

TOWN OF WINDSOR, CONNECTICUT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
JUNE 30, 2006



For the Fiscal Year Ended June 30, 2006

The Town of Windsor, Connecticut

Comprehensive Annual Financial Report



Fiscal Year Ended June 30, 2006

**Prepared by:
Department of Financial Accounting & Reporting**

**Cortney A. Keegan
Finance Director**

**Charlotte Foley
Assistant Finance Director**

**Sherman Ferrier
Assistant Finance Director**

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Introductory Section



December 29, 2006

To the Honorable Mayor and
Members of the Windsor Town Council
Town of Windsor, Connecticut

State law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended June 30, 2006.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

McGladrey & Pullen, LLP, Certified Public Accountants, have issued an unqualified opinion on the Town of Windsor, Connecticut's financial statements for the year ended June 30, 2006. The independent auditor's report is located at the front of the financial statement section of this report.

The independent audit of the financial statements of the Town of Windsor, Connecticut was part of a broader state and federally mandated "Single Audit" designed to meet the special needs of federal and state grantor agencies. The standards governing the Federal and State Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal and state awards. These reports are available in the Town of Windsor, Connecticut's separately issued Federal and State Compliance Reports.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

The financial reporting entity (the government) includes all the funds of the primary government (i.e., the Town of Windsor as legally defined), as well as all of its component units. Component units are legally separate entities for which the primary government is financially accountable. There are no agencies or entities that should be, but are not, combined with the financial statements of the Town.

ORGANIZATION

Description of the Town and Organization

Windsor is the location of the first English settlement in Connecticut, settled in 1633 by a congregation relocating from the Plymouth Colony. Bordering Hartford to the north, Windsor covers a 31.1 square mile area on the west bank of the Connecticut River. It is located an equal distance from New York and Boston. The Town center is only minutes from Bradley International Airport and is also well served by a main line railway between Boston and New York. Interstate 91, a major expressway to New York and northern New England, traverses the Town, as does the Farmington River.

The Town of Windsor is organized under the Council Manager form of government. The Town Charter was recognized in the 1947 session of the General Assembly of Connecticut and approved by a referendum vote of the Town in the same year. It has been amended by a special act of the State Legislature and in 1998 by local referenda under the permissive features of the home rule law for Connecticut municipalities.

A bipartisan Council of nine members elected biennially performs the legislative function. The Town Council elects a Mayor from its membership for the two year term. The Town Manager is the Chief Executive Officer of the Town and is directly responsible to the Town Council for the administration of municipal operations.

The Town provides a comprehensive range of municipal services as directed by the statutes of the State of Connecticut and the charter of the Town of Windsor. These include: education, library, recreation, health, social services, police and fire protection, regulation of commercial development, construction and maintenance of public infrastructure, and general administrative services.

Other highly desirable services are available, without impact on the taxpayer, through the Town of Windsor's three self-supporting enterprise funds. A Sanitary Landfill is operated in conjunction with the Town of Bloomfield; the Discovery Center provides day care to Windsor residents and employees of local businesses; and the Caring Connection provides an alternative to institutional care for elderly and handicapped adults in the Town. The Landfill will continue accepting municipal solid waste (MSW) until the current permitted elevations are reached pursuant to resolution of the Town Council.

In addition to general government activities, the Town Council oversees the Town of Windsor Retirement Plan and it is therefore included in this reporting entity. However, the Metropolitan District Commission, the Wilson and Windsor Fire Districts and the Windsor Volunteer

Ambulance Association have not met the established criteria for inclusion in the reporting entity, and accordingly are excluded from this report.

Use of this report by Town Service Units is encouraged when furnishing information to interested parties.

Economic Condition and Outlook

Long-term planning for the efficient use of the Town's land resources began in 1924, and was most recently updated in 2004. Comprehensive zoning regulations were first adopted in 1931 and have been revised periodically as necessary. Residential development in Windsor is primarily of the single family, owner-occupied type, but with some multi-family rental as well as condominium development in recent years spurred by the rise in the cost of individual home ownership and the desire for a mix of housing options for a growing population. With large tracts of land once dedicated principally to agricultural use located at its northern and western perimeter, the Town has been able to make significant progress in attracting new commerce and industry. Regional as well as national and multi-national firms now located in Windsor produce a wide variety of products and services including data processing, aerospace technology, power research and development, industrial coatings, financial services, automotive engine components, castings and other machinery in addition to several agencies of State government.

The Windsor Town Council adopted a formal, written Economic Development Policy. This policy not only identifies the incentives that are available to companies looking to locate in Windsor, but also clearly outlines the services that Town officials will provide to new and existing businesses. The Town has committed to working with new businesses through all phases of their preparations and ultimate move to Windsor. Town officials are committed to assisting businesses and their consultants to: pre-plan facilities and operations; find an appropriate site; secure project financing through either government sponsored programs such as those of the Connecticut Department of Economic and Community Development, or private sector financial institutions; obtain Town Board and Commission approvals; design appropriate, cost effective, code compliant facilities; obtain necessary permits; and open their facilities as expeditiously as possible. The Town is committed to providing similar, appropriate services for existing businesses in addition to trying to address any concerns that these businesses experience with either local or regional issues.

A strategic location on I-91 and adjoining Bradley International Airport and more than 1.8 million square feet of office and 5.6 million square feet of industrial/flex space make Windsor an important regional employment center. Windsor maintains a diversified economic base. Major industries include business and financial services, precision and high-tech manufacturing, software development, regional distribution, data management and hospitality.

Among the nationally known firms with Windsor locations are ADVO, Aetna, American Airlines, CIGNA, The Hartford, Westinghouse, Konica Minolta, Fleet/Boston, Xerox, ADP, and Pitney Bowes. Windsor has become a haven for foreign-owned companies in the Hartford area. Sixteen companies from Europe and Asia employ more than 2,500 persons here.

In addition to encouraging business expansions and relocations, the Town of Windsor has also focused energy to facilitate reuse of underutilized buildings and parcels of land in town center and older areas of town. This multi-pronged approach provides a balanced strategy for future development by taking advantage of existing infrastructure and service amenities.

Financial Information

The Town's management is responsible for establishing and maintaining an internal control structure designed to ensure that its assets are protected from loss, theft or misuse, and to ensure that adequate accounting data is compiled to allow managing spending within prescribable budget limitations and for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the Town's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

The Finance Department is responsible for providing the financial services for the Town including: property tax assessment, tax collection, financial accounting and reporting, payroll and accounts payable, disbursement functions, debt management, purchasing and special financial analysis, and benefits processing.

Long-Range Financial Planning

Annually, the Town Manager prepares a five-year Capital Improvement Plan (CIP) in accordance with the Town Charter, which is reviewed by the Capital Improvements Committee, Finance Committee, and Town Council. The approved 2006-2011 CIP includes various projects for road improvements, building renovations, new building facilities, major equipment purchases, and other capital improvements totaling \$80,888,250.

Included in the five-year CIP is a recommended Annual Capital Expenditure Budget for the current fiscal year. The FY2006 capital expenditure budget approved by the Town Council, and special Town Meeting and citizen referendum when required, totaled \$2,000,000 and included five projects.

As part of the capital planning improvements process, the Town extensively evaluates the funding for all projects and prioritization by conducting a comprehensive debt analysis which includes a review of the current debt and the impact of incurring future debt on the Town's mill rate and debt service, which includes a review of a number of affordability ratios, review of various debt structures, impact on future operating budgets, interest rate environment and other related reviews. The Town has also been proactive with regard to seeking opportunities to refinance outstanding debt to further mitigate the impact on the Town's operating budget.

Cash Management

Cash investments are made during the year in certificates of deposit, repurchase agreements and treasury bills. The Pension Trust Fund, which is managed by outside investment advisors, also has investments in general investment contracts, short-term money market accounts, corporate debt and common and preferred stock.

Pension Administrator

The Town of Windsor is an administrator of a single employer public employee retirement systems ("PERS") which covers most Town employees as well as non-certified staff of the Board of Education. Police officers participate in the state run Municipal Employees Retirement Fund B ("MERF-B"), In addition, Board of Education teachers are fully covered by the non-contributory State Teachers' Retirement System.

Risk Management

The Town is exposed to various risks of loss including torts, theft of, damage to, and destruction of assets, errors and omissions; injuries to employees; employee health; and natural disasters. The Town generally obtains commercial insurance for these risks, but has chosen to retain the risks for workers' compensation claims. Under the Town's current policy, the Windsor insurance fund covers all worker compensation claims up to \$500,000 per claim with a stop-loss policy covering amounts exceeding the limit. Worker compensation claims paid in Fiscal Year 2006 were the third lowest since 1993, the inception of the self insured program.

