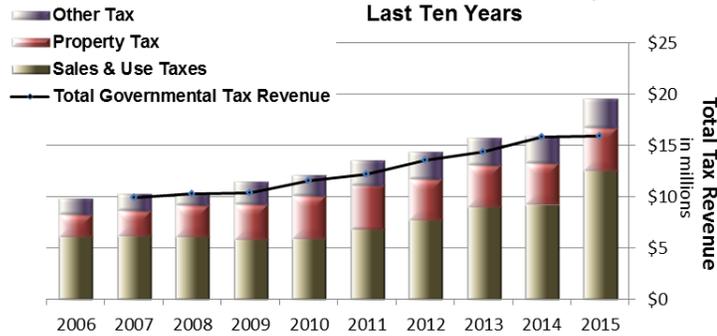
TOWN OF **WINDSOR**, COLORADO

GOVERNMENTAL TAX REVENUE BY SOURCE

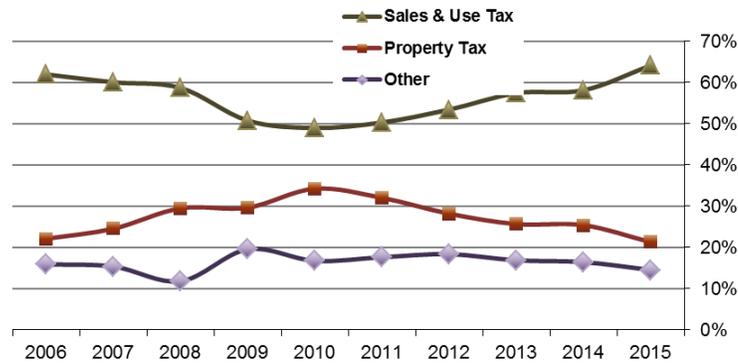
Last Ten Calendar Years
(Unaudited)

	Property Tax		Sales & Use Taxes		Other Tax ⁽¹⁾		Total Governmental Tax Revenue
	Amount	%	Amount	%	Amount	%	Amount
2015	\$4,171,557	21.3%	\$12,589,346	64.2%	\$2,846,658	14.5%	\$19,607,561
2014	4,036,268	25.4%	9,244,616	58.2%	2,612,248	16.4%	15,893,132
2013	4,049,110	25.7%	9,061,884	57.5%	2,661,870	16.9%	15,772,864
2012	4,059,462	28.2%	7,699,121	53.5%	2,644,043	18.4%	14,402,626
2011	4,332,996	32.0%	6,807,775	50.3%	2,385,206	17.6%	13,525,977
2010	4,158,343	34.3%	5,948,090	49.0%	2,032,462	16.7%	12,138,895
2009	3,412,104	29.7%	5,843,736	50.8%	2,249,604	19.6%	11,505,444
2008	3,065,778	29.5%	6,102,995	58.7%	1,225,684	11.8%	10,394,457
2007	2,521,069	24.5%	6,174,594	60.1%	1,579,716	15.4%	10,275,379
2006	2,180,922	22.1%	6,116,371	62.0%	1,567,286	15.9%	9,864,579

**Governmental Tax Revenues by Source
Last Ten Years**



**Percent of Governmental Tax Revenue by Source
Last Ten Years**



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 2006-2014)

Last Ten Calendar Years
(Unaudited)

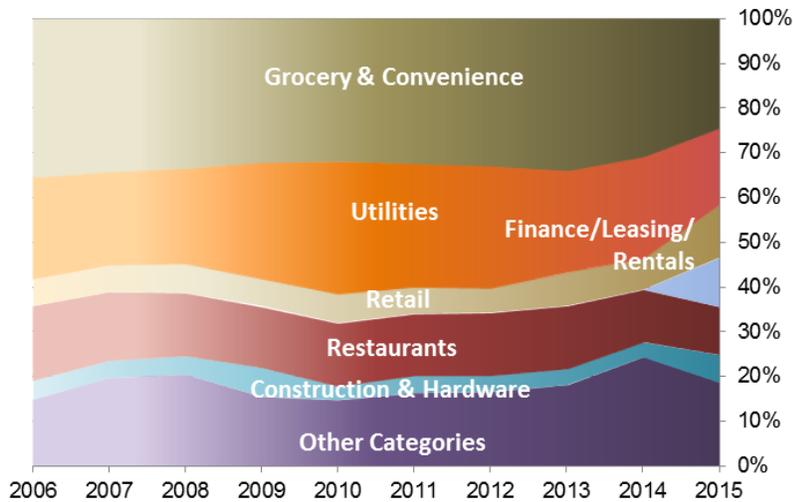
	Grocery/ Convenience/ Gas Station		Restaurants	Liquor	Construction/ Hardware		Other	Retail	Finance/ Leasing/ Rentals	Utilities/ Telecom/ Communication	Auto Sales & Service	Industry	Lodging	Enter- tainment	Total Sample Accounts	Total Sales Tax Collections
2015	\$ 1,997,286	\$ 877,503	\$ 239,265	\$ 516,359	\$ 355,490	\$996,154	\$ 913,076	\$ 1,426,345	\$ 343,149	\$277,092	\$ 69,950	\$ 253,492	\$ 8,265,160	\$ 10,150,274		
% of Total	24.2%	10.6%	2.9%	6.2%	12.1%	17.3%	4.2%	3.4%	0.8%	3.1%	84.7%					
% of Change	4.7%	21.2%	10.2%	145.5%	123.5%	-0.5%	-48.4%	-34.7%	-7.9%	88.5%	32.5%	28.9%				
2015	\$ 1,997,286	\$ 877,503	\$ 239,265	\$ 516,359	\$ 355,490	\$996,154	\$ 913,076	\$ 1,426,345	\$ 343,149	\$277,092	\$ 69,950	\$ 253,492	\$ 8,265,160	\$ 10,150,274		
2014	1,907,648	724,265	217,119	210,321	N/A	445,771	N/A	1,434,223	664,802	424,429	75,912	134,463	6,238,953	7,875,879		
2013	1,723,020	708,346	206,155	187,061	N/A	383,581	N/A	1,171,728	516,472	91,946	55,885	55,239	5,099,433	7,033,014		
2012	1,520,983	644,321	198,862	169,689	N/A	261,420	N/A	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	N/A	260,395	N/A	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	N/A	278,472	N/A	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	N/A	263,685	N/A	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	N/A	272,948	N/A	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	N/A	239,103	N/A	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	N/A	208,619	N/A	748,856	138,392	89,090	47,437	67,882	3,291,635	3,795,870		

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

Sample accounts were maintained 2006-2014. 2015 includes actual Category amounts Mar-Dec 2015

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

**Sales Tax by Major Category
of sample accounts prior to 2015**



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

Home Rule 2005 to present.