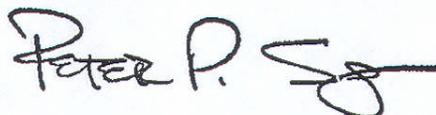
Independent Audit

State statutes require an annual audit be conducted by independent certified public accountants. In compliance with this requirement, the Town Council selected McGladrey & Pullen, LLP to perform the audit for fiscal year 2006. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the Federal and State Single Audit Acts are included in separate documents.

Acknowledgements

The preparation of this report could not have been accomplished without the hard work and dedication of the Finance Department staff, Cortney Keegan, Finance Director; Charlotte Foley, Assistant Finance Director; and Shermin Ferrier, Assistant Finance Director. Their invaluable assistance made the preparation of this report an easier task.

Sincerely,

A handwritten signature in black ink that reads "Peter P. Souza". The signature is written in a cursive, slightly slanted style.

Peter Souza
Town Manager

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Town of Windsor
Connecticut

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2005

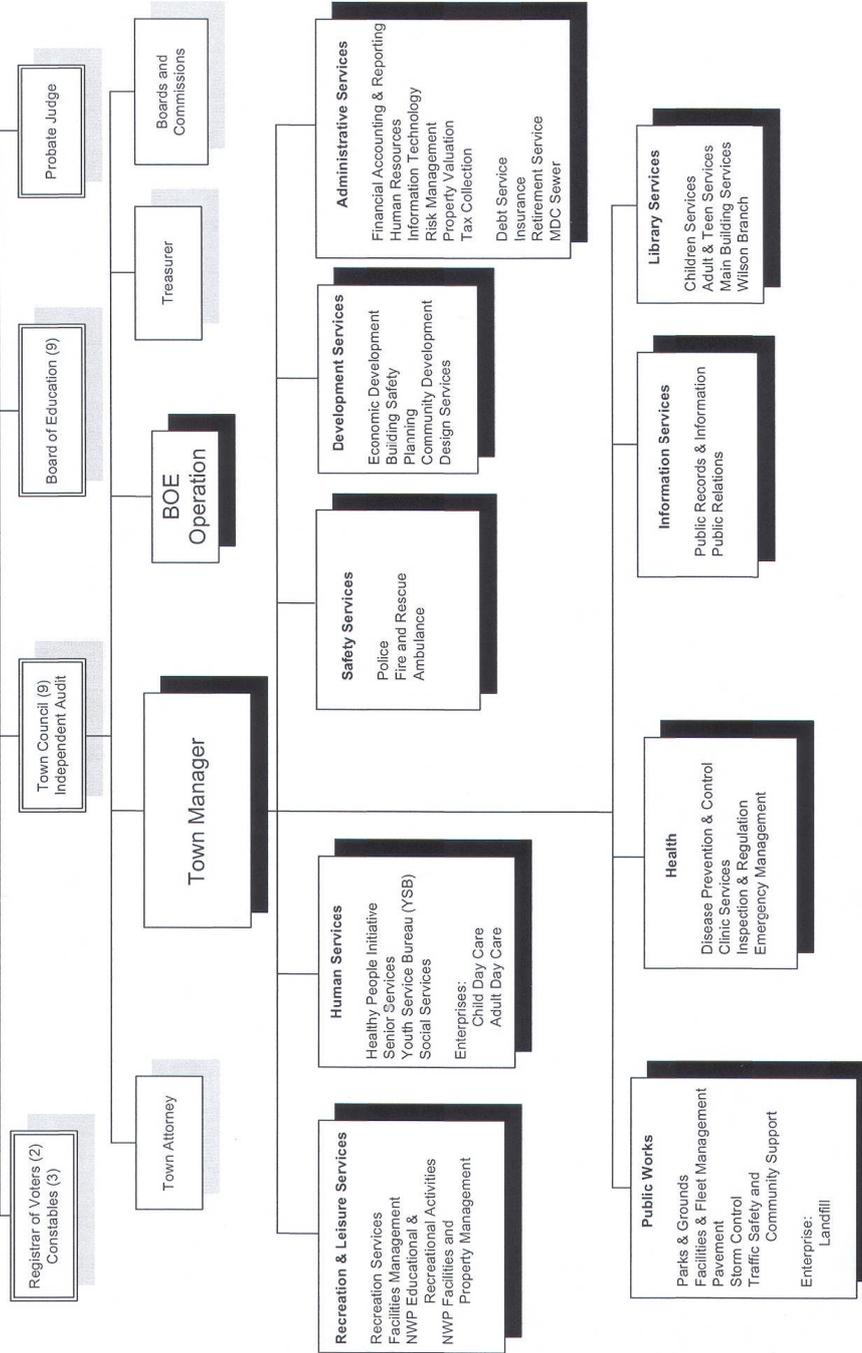
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards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



President

Executive Director

Voters of Windsor



PRINCIPAL TOWN OFFICIALS

Town Council

Donald S. Trinks, Mayor
Timothy Curtis, Deputy Mayor
Catherine L. Moreton
Donald A. Jepsen, Jr.
Wayne G. Mulligan
Alan J. Simon
Michael W. McDonald
Robert B. Gegetskas, II
William H. Herzfeld

Board of Education

Milo W. Peck, Jr. (President)
Adam Gutcheon, Vice President
Doreen E. Richardson (Secretary)
Jane M. Garibay
John C. Eichner
Christopher J. Watts
Paul J. Panos (Minority Leader)
Patricia M. DeGiore
David Gay

Appointed Officials

Peter Souza, Town Manager

Betty E. Feser, Ed.D., Superintendent of Schools
Randall I. Graff, Town Treasurer
O'Malley, Deneen, Leary, Messina & Oswecki, Town Attorney

Financial Section

McGladrey & Pullen

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of the Town Council
Town of Windsor, Connecticut

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Windsor, Connecticut as of and for the year ended June 30, 2006, which collectively comprise the Town's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the Town's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in "Government Auditing Standards" issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Windsor, Connecticut as of June 30, 2006, and the respective changes in financial position, and where applicable, cash flows thereof and the budgetary information for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with "Government Auditing Standards," we have also issued our report dated December 13, 2006 on our consideration of the Town of Windsor, Connecticut'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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with "Government Auditing Standards" and should be considered in assessing the results of our audit.

The management discussion and analysis on pages 3 through 12 is not a required part of the basic financial statements, but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The introductory section, budgetary detail, combining and individual nonmajor fund statements, capital asset schedule, other schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The budgetary detail, combining and individual nonmajor fund statements, capital asset schedule and other schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are 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 express no opinion on them.

McGladrey & Pullen, LLP

New Haven, Connecticut
December 13, 2006

**Town of Windsor, Connecticut
Management's Discussion and Analysis
June 30, 2006**

As management of the Town of Windsor, Connecticut (the "Town") we offer readers of the financial statements this narrative overview and analysis of the financial activities of the Town of Windsor for the fiscal year ended June 30, 2006. We encourage readers to consider the information presented here along with additional information we have furnished in our letter of transmittal, as well as the Town's basic financial statements that follow this section.

Financial Highlights

- ◆ On a government-wide basis, the assets of the Town of Windsor exceeded its liabilities resulting in total net assets at the close of the fiscal year of \$51.1 million. Total net assets for Governmental Activities at fiscal year-end were \$64.0 million, which was an increase of \$2.2 million. Total net (deficits) for Business-Type Activities were (\$12.8 million), which was a decrease of \$2.9 million. The net deficit for Business-Type Activities is due to the accrual of closure and post-closure costs for the landfill.
- ◆ Government-wide expenses were \$97.3 million (an increase of \$6.1 million), while revenues were \$102.3 million, an increase of \$6.6 million..
- ◆ At the close of the year, the Town's governmental funds reported, on a current financial resource basis, combined ending fund balances of \$20.6 million, a decrease of \$1.3 million from the prior fiscal year. Of the total fund balance as of June 30, 2006, \$17.9 million is the combined unreserved and undesignated fund balance in the general fund, special revenue funds and capital projects funds.
- ◆ At the end of the current fiscal year, the total fund balance for the general fund alone was \$11.0 million, an increase of \$1.5 million from the prior fiscal year. Of the total General Fund balance as of June 30, 2006, \$10.1 million represents unreserved, undesignated General Fund fund balance. Unreserved, undesignated General Fund fund balance at year-end represents 11.8% of total FY06 General Fund expenditures and transfers, and 12.8% of FY07 budgeted expenditures.

Overview of the Financial Statements

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

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Town of Windsor's finances, in a manner similar to private-sector business. All of the resources the Town has at its disposal are shown, including major assets such as buildings and infrastructure. A thorough accounting of the cost of government is rendered because the statements present all costs, not just how much was collected and disbursed. They provide both long-term and short-term information about the Town's overall financial status.

The statement of net assets presents information on all of the Town's assets and liabilities, with the difference reported as net assets. One can think of the Town's net assets – the difference

between assets and liabilities – as one way to measure the Town’s financial health or financial position. Over time, increases or decreases in net assets may serve as an indicator of whether the financial position of the Town is improving or deteriorating. It speaks to the question of whether or not the Town, as a whole, is better or worse off as a result of this year’s activities. Other non-financial factors will need to be considered, however, such as changes in the Town’s property tax base and the condition of the Town’s infrastructure, to assess the overall health of the Town of Windsor.

The statement of activities presents information showing how the Town’s net assets changed during the most recent fiscal year. All of the current year’s revenues and expenses are taken into account regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flow in some future fiscal period; uncollected taxes are an example.

Both of the government-wide financial statements distinguish functions of the Town of Windsor that are 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).

- ◆ Governmental activities of the Town of Windsor encompass most of the Town’s basic services and include general government, public safety, public works, human services, culture and recreation, and education. Property taxes, charges for services and state and federal grants finance most of these activities.
- ◆ Business-type activities of the Town of Windsor include the Landfill, Child Development operation, and the Adult Caring Connection operation. They are reported here as the Town charges fees to customers to help cover all or most of the cost of operations.

The government-wide financial statements (statement of net assets and statement of activities) can be found on pages 13-14 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control and accountability over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Town has three kinds of funds:

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government’s near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government’s near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town maintains nine (9) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, and the Capital Projects Fund both of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation as other governmental funds. Non-major governmental funds for the Town of Windsor include the Community Development Block Grant, Cafeteria Fund, Educational Grant Programs, Other Special Revenue Funds, J. Bartash Trust Fund, Treehouse Funds, and Debt Service. The report provides individual fund data for each of these non-major governmental funds in the combining balance sheets on pages 60-61 and in the combining statement of revenues, expenditures and changes in fund balance on pages 62-63.

The Town adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with the authorized budget. The statements of General Fund revenues on a budgetary basis and General Fund expenditures, encumbrances and transfers out on a budgetary basis can be found on page 18.

The basic governmental fund financial statements (balance sheet and statement of revenues, expenditures and changes in fund balances) can be found on pages 15-16 of this report.

Proprietary funds. The Town of Windsor maintains two different types of proprietary funds, enterprise funds and an internal service fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town of Windsor uses enterprise funds to account for its Landfill, Child Development, and Adult Caring Connection operations.

Internal service funds are an accounting device used to accumulate and allocate certain costs internally among the Town of Windsor's various functions. The Town of Windsor uses one (1) internal service fund to account for its risk management costs related to Workers' Compensation, Property, Liability and Employee Health Insurance. Because these internal services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Landfill Enterprise Fund which is considered to be the only major proprietary fund of the Town of Windsor. The report combines the Adult Caring Connection and Child Development operation into the non-major funds of the Town of Windsor. Individual fund data for the internal service fund is also provided as a separate column in the proprietary fund financial statements. The proprietary fund financial statements can be found on pages 19-21 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to provide services to the Town's constituency. The Town has one pension trust fund and three agency funds. The accounting used for fiduciary funds is similar to the accounting for proprietary funds. The basic fiduciary fund financial statements are in pages 22-23 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 are in pages 24 to 58 of this report.

The notes to this report also contain certain supplementary information concerning the Town of Windsor's funding its obligation to provide pension benefits to its employees.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position and an important determinant of its ability to finance services in the future. The Town's governmental activities assets exceeded liabilities by \$63.9 million on June 30, 2006, which was an increase of \$2.2 million.

TOWN OF WINDSOR CONNECTICUT
NET ASSETS (\$000's)
June 30, 2006 and 2005

	Governmental Activities		Business-Type Activities		Total		Total Percentage Change
	2006	2005	2006	2005	2006	2005	2005-06
Current and other assets	\$ 34,348	\$ 36,005	\$ 18,226	\$ 14,084	\$ 52,574	\$ 50,089	5.0%
Capital assets, net of accumulated depreciation	84,294	82,727	416	493	84,710	83,220	1.8%
Total Assets	118,642	118,732	18,642	14,577	137,284	133,309	3.0%
Current liabilities	11,518	12,228	1,466	1,212	12,984	13,440	-3.4%
Long-term liabilities outstanding	43,130	44,725	30,021	29,083	73,151	73,808	-0.9%
Total Liabilities	54,648	56,953	31,487	30,295	86,135	87,248	-1.3%
Net Assets (Deficits):							
Invested in capital assets, net of related debt	36,692	35,903	416	40	37,108	35,943	3.2%
Unrestricted	27,301	25,876	(13,260)	(15,758)	14,041	10,118	38.8%
Total Net Assets (Deficits)	\$ 63,993	\$ 61,779	\$ (12,844)	\$ (15,718)	\$ 51,149	\$ 46,061	11.0%

At the end of the current fiscal year, the Town of Windsor is able to report positive balances of \$51.1 million in net assets for the government as a whole, but negative net assets for its business type activities. The negative value is solely attributable to the cost for accruing a pro rata portion of the closure and post-closure costs for the town's landfill. As discussed below, a redesign increased capacity, which lowered the percent of landfill used to date. This adjustment decreased the accrued closure cost liability, resulting in a significant positive change in net assets for the Landfill Fund and for Business-Type Activities.

By far, the largest portion of the Town of Windsor’s net assets reflects its investment in capital assets (e.g., land, buildings, infrastructure, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town of Windsor’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.

**TOWN OF WINDSOR CONNECTICUT
CHANGES IN NET ASSETS (\$000's)
For the Years Ended June 30, 2006 and 2005**

	Governmental Activities		Business-Type Activities		Total		Total Percentage Change
	2006	2005	2006	2005	2006	2005	2005-06
Revenues:							
Program Revenues:							
Charges for services	\$ 5,759	\$ 5,521	\$ 6,264	\$ 4,207	\$ 12,023	\$ 9,728	23.6%
Operating grants and contributions	17,520	15,229	-	-	17,520	15,229	15.0%
Capital grants and contributions	933	2,303	-	-	933	2,303	-59.5%
General Revenues:							
Property taxes	67,160	64,925	-	-	67,160	64,925	3.4%
Grants not restricted to specific programs	1,945	2,032	-	-	1,945	2,032	-4.3%
Unrestricted investment earnings	2,161	1,152	606	296	2,767	1,448	91.1%
Total revenues	95,478	91,162	6,870	4,503	102,348	95,665	7.0%
Expenses:							
General Government	9,916	9,098	-	-	9,916	9,098	9.0%
Culture & Recreation	3,373	3,340	-	-	3,373	3,340	1.0%
Human Services	1,677	1,519	-	-	1,677	1,519	10.4%
Public Works	5,396	5,216	-	-	5,396	5,216	3.5%
Education	62,707	58,426	-	-	62,707	58,277	7.6%
Public Safety	8,485	7,519	-	-	8,485	7,519	12.8%
Interest expense	1,800	1,998	-	-	1,800	1,998	-9.9%
Landfill	-	-	2,299	2,665	2,299	2,665	-13.7%
Child Development	-	-	1,086	1,052	1,086	1,052	3.2%
Adult Caring Connection	-	-	521	488	521	488	6.8%
Total expenses	93,354	87,116	3,906	4,205	97,260	91,172	6.7%
Excess of revenues over expenses before transfers	2,124	4,046	2,964	298	5,088	4,344	17.1%
Transfers	(90)	-	90	-	-	-	-
Change in net assets	2,214	4,046	2,874	298	5,088	4,344	17.1%
Net assets-beginning	61,779	57,733	(15,718)	(16,016)	46,061	41,717	10.4%
Net assets-ending	\$ 63,993	\$ 61,779	\$ (12,844)	\$ (15,718)	\$ 51,149	\$ 46,061	11.0%

Governmental Activities

Approximately 70.3% of the revenues came from property taxes, followed by 18.3% from State and Federal Government program revenues, then 11.4% from other revenue sources.

Major revenue factors included:

- ◆ Property tax revenues recorded for fiscal year 2006 reflect a decrease in the Town's tax rate from 28.83 mills to 28.73 mills and an increase in the total assessed value of all taxable property of \$44,625,490 or 1.99% from the previous year.
- ◆ Increase in unrestricted interest earnings of \$1.01 million.
- ◆ Increase in Education Cost Sharing State Aid of \$268,000.