2015 Sales tax rate is 3.95%.

Entertainment category includes principally golf courses and video stores.

Sources: Town of Windsor Sales Tax Reports

TOWN OF **WINDSOR**, COLORADO

PRINCIPAL SALES TAX CATEGORIES

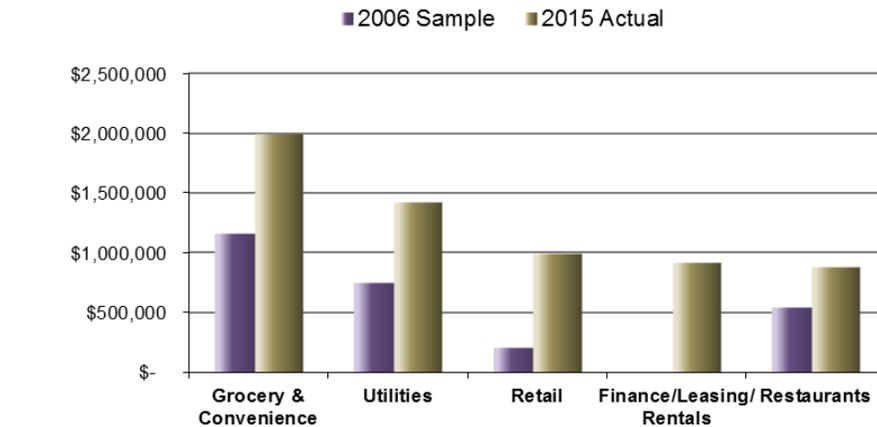
Current and Ten Years Prior
(Unaudited)

<u>Top Five Categories</u>	<u>2006 Sample</u>	<u>2015 Actual</u>
Grocery & Convenience	\$ 1,163,333	\$ 1,997,286
Utilities	748,856	1,426,345
Retail	208,619	996,154
Finance/Leasing / Rentals	N/A	913,076
Restaurants	542,600	877,503
Total	\$ 2,663,408	\$ 6,210,364
Aggregate all other categories	628,227	2,054,796
Total sales tax (sample accounts)	<u>\$ 3,291,635</u>	<u>\$ 8,265,160</u>
Top five categories as a percentage of total sales tax	80.9%	75.1%

Note: Information in this chart is not all inclusive of all accounts for 2006 but is representative of main business collections.

Principal Sales Tax Categories

Current and Nine Years Prior



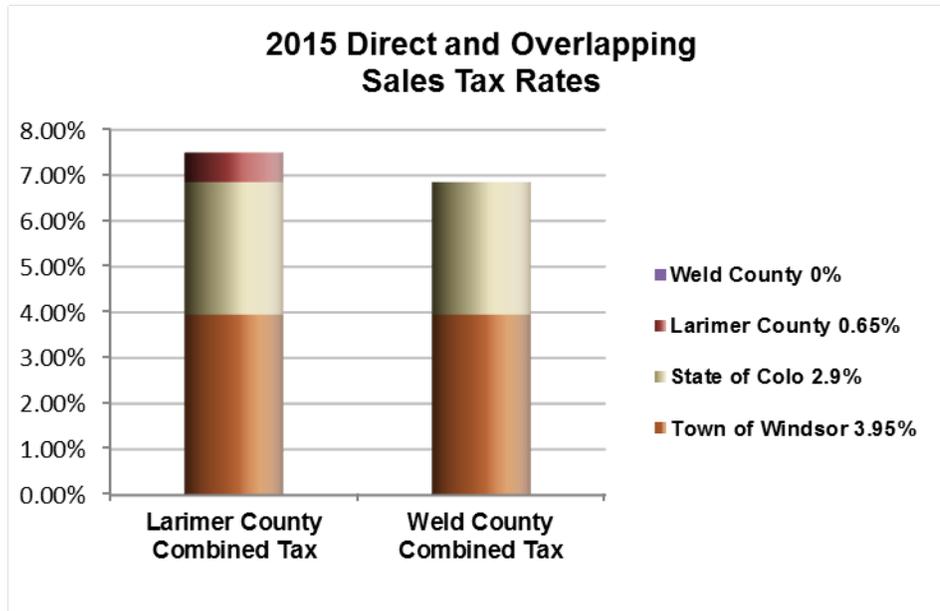
Note: Information in this chart is not all inclusive of all accounts for 2006 but is representative of main business collections.

Source: Town of Windsor Sales Tax Reports

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

Overlapping Rates						
Fiscal Year	Town of Windsor Direct Sales Tax Rate ⁽¹⁾	State of Colorado ⁽²⁾	Weld County	Larimer County	Combined direct and overlapping rate for Windsor-Weld County	Combined direct and overlapping rate for Windsor-Larimer County
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%
2014	3.2%	2.9%	0.0%	0.6%	6.1%	6.7%
2015	3.95%	2.9%	0.0%	0.65%	6.85%	7.50%

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



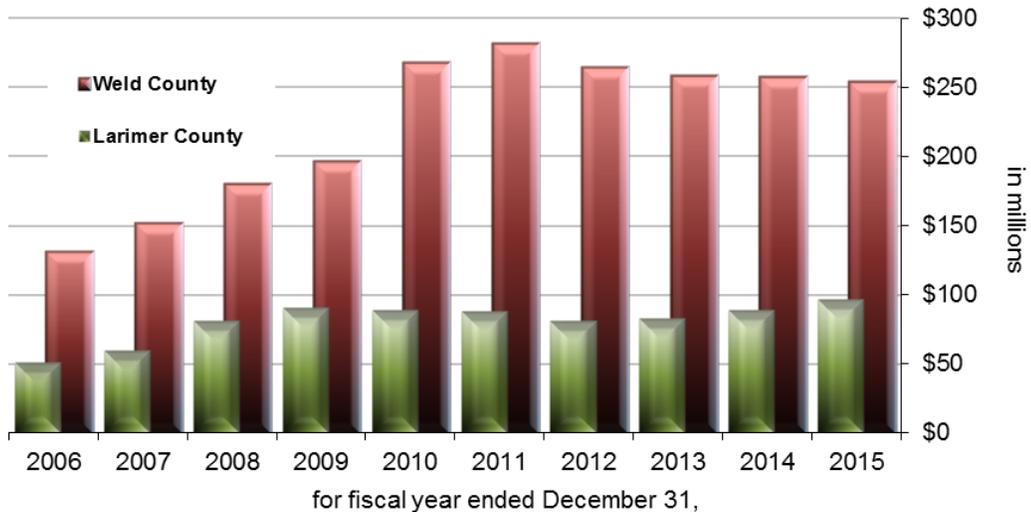
Note: GASB 34 implemented in 2004

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
2015	\$ 95,941,770	\$ 253,814,250	\$ 349,756,020	\$ 2,667,628,514	13.11%	2014	12.03
% change	8.2%	-1.2%	1.2%	8.5%			
2015	\$ 95,941,770	\$ 253,814,250	\$ 349,756,020	\$ 2,667,628,514	13.11%	2014	12.03
2014	88,685,380	256,910,701	345,596,081	2,458,521,024	14.06%	2013	12.03
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

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 2015 was based on estimated market values as of June 30, 2014.*

Sources: Larimer and Weld County Assessors Offices.