For Governmental Activities, approximately 67.2% for 2006 of the Town's expenses relate to education (versus 67.1% in FY05), 9.1% (versus 8.6% in FY05) relate to public safety, 10.6% (vs. 10.4% in FY05) to general government, 5.8% (vs. 6.0% in FY05) relate to public works, 3.6% (vs. 3.8% in FY05) to culture and recreation, 1.8% to human services (vs. 1.7% in FY05), and 1.9% (vs. 2.3% in FY05) to interest on long-term debt.

Major expense factors include:

- ◆ Increases in Town employee wages ranged from approximately 3.25 – 4.25%, resulting from negotiated step and general wage increases.
- ◆ Employee health insurance costs for town employees rose approximately 19.44%, dental costs rose approximately 5.44%, and prescription costs rose approximately 14%
- ◆ The cost of education services increased, due to negotiated wage settlements, employee health insurance cost increases, special education cost increases, and program enhancements.

Business-Type Activities

- ◆ There was a net gain in Business Type Activities of \$2.87 million. This was due primarily to an increase in charges for services, an increase in investment earnings and the landfill activity.

Financial Analysis of the Fund Financial Statements

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

Governmental funds. The focus of the Town of Windsor's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town of Windsor's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Town of Windsor's governmental funds reported combined ending fund balances of \$20.6 million, a decrease from \$21.9 million the previous year. Approximately 87.1% of the total fund balance constitutes unreserved, undesignated fund balance. The remainder of the fund balance is reserved or designated, which indicates that it is not available for new spending because it has already been committed for other items such as encumbrances.

The General Fund is the chief operating fund of the Town of Windsor. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$10.1 million, while total fund balance reached \$11.0 million (compared to \$8.9 million and \$9.5 million in FY05). As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 11.8% of total General Fund expenditures, while total fund balance represents 12.8% of that same amount.

As stated earlier, the fund balance of the Town of Windsor's General Fund increased by approximately \$1.5 million during the current fiscal year. Key factors in this increase are as follows:

- ◆ Property tax receipts were \$316 thousand above budgeted estimates.
- ◆ Revenue from unrestricted interest earnings increased \$1.01 million from the prior fiscal year due to rate increases

The Capital Projects Fund has a total fund balance of \$4.9 million (\$4.4 million in unreserved) down from a balance of \$7.9 million in the prior year (\$4.0 million in unreserved). The increase is explained by \$2.0 million of bond proceeds versus \$5.8 million in the prior year.

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

The net (deficit) of the Landfill Fund at the end of the year were approximately \$(13.6) million with unrestricted net (deficit) of approximately \$(14.0) million compared to \$(16.4) million and \$(16.9) million in the prior year. The Landfill Fund had a net gain during the year of approximately \$2.8 million compared with a net gain of \$192 thousand in the prior year. This is due primarily to the capacity change and the accrual of landfill closure cost.

General Fund Budgetary Highlights

The difference between the original budget and the final amended budget was approximately \$638 thousand. The additional appropriations approved during the year are summarized below:

- ◆ An additional appropriation of \$638 thousand to the debt service fund.

During the year, actual revenues, on a budgetary basis were approximately \$84.2 million, which was more than budgetary estimates by approximately \$2.0 million. The major variances in revenues were increases in unrestricted interest earnings over estimates of \$1.05 million; increases in building permit revenue over estimates of \$314 thousand; increases in conveyance fees over estimates of \$267 thousand.

Actual expenditures and transfers out on a budgetary basis and other financing uses totaled \$82.9 million, below actual revenues on a budgetary basis by approximately \$1.28 million.

Capital Asset and Debt Administration

Capital assets. The Town of Windsor's investment in capital assets for its governmental and business type activities as of June 30, 2006, amounted to \$84.7 million (net of accumulated depreciation) compared to \$83.2 million in the prior fiscal year. This investment in capital assets

includes land, building and system improvements, machinery and equipment, park facilities, roads, sewers and bridges.

**TOWN OF WINDSOR CONNECTICUT
CAPITAL ASSETS (net of depreciation)
June 30, 2006**

	Governmental Activities	Business- Type Activities	Total
Land	\$ 4,388	\$ -	\$ 4,388
Construction in Progress	224	-	224
Buildings and improvements	75,077	146	75,223
Infrastructure	1,853	-	1,853
Machinery and equipment	2,752	270	3,022
Total	\$ 84,294	\$ 416	\$ 84,710

Major capital asset events during the current fiscal year included the following:

- ◆ Continuing Public Library Renovations
- ◆ Clover Street Window Replacement
- ◆ Welch Pool Renovation

Additional information on the Town of Windsor's capital assets can be found in Note 5 of this report.

Long-term debt. At the end of the current fiscal year, the Town of Windsor had total bonded debt outstanding of \$46.5 million. 100% of this debt is backed by the full faith and credit of the Town government.

**TOWN OF WINDSOR CONNECTICUT
OUTSTANDING DEBT
June 30, 2006**

	Governmental Activities
General obligation bonds	\$ 46,475

The Town of Windsor's total debt decreased by \$1.6 million or 3.45% during the current fiscal year compared to a 1.9% increase in the prior year. During FY06, the Town issued \$2 million of new bonds.

The Town of Windsor maintains an Aa2 rating from Moody's Investors Service, and received a rating upgrade to AA+ from Standard & Poor's.

The overall statutory debt limit for the Town of Windsor is equal to seven times annual receipts from taxation or \$459.7 million, up from \$457.5 million. As of June 30, 2006, the Town

recorded long-term debt of \$46.5 million related to Governmental Activities, well below its statutory debt limits.

Additional information on the Town of Windsor's long-term debt can be found in Note 8 of this report.

Economic Factors

The Town of Windsor has not been immune to the effects of the national economic downturn. As of December 2005, the unemployment rate for the Windsor Labor Market Area was 3.7%, down from 4.0% in the prior year.

The economy seems to be showing some signs of an upturn. Nevertheless, the Town of Windsor is well positioned to deal with the present economic situation. The FY06 budget realized some increases in state aid mitigating the effect of some of the increases. With an overwhelming reliance on property taxes, Windsor's income stream is rather stable, even during a recession. This lack of diversity does represent a long-term problem for all Connecticut municipalities as those most vulnerable to a specific tax rebel against its increase. The Town's high quality tax base (a diverse mix of business, rather than reliance on a few large employers) lends even more stability to the Town's revenue. The Town has had an active program to attract and retain firms for well over a decade, and prides itself on a fast development approval process. Although the current growth in the tax base has slowed over the last two years, Windsor has positioned itself as a destination address for office and commercial development. Statistics on growth for the last ten years is available in the statistical section of this CAFR.

Requests for Information

The financial report is designed to provide a general overview of the Town of Windsor's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance at 275 Broad Street, Windsor, CT 06095.

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Basic Financial Statements

TOWN OF WINDSOR, CONNECTICUT

STATEMENT OF NET ASSETS (DEFICITS)

June 30, 2006

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and cash equivalents	\$ 27,963,033	\$ 17,422,512	\$ 45,385,545
Receivables:			
Property taxes, net of allowance for collection losses	908,562	-	908,562
Accounts receivable	208,995	-	208,995
Customer receivables	-	1,013,982	1,013,982
Federal and state governments	3,589,994	-	3,589,994
Community rehabilitation loans, net	1,291,538	-	1,291,538
Inventories	42,936	-	42,936
Internal balances	210,000	(210,000)	-
Deferred charges	132,653	-	132,653
Capital assets, not being depreciated	4,612,463	-	4,612,463
Capital assets, being depreciated, net of depreciation	79,681,410	416,215	80,097,625
Total assets	118,641,584	18,642,709	137,284,293
Liabilities			
Accounts payable and accruals	3,411,549	178,363	3,589,912
Accrued interest payable	899,822	-	899,822
Advance tax collections	2,873,100	-	2,873,100
Unearned revenues	223,873	36,503	260,376
Noncurrent liabilities:			
Due within one year	4,109,895	1,250,869	5,360,764
Due in more than one year	43,129,986	30,020,865	73,150,851
Total liabilities	54,648,225	31,486,600	86,134,825
Net Assets (Deficits)			
Investment in capital assets, net of related debt	36,691,713	416,215	37,107,928
Unrestricted	27,301,646	(13,260,106)	14,041,540
Total net assets (deficits)	\$ 63,993,359	\$ (12,843,891)	\$ 51,149,468

The notes to the financial statements are an integral part of this statement.