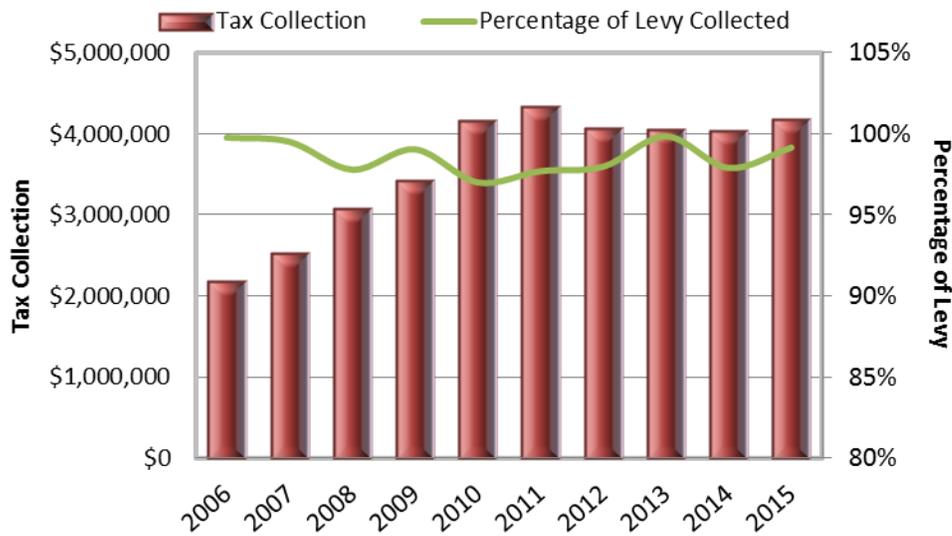
TOWN OF **WINDSOR**, COLORADO

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
\$ 349,756,020	12.030	2015	\$ 4,207,565	\$ 4,171,557	99.14%	\$ -	\$ 4,171,557	99.14%	\$ 36,008	0.9%
345,596,081	12.030	2014	4,157,521	4,069,762	97.89%	(33,494)	4,036,268	97.89%	121,253	2.9%
340,300,350	12.030	2013	4,093,813	4,087,429	99.84%	(38,319)	4,049,110	99.84%	44,703	1.1%
344,443,260	12.030	2012	4,143,652	4,104,135	99.05%	(44,673)	4,059,462	97.97%	84,190	2.0%
368,709,730	12.030	2011	4,435,578	4,341,140	97.87%	(8,132)	4,333,008	97.69%	102,570	2.3%
356,359,957	12.030	2010	4,287,010	4,202,033	98.02%	(43,690)	4,158,343	97.00%	128,667	3.0%
286,380,117	12.030	2009	3,445,153	3,425,708	99.44%	(13,604)	3,412,104	99.04%	33,049	1.0%
260,625,238	12.030	2008	3,135,322	3,118,742	99.47%	(52,964)	3,065,778	97.78%	69,544	2.2%
210,614,164	12.030	2007	2,533,688	2,523,615	99.60%	(2,546)	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%

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 2006 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	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
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	4.944	4.944	6.119	6.074	7.194	7.194	7.194	7.194	7.194	7.248
Windsor-Severance Fire Rescue Bond 2023	N/A	N/A	N/A	0.610	0.700	0.710	0.770	0.729	0.661	0.547
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	6.357	6.308	6.323	6.312	6.360	6.355	6.318	6.302	6.330	6.325
Big Thompson Conservation District	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Box elder Sanitation District	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Clearview Library	3.584	3.557	3.546	3.546	3.579	3.615	3.594	3.558	3.592	3.583
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	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Great Western Metro #2	N/A	N/A	35.000	35.000	35.000	35.000	35.000	35.000	35.000	35.000
Great Western Metro #3, #4	N/A	N/A	25.000	25.000	25.000	25.000	25.000	25.000	25.000	25.000
Great Western Metro #5	N/A	N/A	25.000	35.000	35.000	35.000	35.000	35.000	35.000	35.000
Great Western Metro #6	N/A	N/A	20.000	20.000	20.000	20.000	20.000	20.000	20.000	20.000
Great Western Metro #7	N/A	N/A	11.000	11.000	11.000	11.000	11.000	11.000	11.000	11.000
Greenspire Metro #1 - Weld	0.000	0.000	0.000	32.000	32.000	32.000	32.000	32.989	32.989	32.989
Greenspire Metro #2, #3 - Weld	20.000	16.092	27.000	32.000	32.000	32.000	32.000	32.989	32.989	32.989
Greenwald Farms Metro #1, #2	N/A	N/A	N/A	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Iron Mountain Metro #1	N/A	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Iron Mountain Metro #2, #3	N/A	20.000	20.000	20.000	20.000	20.000	20.000	30.000	35.000	35.000
Jacoby Farm Metro	N/A	N/A	N/A	30.000	30.000	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	30.000	30.000	30.000	30.000	30.000	30.000	30.000	30.000
Northlake Metro #1	N/A	0.000	0.000							
Northlake Metro #2, #3, #4, #5	N/A	39.000	39.000							
Poudre Tech Metro	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Ridge at Harmony Road Metro #1	N/A	0.000								
Ridge at Harmony Road Metro #2, #3	N/A	39.000								
Raindance Metro #1, #2, #3, #4	N/A	39.000	39.000							
Tacinala Metro #1, #2, #3, #4, #5	N/A	0.000	0.000							
Thompson River Rec	N/A	3.594								
Village East Metro #1, #2	N/A	N/A	N/A	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Village East Metro #3	N/A	10.000								
Water Valley Metro #1, #2	20.000	20.000	20.000	20.000	20.000	26.000	39.000	39.000	39.000	39.000
Weld County	17.900	16.804	16.804	16.804	16.804	16.804	16.804	16.804	15.800	15.800
West Greeley Conservation District	0.414	0.414	0.414	0.414	0.414	0.414	0.414	0.414	0.414	0.426
Windshire Park Metro #1, #2	35.000	35.000	35.000	35.000	35.000	35.000	35.000	35.000	35.000	35.000
Windsor Downtown Dev (WDDA)	N/A	N/A	N/A	N/A	N/A	0.000	1.000	2.000	3.000	4.000
Windsor RE-4 (includes Bond)	43.446	46.129	47.418	46.372	48.449	48.991	47.949	47.505	47.297	41.494
Winter Farm Metro #1	34.480	34.480	34.480	34.480	34.480	34.480	0.000	41.000	50.000	0.000
Winter Farm Metro #2	34.480	34.480	34.480	34.480	34.480	34.480	34.480	41.000	50.000	50.200
Winter Farm Metro #3	34.480	34.480	34.480	34.480	34.480	34.480	0.000	0.000	0.000	0.000
LARIMER COUNTY - potentially overlapping rates										
Eagle Crossing Windsor Metro #1, #2, #3, #4	N/A	39.000								
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	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Highpointe Vista Metro #2	26.000	32.000	35.000	35.000	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	22.410	22.414	22.395	22.435	22.524	22.472	22.520	22.424	22.459	22.269
Poudre R-1 General Fund, abatelements, bond	50.715	48.200	47.989	47.989	51.000	52.200	54.704	52.763	52.630	52.630
Poudre River Public Library District	3.000	3.000	3.000	3.000	3.000	3.000	3.000	3.013	3.024	3.016
South Ft Collins Sanitation District	0.500	0.500	0.487	0.500	0.500	0.500	0.500	0.500	0.489	0.476
Thompson R2-J Gen Fund, abatelements, bond	43.457	41.657	40.974	41.295	41.643	42.310	40.884	40.416	40.268	38.393
Thompson Valley Hlth Serv District	1.492	1.471	1.716	2.093	1.899	1.716	1.757	1.766	1.763	1.754
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	35.000	35.000	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
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	55.776	7.923	84.262	82.793
2014	12.030	15.800	22.459	47.297	40.268	55.654	7.855	82.982	82.612
2015	12.030	15.800	22.269	41.494	38.393	55.646	7.795	77.119	80.487