TOWN OF WINDSOR, CONNECTICUT

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2006

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
Primary government:							
Governmental activities:							
General government	\$ (9,915,592)	\$ 2,940,997	\$ 948,699	\$ -	\$ (6,025,896)	\$ -	\$ (6,025,896)
Culture & recreation	(3,373,174)	754,944	89,484	-	(2,528,746)	-	(2,528,746)
Human services	(1,676,685)	104,716	30,869	-	(1,541,100)	-	(1,541,100)
Public works	(5,395,578)	21,880	202,330	-	(5,171,368)	-	(5,171,368)
Education	(62,706,704)	1,620,243	16,099,415	933,034	(44,054,012)	-	(44,054,012)
Public safety	(8,485,227)	316,712	148,985	-	(8,019,530)	-	(8,019,530)
Interest expense	(1,800,092)	-	-	-	(1,800,092)	-	(1,800,092)
Total governmental activities	(93,353,052)	5,759,492	17,519,782	933,034	(69,140,744)	-	(69,140,744)
Business-type activities:							
Landfill	(2,299,076)	4,576,077	-	-	-	2,277,001	2,277,001
Child development	(1,086,384)	1,118,647	-	-	-	32,263	32,263
Adult caring connection	(520,913)	569,973	-	-	-	49,060	49,060
Total business-type activities	(3,906,373)	6,264,697	-	-	-	2,358,324	2,358,324
Total primary government	\$ (97,259,425)	\$ 12,024,189	\$ 17,519,782	\$ 933,034	(69,140,744)	2,358,324	(66,782,420)
General revenues:							
Property taxes					67,159,495	-	67,159,495
Grants and contributions not restricted to specific programs					1,944,629	-	1,944,629
Unrestricted investment earnings					2,160,983	605,950	2,766,933
Transfers					90,000	(90,000)	-
Total general revenues					71,355,107	515,950	71,871,057
Change in net assets					2,214,363	2,874,274	5,088,637
Net assets (deficits) - beginning					61,778,996	(15,718,165)	46,060,831
Net assets (deficits) - ending					\$ 63,993,359	\$ (12,843,891)	\$ 51,149,468

The notes to the financial statements are an integral part of this statement.

TOWN OF WINDSOR, CONNECTICUT

BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2006

	General	Capital Projects	Other Nonmajor Governmental Funds	Total Governmental Funds
Assets				
Cash and cash equivalents	\$ 15,250,380	\$ 5,011,251	\$ 4,010,513	\$ 24,272,144
Receivables (net of allowances for collection losses):				
Property taxes	908,562	-	-	908,562
Accounts receivable	85,863	-	-	85,863
State and Federal governments	2,617,422	872,959	99,613	3,589,994
Community rehabilitation loans, net	-	-	1,291,538	1,291,538
Other	-	-	51,869	51,869
Due from other funds	648,502	210,000	435,492	1,293,994
Inventories	29,913	-	13,023	42,936
Total assets	\$ 19,540,642	\$ 6,094,210	\$ 5,902,048	\$ 31,536,900
Liabilities				
Accounts payable and accrued liabilities	\$ 1,780,097	\$ 341,649	\$ 345,610	\$ 2,467,356
Advanced tax collection	2,873,100	-	-	2,873,100
Unearned revenues	-	-	223,873	223,873
Deferred revenues	3,351,482	872,959	-	4,224,441
Due to other funds	512,365	-	648,502	1,160,867
Total liabilities	8,517,044	1,214,608	1,217,985	10,949,637
Fund balances				
Reserved for:				
Encumbrances	726,819	447,564	-	1,174,383
Inventories	29,913	-	13,023	42,936
Loans	-	-	1,291,538	1,291,538
Unreserved/designated for:				
Loans	150,000	-	-	150,000
Unreserved/undesignated, reported in:				
General Fund	10,116,866	-	-	10,116,866
Special revenue funds	-	-	3,049,496	3,049,496
Capital projects funds	-	4,432,038	-	4,432,038
Debt service fund	-	-	330,006	330,006
Total fund balances	11,023,598	4,879,602	4,684,063	20,587,263
Total liabilities and fund balances	\$ 19,540,642	\$ 6,094,210	\$ 5,902,048	

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets, net of accumulated depreciation purchased in governmental funds are reported as expenditures, however, the statement of net assets includes those capital assets among the assets of the City as a whole.	84,293,873
Deferred charges	132,653
Deferred revenues are not available and therefore not recognized in the funds.	4,224,441
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(47,239,872)
Internal service funds are used by management to charge the costs of risk management to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	2,894,823
Accrued interest payable	(899,822)
Net assets of governmental activities	\$ 63,993,359

The notes to the financial statements are an integral part of this statement.

TOWN OF WINDSOR, CONNECTICUT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS

For the Year Ended June 30, 2006

	General	Capital Projects	Other Nonmajor Governmental Funds	Total Governmental Funds
REVENUES				
Property taxes	\$ 66,518,496	\$ -	\$ -	\$ 66,518,496
State and Federal governments	15,976,226	524,156	4,114,922	20,615,304
Charges for services	3,162,515	-	2,589,217	5,751,732
Investment income	1,853,283	165,586	134,748	2,153,617
Other	-	4,291	92,913	97,204
Total revenues	87,510,520	694,033	6,931,800	95,136,353
EXPENDITURES				
Current:				
Education	55,393,395	-	4,806,224	60,199,619
General government	9,067,545	14,179	292,724	9,374,448
Culture and recreation	1,879,482	-	1,226,452	3,105,934
Human services	1,253,026	-	278,629	1,531,655
Public safety	7,366,144	-	510,988	7,877,132
Public works	4,726,344	-	364,006	5,090,350
Debt service:				
Principal retirements	-	-	3,665,000	3,665,000
Interest and other charges	-	-	1,938,336	1,938,336
Capital outlay	-	5,745,462	-	5,745,462
Total expenditures	79,685,936	5,759,641	13,082,359	98,527,936
Revenues over (under) expenditures	7,824,584	(5,065,608)	(6,150,559)	(3,391,583)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	90,000	6,332,153	6,422,153
Transfers out	(6,325,757)	(6,396)	-	(6,332,153)
Issuance of debt	-	2,000,000	-	2,000,000
Total other financing sources (uses)	(6,325,757)	2,083,604	6,332,153	2,090,000
Change in fund balances	1,498,827	(2,982,004)	181,594	(1,301,583)
FUND BALANCES, beginning	9,524,771	7,861,606	4,502,469	21,888,846
FUND BALANCES, ending	\$ 11,023,598	\$ 4,879,602	\$ 4,684,063	\$ 20,587,263

The notes to the financial statements are an integral part of this statement.

TOWN OF WINDSOR, CONNECTICUT

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2006**

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

Net change in fund balances – total governmental funds \$ (1,301,583)

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period. 1,567,300

Changes in revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 341,060

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. 1,664,688

Changes in 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. 36,960

The net loss of certain activities of internal service funds is reported with governmental activities. (94,062)

Change in net assets of governmental activities \$ 2,214,363

The notes to the financial statements are an integral part of this statement.

TOWN OF WINDSOR, CONNECTICUT

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN BUDGETARY
FUND BALANCE - BUDGETARY BASIS - BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended June 30, 2006**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Property taxes	\$ 66,215,803	\$ 66,215,803	\$ 66,517,496	\$ 301,693
Licenses and permits	666,050	666,050	973,938	307,888
Fines, forfeitures and penalties	10,150	10,150	21,741	11,591
Other agencies	508,600	508,600	395,231	(113,369)
Intergovernmental	12,268,250	12,268,250	12,514,883	246,633
Revenues from use of assets	1,416,920	1,416,920	2,475,949	1,059,029
Charges for services	1,054,330	1,054,330	1,270,282	215,952
Total revenues	82,140,103	82,140,103	84,169,520	2,029,417
EXPENDITURES				
Current:				
General government	867,536	872,536	871,720	816
Safety Service	7,008,560	7,126,580	7,126,266	314
Public works	4,450,550	4,455,550	4,392,739	62,811
Health Services	390,100	390,100	311,137	78,963
Human Services	918,670	928,670	920,062	8,608
Recreation and Leisure Services	1,084,800	808,570	776,904	31,666
Education	52,356,447	52,356,447	52,178,312	178,135
Town support for education	4,985,530	1,575,050	1,557,730	17,320
Library services	1,126,850	1,126,850	1,104,055	22,795
Development services	1,471,890	1,461,890	1,367,606	94,284
Information services	365,510	365,510	361,325	4,185
Administrative services	1,698,690	1,660,670	1,624,239	36,431
Community development	25,000	25,000	25,000	-
General services	6,074,970	3,984,800	3,951,356	33,444
Total expenditures	82,825,103	77,138,223	76,568,451	569,772
Revenues over (under) expenditures	(685,000)	5,001,880	7,601,069	2,599,189
OTHER FINANCING SOURCES (USES)				
Transfers (out)	-	(6,325,757)	(6,325,757)	-
Total other financing sources (uses)	-	(6,325,757)	(6,325,757)	-
Net change in budgetary fund balance	\$ (685,000)	\$ (1,323,877)	1,275,312	\$ 2,599,189
BUDGETARY FUND BALANCE, beginning			9,021,467	
BUDGETARY FUND BALANCE, ending			\$ 10,296,779	

The notes to the financial statements are an integral part of this statement.

TOWN OF WINDSOR, CONNECTICUT

STATEMENT OF NET ASSETS (DEFICITS) - PROPRIETARY FUNDS

June 30, 2006

	Business-Type Activities - Enterprise Funds			Governmental
	Other			Activities
	Landfill	Nonmajor Enterprise Funds	Total	Internal Service Fund
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 16,478,306	\$ 944,206	\$ 17,422,512	\$ 3,690,888
Receivables:				
Customer receivables, net	914,033	99,949	1,013,982	71,261
Due from other funds	-	-	-	76,873
Total current assets	17,392,339	1,044,155	18,436,494	3,839,022
Noncurrent assets:				
Capital assets (net of accumulated depreciation)	370,722	45,493	416,215	-
Total noncurrent assets	370,722	45,493	416,215	-
Total assets	17,763,061	1,089,648	18,852,709	3,839,022
LIABILITIES				
Current liabilities:				
Accounts payable	99,866	78,497	178,363	57,429
Accrued claims payable	-	-	-	886,770
Accrued post closure costs	1,250,869	-	1,250,869	-
Unearned revenue	-	36,503	36,503	-
Due to other funds	-	210,000	210,000	-
Total current liabilities	1,350,735	325,000	1,675,735	944,199
Noncurrent liabilities:				
Accrued post closure costs	30,020,865	-	30,020,865	-
Total noncurrent liabilities	30,020,865	-	30,020,865	-
Total liabilities	31,371,600	325,000	31,696,600	944,199
NET ASSETS (DEFICITS)				
Invested in capital assets	370,722	45,493	416,215	-
Unrestricted	(13,979,261)	719,155	(13,260,106)	2,894,823
Total net assets (deficits)	\$ (13,608,539)	\$ 764,648	\$ (12,843,891)	\$ 2,894,823

The notes to the financial statements are an integral part of this statement.

TOWN OF WINDSOR, CONNECTICUT

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
FUND NET ASSETS (DEFICITS) - PROPRIETARY FUNDS
For the Year Ended June 30, 2006**

	Business-Type Activities - Enterprise Funds			Governmental
	Landfill	Other	Total	Activities
		Nonmajor Enterprise Funds		Internal Service Fund
OPERATING REVENUES				
User charges	\$ 4,576,077	\$ 1,688,620	\$ 6,264,697	\$ 5,902,571
Total operating revenues	<u>4,576,077</u>	<u>1,688,620</u>	<u>6,264,697</u>	<u>5,902,571</u>
OPERATING EXPENSES				
Operations and maintenance	2,077,016	1,594,033	3,671,049	6,073,273
Depreciation	222,060	13,264	235,324	-
Total operating expenses	<u>2,299,076</u>	<u>1,607,297</u>	<u>3,906,373</u>	<u>6,073,273</u>
Operating income (loss)	2,277,001	81,323	2,358,324	(170,702)
NONOPERATING REVENUES				
Interest income	560,956	44,994	605,950	76,640
Net income (loss) before transfers	<u>2,837,957</u>	<u>126,317</u>	<u>2,964,274</u>	<u>(94,062)</u>
Transfers out	-	(90,000)	(90,000)	-
Change in net assets	2,837,957	36,317	2,874,274	(94,062)
NET ASSETS (DEFICITS), beginning	<u>(16,446,496)</u>	<u>728,331</u>	<u>(15,718,165)</u>	<u>2,988,885</u>
NET ASSETS (DEFICITS), ending	<u>\$ (13,608,539)</u>	<u>\$ 764,648</u>	<u>\$ (12,843,891)</u>	<u>\$ 2,894,823</u>

The notes to the financial statements are an integral part of this statement.

TOWN OF WINDSOR, CONNECTICUT

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS

For the Year Ended June 30, 2006

	Business-Type Activities - Enterprise Funds			Governmental
	Other Nonmajor		Total	Activities
	Landfill	Enterprise Funds		Internal Service Fund
Cash Flows From Operating Activities				
Receipts from customers and users	\$ 3,862,865	\$ 1,709,363	\$ 5,572,228	\$ 5,744,636
Payments to suppliers	(367,295)	(598,138)	(965,433)	(5,780,310)
Payments to employees	(528,103)	(986,387)	(1,514,490)	(96,527)
Net cash provided by (used in) operating activities	2,967,467	124,838	3,092,305	(132,201)
Cash Flows From Capital and Related Financing Activities				
Purchase of capital assets	(139,979)	(18,781)	(158,760)	-
Net cash used in capital and related financing activities	(139,979)	(18,781)	(158,760)	-
Cash Flows From Noncapital Financing Activities				
Due to other funds	-	210,000	210,000	-
Transfers out	-	(90,000)	(90,000)	-
Net cash provided by noncapital financing activities	-	120,000	120,000	-
Cash Flows From Investing Activities				
Interest received	560,956	44,994	605,950	76,640
Net cash provided by investing activities	560,956	44,994	605,950	76,640
Net increase (decrease) in cash and cash equivalents	3,388,444	271,051	3,659,495	(55,561)
Cash and Cash Equivalents				
Beginning	13,089,862	673,155	13,763,017	3,746,449
Ending	<u>\$ 16,478,306</u>	<u>\$ 944,206</u>	<u>\$ 17,422,512</u>	<u>\$ 3,690,888</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities				
Operating income (loss)	\$ 2,277,001	\$ 81,323	\$ 2,358,324	\$ (170,702)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	222,061	13,264	235,325	-
Changes in assets and liabilities:				
(Increase) decrease in receivable accounts	(713,263)	20,744	(692,519)	94,544
Decrease in accounts payable	(16,323)	(3,134)	(19,457)	(57,798)
Increase in accrued liabilities	1,197,991	18,854	1,216,845	1,755
Decrease in unearned revenue	-	(6,213)	(6,213)	-
Net cash provided by (used in) operating activities	\$ 2,967,467	\$ 124,838	\$ 3,092,305	\$ (132,201)

The notes to the financial statements are an integral part of this statement.

TOWN OF WINDSOR, CONNECTICUT

STATEMENT OF FIDUCIARY NET ASSETS - FIDUCIARY FUNDS

June 30, 2006

	<u>Pension</u>	<u>Agency Funds</u>
ASSETS		
Cash and cash equivalents	\$ 737,218	\$ 381,773
Investments, at fair value		
Common Stock	12,023,217	-
Bonds and Notes	13,522,325	-
Mutual funds	16,950,101	-
Corporate bonds	1,233,915	-
Total investments	<u>43,729,558</u>	<u>-</u>
Other receivables	325,907	-
Total assets	<u>44,792,683</u>	<u>381,773</u>
LIABILITIES		
Due to student groups	-	381,773
Net Assets Held in Trust for Pension Benefits	<u>\$ 44,792,683</u>	<u>\$ -</u>

The notes to the financial statements are an integral part of this statement.

TOWN OF WINDSOR, CONNECTICUT

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS - PENSION TRUST FUND
For the Year Ended June 30, 2006

	<u>Pension</u>
Additions	
Contributions	
Employer	\$ 789,843
Plan members	333,386
Total contributions	<u>1,123,229</u>
Investment Income	
Net appreciation in fair value of investments	2,905,808
Interest and dividends	852,242
	<u>3,758,050</u>
Less investment expenses:	
Investment management fees	208,429
	<u>208,429</u>
Net investment income	<u>3,549,621</u>
Total additions	<u>4,672,850</u>
Deductions	
Benefits	1,635,681
Total deductions	<u>1,635,681</u>
Change in net assets	3,037,169
Net Assets	
Beginning of year	41,755,514
End of year	<u>\$ 44,792,683</u>

The notes to the financial statements are an integral part of this statement.

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS

June 30, 2006

Note 1. Summary of Significant Accounting Policies

Reporting entity

The Town was founded by English settlers in 1633, making it the first town in the State of Connecticut. The Town operates under a Council-Manager form of government and provides the following services as authorized by its Charter: public safety, public works, sanitation, health and social services, culture-recreation, education, planning and zoning, and general administrative services. The Charter was most recently revised (via referendum) in 1998. The accompanying financial statements conform to accounting principles generally accepted in the United States of America as applicable to governments.