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 Seven Years Prior
(Unaudited)

Taxpayer	2008			2009			2010			2011			2012			2013			2014			2015		
	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	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%	\$20.6	1	5.96%	\$24.1	1	6.89%
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%	10.8	2	3.13%	10.1	2	2.89%
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%	9.5	3	2.75%	9.0	3	2.57%
Metal Container Corp.	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%	7.2	5	2.08%	6.8	4	1.94%
Front Range Energy LLC	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%	8.1	4	2.34%	6.7	5	1.92%
Hexcel Corp.							7.3	6	2.04%	8.4	5	2.28%	5.7	6	1.69%	4.8	6	1.41%	4.6	6	1.33%	4.3	6	1.23%
Public Service Do of Colo (Xcel)																						3.8	7	1.09%
Poudre Valley Health Care, Inc.										2.0	8	0.55%	1.9	9	0.56%	2.8	7	0.83%	2.8	7	0.81%	2.7	8	0.77%
New Windsor Station LLC													2.8	7	0.83%	2.1	8	0.61%	2.1	8	0.61%	2.1	9	0.60%
Cargill Incorporated																						2.1	10	0.60%
BCG Enterprises LTD LLLP	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%	1.9	9	0.55%			
1201 Cornerstone, LLC															1.7	10	0.49%	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	1.4	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%															
Wells Fargo Bank NA										2.8	7	0.76%												
Windsor Shops LLC	1.7	5	0.67%	2.9	6	1.00%	2.9	7	0.80%															
Deline-Cornerstone LLC	1.1	10	0.42%	1.5	9	0.51%																		
Champion Investments 2 LLC	1.4	7	0.53%	1.4	10	0.47%																		
Champion Investments 1 LLC	1.4	8	0.53%																					
Total Town Assessed Valuation (in millions)	\$18.5	7.10%		\$70.4	24.57%		\$87.6	24.59%		\$90.3	24.48%		\$86.2	25.16%		\$81.0	23.80%		\$69.3	20.05%		\$71.7	20.50%	
	\$260.6			\$286.4			\$356.4			\$368.7			\$344.4			\$340.3			\$345.6			\$349.8		

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, 2015
(Unaudited)

The Town of Windsor's debt represents bonds secured solely by specified revenue sources such as Sales and Use Tax Revenue and Refunding Bonds, Colorado Water Conservation Board loans for the Kern and Kyger Reservoirs, 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.

2015 Assessed valuation ⁽¹⁾	\$349,756,020
Debt limit percentage	10%
Legal debt limit	<u>\$34,975,602</u>
Less:	
Long-term debt outstanding ⁽²⁾	<u>(\$31,937,740)</u>
Legal debt margin	<u><u>\$3,037,862</u></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⁾	\$24,612,349
Debt limit percentage	10% - 15%
Legal debt limit 10% of operation expenditures	<u>\$2,461,235</u>
Legal debt limit 15% of operation expenditures	\$3,691,852
Debt service for long-term debt ⁽²⁾	<u>(\$1,395,888)</u>
	or 5.67%
Legal debt margin	<u><u>\$2,295,964</u></u>

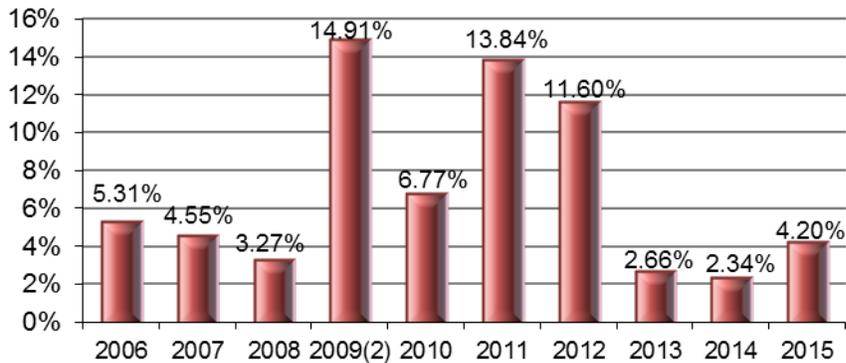
Sources: ⁽¹⁾ Current year's financial statements. General Governmental expenditures less capital and debt, and Proprietary and Internal Service funds operating expenditures less depreciation.

⁽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		Total Debt Service	Percentage of noncapital expenditures
		Principal	Interest		
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%
2014	15,674,425	280,000	86,875	366,875	2.34%
2015	17,026,501	300,000	414,440	714,440	4.20%

**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.

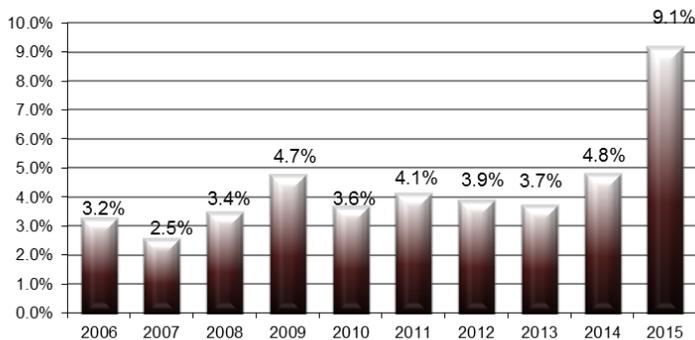
TOWN OF **WINDSOR**, COLORADO

RATIO OF OUTSTANDING DEBT BY TYPE

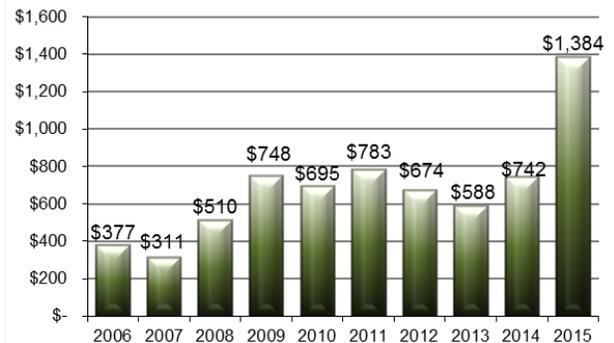
Last Ten Calendar Years
(Unaudited)

Year	Governmental Activities					Business-Type Activities			Total Primary Government	Debt to Assessed Valuation	Percentage of Personal Income	Debt Per Capita
	Sales & Use Tax Revenue Refunding Bonds (CRC)	Sales & Use Tax Revenue Bonds (CRC Expansion)	USDA Community Facilities Loan (Police Facility)	Developer Reimbursement Agreements	Sewer Loan Revenue Bonds	Sewer WWTP CWRPDA Loan	CWCB Loans (Kern & Kyger Reservoirs)					
2006	\$ 4,830,000	\$ -	\$ -	\$ -	\$1,040,653	\$ -	\$ -	\$ 5,870,653	3.2%	1.2%	\$ 377	
2007	4,610,000	-	-	-	713,138	-	-	5,323,138	2.5%	0.8%	311	
2008	4,375,000	-	-	-	369,777	-	4,241,556	8,986,333	3.4%	1.4%	510	
2009	4,125,000	-	3,000,000	2,284,100	-	-	4,153,903	13,563,003	4.7%	2.2%	748	
2010	3,880,000	-	3,000,000	2,010,887	-	-	4,061,780	12,952,667	3.6%	2.0%	695	
2011	3,630,000	-	2,966,854	1,399,301	-	3,110,543	3,964,959	15,071,657	4.1%	2.2%	783	
2012	3,604,944	-	2,932,444	-	-	2,932,118	3,863,199	13,332,705	3.9%	1.8%	674	
2013	3,135,000	-	2,896,721	-	-	2,753,693	3,756,250	12,541,664	3.7%	1.5%	588	
2014	2,855,000	-	2,859,635	-	-	2,575,268	8,188,848	16,478,751	4.8%	1.9%	742	
2015	2,555,000	16,100,000	2,821,133	-	-	2,390,896	8,070,711	31,937,740	9.1%	3.6%	1,384	

Long-Term Debt to Assessed Value



Long-Term Debt Per Capita



Note: Includes all long-term debt, including:

- Series 2012/2015 Sales and Use Tax Revenue & Refunding Bonds issued by the Town of Windsor to finance the construction of a community and recreation center and expansion.
- 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.
- Colorado Water Conservation Board (CWCB) Loan for Kyger Reservoir. - 2014
- Compensated absences are not reflected in the above chart.

Sources: - Population estimates based on Colorado Department of Local Affairs estimates and Town Planning and Zoning Department building permit data with 2010 census results.

- Assessed valuation from Weld and Larimer County Assessors Offices.
- Personal Income computed from US Department of Commerce, Bureau of Economic Analysis.
- 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
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%
2014	-	-	-	21,490,246	0.00%
2015	-	-	-	27,132,713	0.00%

Note: There is no general obligation debt for 2015.

Sources: Current and prior years' financial statements.

TOWN OF **WINDSOR**, COLORADO

BONDS COVERAGE

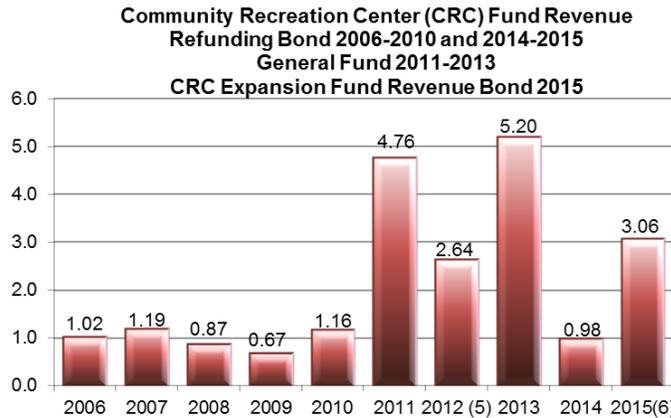
COMMUNITY RECREATION CENTER FUND REVENUE REFUNDING BOND

2006-2010 AND 2014-2015 GENERAL FUND 2011-2013 ⁽¹⁾

COMMUNITY RECREATION CENTER EXPANSION FUND REVENUE BOND 2015

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	
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	170,293	420,293	4.76
2012 ⁽⁵⁾	12,994,255	12,008,409	985,846	290,000	83,836	373,836	2.64
2013	14,321,709	12,384,716	1,936,993	280,000	92,475	372,475	5.20
2014	1,097,128	737,020	360,108	280,000	86,875	366,875	0.98
2015 ⁽⁶⁾	3,475,042	1,289,112	2,185,930	300,000	414,440	714,440	3.06



Notes: Includes Sales and Use Tax Revenue Bonds, Series 2002, Dated August 1, 2002.

⁽¹⁾ GASB No. 54 implemented in 2011 and the Community Recreation Center merged into the General Fund for years 2011-2013.

⁽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.

⁽⁶⁾ A new Revenue bond was added for the Community Recreation Center Expansion in 2015.

Sources: Current and prior years' financial statements.