Accounting principles generally accepted in the United States of America require that the reporting entity include (1) the primary government, (2) organizations for which the primary government is financially accountable and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The criteria provided in Government Accounting Standards Board Statement Codification Section 2100 have been considered and there are no agencies or entities, that should be, but are not, combined in the financial statements of the Town.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the non-fiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate fund financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2006

statements. 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

The government-wide, proprietary fund and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. However, agency funds, unlike other fiduciary funds, report only assets and liabilities and do not have a measurement focus, and follow the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied for. Intergovernmental grants and entitlements 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. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred as under accrual accounting, however debt service expenditures and expenditures related to compensated absences are recorded only when payment is due (matured).

Property taxes when levied for, intergovernmental revenue when eligibility requirements are met, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual (measurable) and so have been recognized as revenues of the current fiscal period, if available. All other revenue items are considered to be measurable only when cash is received by the Town.

The Town reports the following major governmental funds.

The *General Fund* is the Town's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Capital Project Fund* accounts for the proceeds of specific general obligation bonds for various projects to further develop the Town.

The Town reports the following major proprietary fund:

The *Landfill Fund* accounts for the operations of the Windsor-Bloomfield Sanitary Landfill.

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2006

Additionally, the Town reports the following fund types:

Internal Service Funds account for all general, auto, fire and workers' compensation insurance activity, including premiums and claims.

The *Pension Trust Funds*, fiduciary funds, account for the activities of the Town's deferred pension benefit plan which accumulate resources for pension benefit payments to qualified employees upon retirement.

The *Agency Funds*, fiduciary funds, account for monies held as a custodian for outside student groups and agencies and do not involve measurement of results of operations.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The Town has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the enterprise funds and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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 in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are charges to customers for services. Operating expenses for the funds include the cost of operations and maintenance, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed.

Accounting estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2006

assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses and expenditures during the reporting period. Actual results could differ from those estimates.

Property taxes

Property taxes are assessed as of October 1, and are levied for on the following July 1, and due in one installment, July 1. Motor vehicle taxes are due in one installment on July 1, and supplemental motor vehicle taxes are due in full January 1. Taxes become delinquent thirty days after the installment is due. Liens are filed by the last day of the fiscal year.

Delinquent real estate taxes are billed at least twice a year, with interest charged at a rate of 1.5 percent per month. Delinquent motor vehicle and personal property accounts are transferred to a suspense account after three years, at which time they cease to be carried as receivables. However, they remain valid claims for up to 15 years after being levied.

Cash and cash equivalents

The Town classifies money market funds, STIF investments, treasury bills and certificates of deposit having original maturities of three months or less when purchased as cash equivalents.

Allowance for doubtful accounts

Accounts and notes receivable for the primary government are reported net of allowance for doubtful accounts. The allowance for doubtful accounts represents those accounts which are deemed uncollectible based on past collection history and on analysis of creditor's ability to pay.

Investments

Investments for the Town are primarily reported at fair value using quoted market prices. The Connecticut State Treasurer's Short-Term Investment Fund is an investment pool managed by the State of Connecticut Office of the State Treasurer. Investments must be made in instruments authorized by Connecticut General Statutes 3-27c through 3-27e. Investment guidelines are adopted by the State Treasurer. The fair value of the position in the pool is the same as the value of the pool shares.

The balance of the pooled fixed income investments were invested in a pool similar to a 2a-7. The fair value of the position in the pool is the same as the value of the pool shares. These investments are stated at amortized cost.

Inventories

Inventories are stated at cost using the lower of cost or market determined on the first-in, first-out basis.

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2006

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and proprietary fund financial statements. Capital assets are defined by the Town as assets with an initial, individual cost ranging from \$5,000 to \$75,000 depending on asset classification and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at fair value at the date of donation.

As permitted under GASB 34 prospective reporting of general infrastructure assets in the statement of net assets is required beginning July 1, 2002. Retroactive reporting of all major general infrastructure assets is required for the fiscal year beginning July 1, 2005. The Town has only recorded infrastructure assets acquired since July 1, 2002.

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.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred net of interest earned during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

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

Assets	Years
Buildings	35-50
Building improvements	20
Distribution and collection systems	50-65
Public domain infrastructure	50
System infrastructure	30
Machinery and equipment	5-20

In the governmental fund financial statements, capital outlay (assets) is reported as an expenditure and no depreciation expense is reported.

Loans receivable

The Town records its loans receivable in the Special Revenue Funds as the loan proceeds are advanced, net of an allowance for collectible accounts.

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2006

Compensated absences

Under the terms of its various union contracts, Town and Board of Education employees are granted vacation in varying amounts based on length of service. Sick leave does not vest. Town employees may carry over a limited number of unused vacation days (up to 30 days) to subsequent years and, in the event of termination, employees are reimbursed for accumulated vacation. Board of Education employees may carry over a limited number of unused vacation days to the next fiscal year.

Sick leave and vacation leave expenditures are recognized in the governmental fund financial statements in the current year to the extent they are paid or due (matured). If an employee is retiring, limited accumulated unused sick leave is not paid but added to the credited service used to calculate pension benefits. The liability for the remainder of the accrued vacation earned and not due is reported in the government-wide and proprietary fund financial statements.

The General Fund is typically used to liquidate the liability for compensated absences.

Long-term obligations

In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond principal premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount and deferred gains/losses on refundings. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. Bond principal payments are recorded as expenditures. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Landfill closure and postclosure

The Town accounts for the cost and estimated costs for closure and postclosure care costs in its Landfill Fund. The Landfill Fund is an enterprise fund. Enterprise funds account for a portion of the estimated total current costs of landfill closure and postclosure and are recognized as an expense and liability in each period in which the landfill accepts solid waste. Estimated total current costs are based on use.

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2006

Pension accounting

Pension Trust Fund

The Pension Trust Fund is reported on the accrual basis of accounting. Employee contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due and the Town has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.

Governmental Funds

Expenditures are recognized when they are paid or are expected to be paid with current available resources.

Funding Policy

The Town funds the contributions to its pension plans based on the actuarial required contribution.

Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is utilized in the governmental funds. Encumbrances outstanding at year-end are reported as a reservation of fund balance as they do not constitute either expenditures or liabilities.

All other General Fund appropriations lapse at year-end.

Fund equity and net assets

In the Government-Wide and Proprietary Fund Financial Statements, net assets are classified in the following categories:

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

Restricted Net Assets – This category represents the net assets of the Town, which are restricted by external parties (creditors, grantors, contributors or laws and regulations).

Unrestricted Net Assets (Deficit) – This category represents the net assets of the Town, which are not restricted for any project or other purpose. A deficit will require future funding.

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2006

In the governmental fund financial statements, fund balances are classified in three separate categories. The categories, and their general meanings, are as follows:

Reserved fund balance – indicates that portion of fund equity which has been legally segregated for specific purposes or not available for appropriation.

Unreserved/Designated fund balance – indicates that portion of fund equity for which the Town has made tentative plans.

Unreserved/Undesignated fund balance – indicates that portion of fund equity which is available for appropriation and expenditure in future periods, or if a deficit for which future funding will be required.

Note 2. Reconciliation of Government-Wide and Fund Financial Statements

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds, and net assets – governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of this \$47,239,872 difference are as follows:

Bonds payable	\$ 46,475,000
Compensated absences	1,219,570
Deferred loss on refunding, net of amortization	(883,698)
Deferred premiums on refunding, net of amortization	<u>429,000</u>
Net adjustment to reduce fund balance – total governmental funds to arrive at net assets – governmental activities	<u>\$ 47,239,872</u>

Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds, and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2006

allocated over their estimated useful lives and reported as depreciation expense.” The details of this \$1,567,300 difference are as follows:

Capital outlay	\$ 5,287,770
Depreciation expense	<u>(3,720,470)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ 1,567,300</u>

Another element of that reconciliation states that “the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.” The details of this \$1,664,688 difference are as follows:

Debt issued or incurred:	
Issuance of general obligation bonds	\$ (2,000,000)
Deferred charges related to refunding	(312)
Principal repayments:	
General obligation debt	<u>3,665,000</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ 1,664,688</u>

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2006

Another element of that reconciliation states that “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.” The details of this \$36,960 difference are as follows:

Compensated absences	\$ (101,596)
Accrued interest	<u>138,556</u>
Net adjustment to increase net changes in fund balances – total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ 36,960</u>

Note 3. Budgets and Budgetary Accounting

General Fund

Budget policies in accordance with the Town Charter, Chapter 8, Sections 8-1 through 8-4, are as follows:

- A. Prior to April 1, the Town Manager submits the proposed budget for the General Fund to the Town Council.
- B. After various public hearings, the Town Council recommends the budget, as revised, for adoption at the annual Town Meeting on the first Tuesday in May.
- C. The Town Meeting appropriates the budget as one balance for revenues and separate expenditure amounts per individual service unit. Additional appropriations and transfers between functions and activities may be made by the Town Council in accordance with Town Charter provisions, thereby lowering the legal level of control to the function and activity levels.
- D. The original budget for expenditures, encumbrances and other financing uses was increased by \$638,877 as a result of fund balance and revenue appropriations during the year ended June 30, 2006. The additional appropriations were approved in accordance with the Town Charter.