TOWN OF **WINDSOR**, COLORADO
COMPUTATION OF DIRECT AND OVERLAPPING ACTIVITIES DEBT ⁽¹⁾
As of December 31, 2015
(Unaudited)

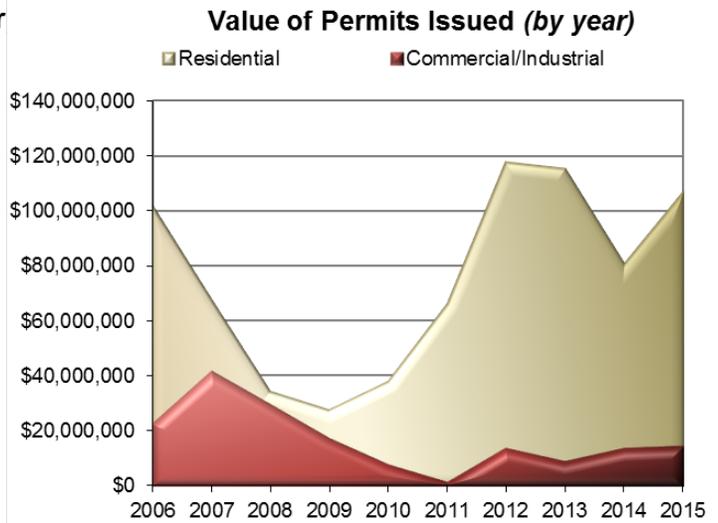
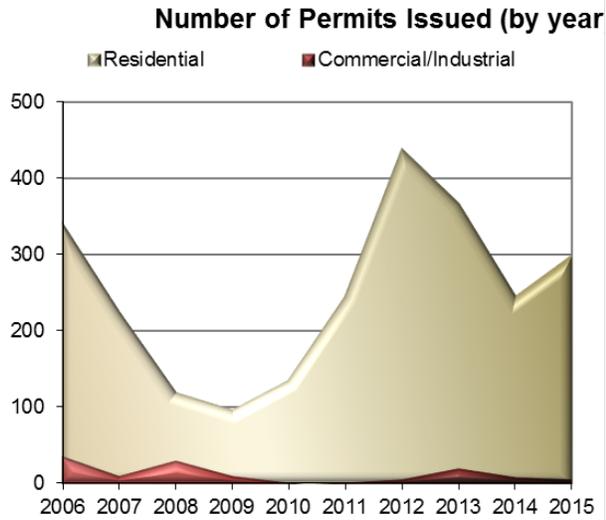
Jurisdiction	Debt Outstanding	Estimated Percentage Applicable to Town ⁽²⁾	Estimated Amount Applicable to Town
<i>Direct:</i>			
Town of Windsor - Direct Debt ^{(3) (A)}			
Sales and Use Tax Revenue & Refunding Bonds	\$ 18,655,000		
Police Facility USDA Loan	<u>2,821,134</u>		
TOTAL Direct Debt	<u>\$ 21,476,134</u>	100.00%	<u>\$ 21,476,134</u>
<i>Overlapping:</i>			
Poudre R-1 School District ^(B)	203,955,000	3.94%	8,039,118
Thompson R2-J School District ^(C)	89,085,000	7.25%	6,459,113
Windsor RE-4 School District ^(D)	31,250,000	48.60%	15,186,664
Weld County ^{(3) (E)}	-	-	-
Larimer County ^{(3) (E)}	-	-	-
Windsor-Severance Fire Protection District ^(F)	<u>2,542,494</u>	58.49%	<u>1,486,984</u>
TOTAL Overlapping Debt	<u>\$ 326,832,494</u>		<u>\$ 31,171,879</u>
TOTAL Direct and Overlapping Debt			<u>\$ 52,648,013</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)

Year	Number of New Residential Building Permits	Value of Construction for New Residential Construction	Number of New Commercial/Industrial Permits	Total Value of Construction for New Commercial/Industrial Buildings
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
2014	244	80,780,164	7	13,699,715
2015	298	107,057,908	4	14,691,673



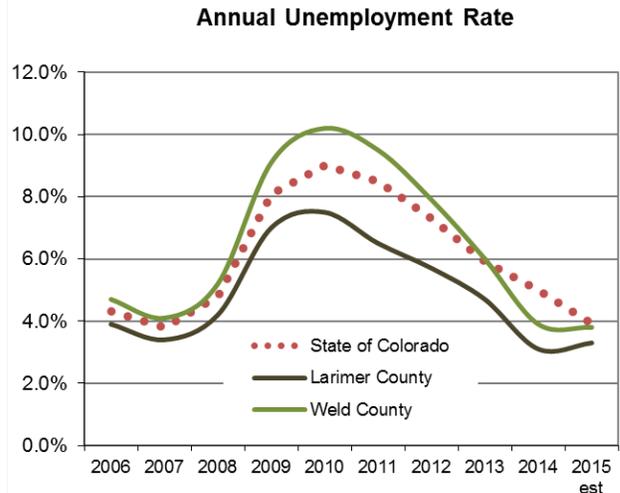
Source: Permit information is provided by the Town Planning and Zoning Department.

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⁾
2006	15,554	\$66,000	2.76	\$477,678	30,711	3.9%	4.7%	4.3%	3.3%
2007	17,112	68,000	2.76	659,285	38,528	3.4%	4.1%	3.8%	3.6%
2008	17,623	70,000	2.76	622,367	35,316	4.2%	5.2%	4.8%	4.8%
2009	18,133	75,276	2.76	618,721	34,121	7.0%	9.1%	8.1%	7.3%
2010	18,644	75,970	2.76	634,505	34,033	7.5%	10.2%	9.0%	7.4%
2011	19,259	78,013	2.76	683,955	35,521	6.5%	9.5%	8.5%	6.5%
2012	20,119	79,948	2.76	748,231	37,190	5.7%	7.9%	7.3%	5.7%
2013	21,441	83,602	2.76	817,341	38,120	4.7%	6.0%	5.9%	4.7%
2014	22,205	82,724	2.76	867,818	39,082	3.1%	3.9%	5.0%	3.1%
2015 est	23,079	81,855	2.76	895,393	38,797	3.3%	3.8%	3.9%	2.9%



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 and Colorado LMI Gateway.
⁽⁶⁾ Online at www.homefacts.com

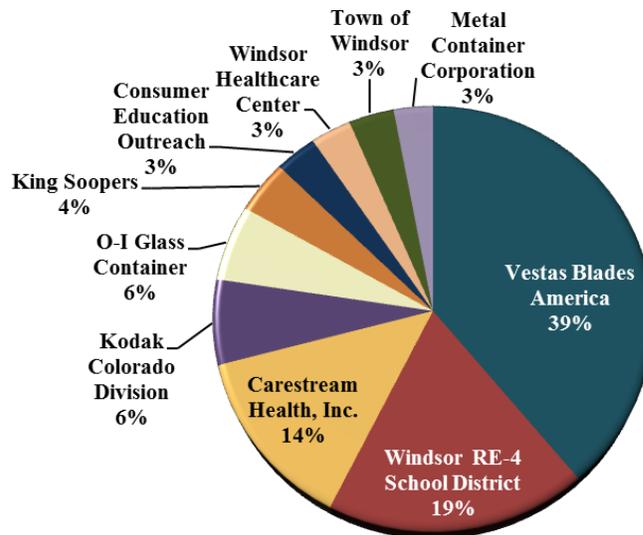
TOWN OF **WINDSOR**, COLORADO

TOP 10 PRINCIPAL EMPLOYERS

Current Year and Seven Years Prior
(Unaudited)

	2007		2008		2009		2010		2011		2012		2013		2014		2015		% of Top 10 Total
	Employees ⁽¹⁾	Rank	Employees ⁽²⁾	Rank	Employees ⁽²⁾	Rank	Employees ⁽²⁾	Rank	Employees ⁽³⁾	Rank									
Vestas Blades America			650	3	650	1	650	1	716	1	475	2	558	2	558	2	1,354	1	63.63%
Windsor RE-4 School District	339	2	615	4	640	2	618	2	638	2	600	1	600	1	664	1	647	2	30.40%
Carestream Health, Inc.			650	2	600	3	600	3	588	3	430	3	457	3	469	3	469	3	22.04%
Kodak Colorado Division	1,800	1	720	1	390	4	390	4	200	5	225	4	227	4	225	4	225	4	10.57%
O-I Glass Container	175	3	200	6	206	5	206	5	205	4	182	5	211	5	190	5	202	5	9.49%
King Soopers									128	7	132	6	142	6	142	6	142	6	6.67%
Consumer Education Outreach															111	7	111	7	5.22%
Windsor Healthcare Center															108	8	108	8	5.08%
Town of Windsor	85	6	86	10	85	9	89	7	95	9	95	10			101	10	120	9	5.64%
Metal Container Corporation	85	6	112	8	117	6	117	6	108	8	107	8	104	8	104	9	104	10	4.89%
SSC Windsor Operating Company LLC									131	6	131	7	127	7					0.00%
Accentcare Home Healthcare													100	9					0.00%
Universal Forest Products, Inc.	135	4	160	7	85	7	80	8	93	10	95	9	94	10					0.00%
TOTAL Principal Employers									2,186		1,997		2,062		2,114		2,128		100.00%

Principal Employers
as a % of the Top 10

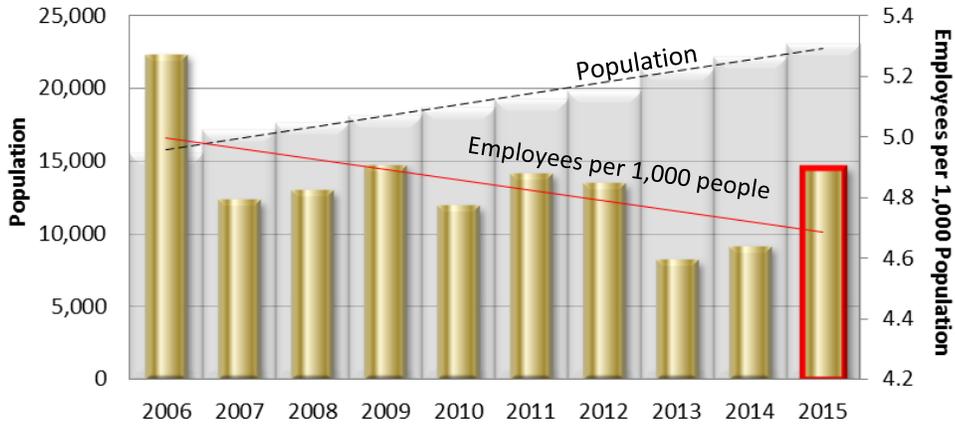


Note: Change in format of CAFR. Employer data is not available prior to 2007. In future years, as information becomes available, additional years will be presented.

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

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

Population and Employees per 1,000 population



- 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)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	% change in 10 years
General Government											
Registered voters*	9,938	9,935	11,879	12,310	12,457	12,978	12,482	12,695	15,925	16,272	64%
Elected officials	7	7	7	7	7	7	7	7	7	7	
Full-time employees	82	82	85	89	89	94	96	98	103	113	38%
Part-time employees	15	13	14	12	12	40.95 FTE	42.13 FTE	39.85 FTE	39.15 FTE	34.3 FTE	
Seasonal employees	132	133	134	133	133	see above					
Public Safety											
Adult arrests	212	272	195	234	264	310	329	340	260	330	56%
Juvenile detentions	45	79	53	63	64	46	57	27	28	40	-11%
Traffic citations	442	689	1,365	1,749	2,208	2,036	2,471	2,211	2,130	2,177	393%
Calls for service	6,352	6,747	5,242	5,442	7,506	6,123	6,344	5,906	6,106	6,973	10%
Parks, Recreation & Culture, & Community Recreation Center											
Participants served	47,782	55,713	59,082	65,764	76,159	82,935	100,554	106,712	124,007	129,274	171%
Community Development											
Building permits	374	233	147	104	137	246	441	383	251	302	-19%
Site plan reviews	34	9	18	10	12	11	7	16	22	26	-24%
Utilities (Water, Sewer, and Storm Drainage)											
Number of total accounts	5,697	6,151	6,368	6,544	6,856	7,603	7,634	8,433	8,135	7,934	39%
New utility accounts	366	378	236	124	194	306	313	441	1518	1142	212%
Average daily water consumption (millions of gallons)	1.87	1.89	1.74	1.58	1.72	1.72	2.01	1.73	1.68	1.81	-3%
Average daily water consumption per capita (gallons)**	120.23	110.45	98.73	87.13	92.25	89.31	104.37	81.11	110.50	119.10	-1%
Annual consumption (millions of gallons)	683.4	692.4	635.8	578.2	627.8	627.6	735.3	632.6	611.5	662.3	-3%
Other Public Works											
Paved road miles	108.5	113.0	131.1	133.2	140.0	143.2	145.0	144.3	147.2	146.1	35%
Work orders processed	5,240	4,392	4,719	5,125	4,419	4,631	10,321	7,262	3,216	3,394	-35%
Information Systems											
Servers on the Network	5	19	26	30	35	29	35	42	44	46	820%
New Computers Purchased	20	15	20	30	30	35	20	43	33	55	175%
Work Stations on the Network	60	95	109	115	120	132	125	150	167	183	205%
Number of Users on Network	75	115	119	125	135	142	136	142	173	210	180%
Databases in User by the Town	N/A	N/A	N/A	N/A	35	30	30	33	63	66	
Annual Hits to Town Web Site	48,352	132,065	142,034	149,823	158,989	165,720	287,222	100,971	246,132	305,282	531%
Average Daily Hits to Web Site***	133	362	389	410	600	679	486	277	674	836	529%

*Up until 2013, the counties only counted active, registered voters; with the passage of HBI303 they were required to include all registered voters in their count (both inactive and active) which made the number of voters increase.

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

***2014 forward measures average daily unique page views.

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)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	% change in 10 years
Public Safety											
Patrol units	17	18	18	20	20	20	21	21	22	24	41%
Public Works											
Area in square miles	22.59	22.98	23.25	24.61	24.61	24.63	24.67	24.75	25.00	25.33	12%
Paved roads (<i>miles</i>)	108.5	113.0	131.1	133.2	140.0	143.2	145.0	144.3	147.2	146.1	35%
Parks, Recreation & Culture											
Playgrounds	7	7	8	10	12	12	16	18	18	18	157%
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	15	15	15	15	16	16	22	24	25	5	-67%
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	320	358	366.2	445	445	445	445	445	445	445	39%
Developed parks (<i>acres</i>) ⁽¹⁾	97	106	106	126.1	129.6	133.6	139.2	143.3	143.3	149.4	54%
Undeveloped parks (<i>acres</i>)	176	175	179.2	179.2	179.2	171.7	166.1	169.5	169.5	164.6	-6%
Open space (<i>acres</i>) ⁽²⁾	76	80	127	139.7	139.7	139.7	139.7	139.7	139.7	139.7	84%
Trails (<i>miles</i>)	40	42	42	42	42	44	44	55	55	55	38%
Utilities											
Water mains (<i>miles</i>)	97	N/A	116	117	117	117	117	118.1	126	129	33%
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	5.0	150%
Sewer treatment plants	1	1	1	1	1	1	1	1	1	1	0%
Sanitary sewer (<i>miles</i>)	82	N/A	82	86	94	94	95	94.7	96.6	125.7	53%
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



REPORTS TO GOVERNMENTAL AGENCIES





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

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, 2015, 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 30, 2016.

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be a material weakness (2015-001).

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*.

Town’s Response to Findings

The Town’s response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The Town’s response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.



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 30, 2016



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

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 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, 2015. 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 federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the 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 each major federal program. However, our audit does not provide a legal determination of the Town's compliance.

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, 2015.



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 of compliance, we considered the Town's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the 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* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Anton Collins Mitchell LLP

Greeley, Colorado
June 30, 2016

TOWN OF **WINDSOR**, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2015

SUMMARY OF AUDITOR’S RESULTS

Financial Statements

Type of auditor’s report issued	Unmodified
Internal control over financial reporting: Material weaknesses identified	Yes
Significant deficiencies identified not considered to be material weaknesses	None reported
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	None reported
Type of auditor’s report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133	No

<u>Name of Federal Program or Cluster</u>	<u>CFDA Number</u>
Community Development Block Grant Disaster Recovery Grants	14.269
Dollar threshold used to distinguish between type A and type B programs	\$750,000
Auditee qualify as a low-risk auditee	Yes

FINDINGS—FINANCIAL STATEMENTS AUDIT

2015-001: Material Proposed Adjusting Journal Entries

Material Weakness in Internal Control over Financial Reporting

Condition: During the course of our fieldwork we proposed a number of material adjustments to the Town’s accounting records that were not detected by management.

Criteria: Accounting tasks such as monthly reconciliations play a key role in proving the accuracy of accounting data and information included in the financial statements.

Effect: Material journal entries were proposed to the Town’s accounting records.

Cause: Lack of reconciliation of accounts prior to fieldwork, primarily relating to investments, capital assets and related depreciation, long-term debt transactions, and fund balances, contributed to these adjustments.

TOWN OF **WINDSOR**, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2015

Recommendation: We recommend that the Town establish more effective review and reconciliation policies and procedures as a customary part of the accounting process.

Management's Response and Corrective Action Plan: In 2014 the Town began a complete conversion of its financial software system, combining four separate accounting software packages into one system. In order to minimize disruption of daily operations, the installation and training took place in steps in 2014 and 2015. General ledger, payroll, utility billing and sales tax collections were installed in 2014. The last module to be installed was the capital asset module in late 2015. All of 2015 was in the new system with the exception of the capital assets module that was not complete until late 2015. As of this writing, all of the modules we planned to install have been installed and working.

As with any conversion, our proficiency with the operation of the software increases as time passes. We now know the steps the capital asset software takes in the posting of capital assets and depreciation. We will balance the capital asset accounts monthly and make any adjusting entries at that time. In addition, we will review the debt and investments monthly to ensure that accounts balances are appropriately stated.

FINDINGS AND QUESTIONED COSTS—MAJOR FEDERAL AWARD PROGRAMS AUDIT

None

SUMMARY OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS

None

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS



TOWN OF **WINDSOR**, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2015

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>2015 Expenditures</u>
<u>Department of Transportation</u>			
Direct programs:			
National Infrastructure Investments	20.933	N/A	\$ 515,567
Passed through Colorado Department of Transportation:			
Highway Planning and Construction	20.205	14HA460404	<u>109,258</u>
Total Department of Transportation			<u>624,825</u>
<u>Department of Homeland Security</u>			
Passed through Colorado Department of Public Safety:			
Pre-Disaster Mitigation	97.047	11PDM14TW	<u>269,293</u>
Total Department of Homeland Security			<u>269,293</u>
<u>Department of Housing and Urban Development</u>			
Passed through Colorado Department of Local Affairs:			
Community Development Block Grant Disaster Recovery Grants	14.269	R1-40-99	<u>779,223</u>
Total Department of Housing and Urban Development			<u>779,223</u>
<u>Department of Justice</u>			
Direct programs:			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	N/A	<u>6,000</u>
Total Department of Justice			<u>6,000</u>
Total Expenditures of Federal Awards			<u>\$ 1,679,341</u>

TOWN OF **WINDSOR**, COLORADO
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
December 31, 2015

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal award activity of the Town of Windsor, Colorado (the "Town") under programs of the federal government for the year ended December 31, 2015. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Town, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Town.

Note 2 – Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-87 - Cost Principles for State, Local and Indian Tribal Governments, or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allocable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The Town has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 3 - Subrecipients

There were no subrecipients of federal awards during the year ended December 31, 2015.