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2006

- E. A reconciliation of General Fund operations presented in accordance with accounting principles generally accepted in the United States of America (“GAAP”) to the amounts presented on the budgetary basis is as follows:

	<u>Revenues and Transfers</u>	<u>Expenditures and Transfers</u>
Balance, GAAP basis	\$ 87,510,520	\$ 86,011,693
State Teachers Retirement payments made by State Department of Education on behalf of the Town, not recognized for budgetary purposes	(3,341,000)	(3,341,000)
Encumbrances:		
June 30, 2005	-	(503,304)
June 30, 2006	-	726,819
Balance, budgetary basis	<u>\$ 84,169,520</u>	<u>\$ 82,894,208</u>

- F. Classifications of certain revenues and expenditures under GAAP differ from classifications utilized for budgetary purposes.

Special revenue funds

The Town does not have legally adopted annual budgets for its special revenue funds. Budgets for the various special revenue funds that are utilized to account for specific grant programs are established in accordance with the requirements of the State or other grantor agencies. Such budgets are non-lapsing and may comprise more than one fiscal year.

Capital projects funds

Legal authorization for expenditures of the capital projects funds is provided by the related bond ordinances and/or intergovernmental grant agreements or Connecticut General Statutes. Capital appropriations do not lapse until completion of the applicable projects.

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2006

Note 4. Cash, Cash Equivalents and Investments

Deposits: The Town has a policy that deposits can include demand and savings accounts and certificates of deposits. The Town's policy for custodial credit risk follows the State of Connecticut requirements that each depository maintain segregated collateral in an amount equal to a defined percentage of its public deposits based upon the bank's risk based capital ratio.

Investments: Town policy for eligible investments are governed by State of Connecticut Statutes which, in general, allow the Town to invest in obligations of the United States of America or United States government sponsored corporations, in shares or other interests in any custodial arrangement, pool, or no-load, open-end management type investment company or investment trust (as defined), in obligations of any State or political subdivision rated within the top two rating categories of any nationally recognized rating service, or in obligations of the State of Connecticut or political subdivision rated within the top three rating categories of any nationally recognized rating service. The Town does not have a custodial credit risk policy for investments.

The Town has an investment policy for its pension funds providing an asset allocation average, over a full market cycle, of approximately 70% equities (or equivalents) and 30% fixed income and cash (or equivalents). For purposes of this document, a full market cycle is defined by the Board to be no less than three years, or more than seven years. However, within a market cycle, investment allocation should not exceed the following:

- a. No more than twenty-five percent (25%) of the portfolio, at fair value, is to be invested in any one of eleven (11) major industrial groups as defined by SEI's Funds Evaluation service (see appendix A for SEI/S&P industry sectors). No more than ten percent (10%) of the market value of the total portfolio shall be held in equity securities of any one corporation. The investment manager shall have full discretion as to the selection of individual equity issues. The Committee reserves the right to impose restrictions if the occasion arises (i.e. social investing criteria).
- b. Fixed income investments should be made only in obligations of the U.S. Government, Agencies of the U.S. Government and U.S. Corporations whose debt obligations are minimally rated Baa by Moody's or BBB by Standard and Poors'. The fixed income portfolio should be diversified between issuers within each sector with no one issuer comprising more than 15% of the aggregate fixed income portfolio. This does not apply to issues of the U.S. Treasury or other Federal Agencies. The investment manager shall have full discretion as to the selection of the individual fixed income issues. The Committee reserves the right to impose restrictions if the occasion arises (i.e. social investing criteria).

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2006

- c. Cash reserves should be invested only in the highest quality issues, i.e., U.S. Treasury Bills, U.S. Government and Government Agency Obligations, certificates of deposit, bankers acceptances and repurchase agreements with major U.S. money center banks, denominated in dollars, commercial paper rated A-1 by Standard and Poors' and P-1 by Moody's.
- d. Consistent with the desire for adequate diversification, the investment policy is based on the assumption that the volatility of the portfolio will be similar to that of the market. Consequently, it is expected that the volatility of the total portfolio, in aggregate, will be reasonably close to the volatility of a commitment-weighted composite of market indices.
- e. There is no requirement for the investment manager to maintain liquid reserves for the payment of pension benefits. This will be evaluated on an annual basis by the Committee.
- f. The Town does not have a custodial credit risk policy for its pension trust funds.

Interest rate risk: The Town's policy, which includes the Pension Trust Fund, is to limit its exposure to fair value losses arising from changes in interest rates by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools.

Concentrations: The Town's policy is to maintain a diversified portfolio to minimize the risk of loss resulting from over concentration of assets in a specific issuer.

Custodial credit risk:

Deposits: This is the risk that, in the event of failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. As of June 30, 2006, \$30,814,000 of the Town's bank balance of \$31,215,000 was uninsured and uncollateralized.

Investments: This is the risk that in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2006

Cash and investments of the Town consist of the following at June 30, 2006:

Cash and Cash Equivalents	
Deposits with financial institutions	\$ 32,815,217
State of Connecticut Short-Term Investment fund	13,318,709
Tax Exempt Proceeds Fund	370,610
Total cash and cash equivalents	<u>46,504,536</u>
Pension Trust Funds:	
U.S. Government Securities	5,707,159 *
U.S. Government Agencies	5,264,820 *
Corporate Debt	1,233,915 *
Asset and Mortgage-Backed Securities	2,550,346 *
Common and Preferred Stocks	12,023,217 *
Equity Mutual Funds	16,950,101
Total pension investments	<u>43,729,558</u>
Total cash, cash equivalents and investments	<u>\$ 90,234,094</u>

* These investments are uninsured and unregistered, with securities held by the counterparty, but not in the Town's name.

Cash and investments are classified in the accompanying financial statements as follows:

Statement of Net Assets	
Cash and cash equivalents	\$ <u>45,385,545</u>
Fiduciary Funds:	
Cash and cash equivalents	1,118,991
Investments	<u>43,729,558</u>
	<u>44,848,549</u>
Total cash and investments	<u>\$ 90,234,094</u>

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2006

Interest rate risk: This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Information about the exposure of the Town's debt type investments to this risk using the segmented time distribution model is as follows:

Type of Investment	Fair Value	Investment Maturities (In Years)		
		Less Than 1 Year	1-5 Years	6-10 Years
U.S. Government Securities	\$ 5,707,159	\$ -	\$ 5,208,664	\$ 498,495
U.S. Government Agencies	5,264,820	-	4,758,880	505,940
Corporate Debt	1,233,915	250,240	983,675	-
Asset and mortgage backed securities	2,550,346	-	-	2,550,346
Pooled Fixed Income	13,689,319	13,689,319	-	-
Total	\$ 28,445,559	\$ 13,939,559	\$ 10,951,219	\$ 3,554,781

Credit Risk: Generally, credit risk is the risk that an issuer of a debt type investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S. government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure. Presented below is the minimum rating as required for each debt type investment.

Average Rating	Pooled Fixed Income	U.S. Government Agencies	Corporate Debt	Mortgage-Backed Securities
AAA	\$13,318,709	\$ 5,264,820	\$ 500,000	\$ 2,550,346
AA-	-	-	483,675	-
A+	-	-	250,240	-
Unrated	370,610	-	-	-
Total	\$13,689,319	\$ 5,264,820	\$ 1,233,915	\$ 2,550,346

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2006

Note 5. Capital Assets

Capital asset activity for the year ended June 30, 2006 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 4,287,885	\$ 100,120	\$ -	\$ 4,388,005
Construction in progress	1,743,630	224,458	1,743,630	224,458
Total capital assets, not being depreciated	<u>6,031,515</u>	<u>324,578</u>	<u>1,743,630</u>	<u>4,612,463</u>
Capital assets, being depreciated:				
Buildings and improvements	109,508,100	5,575,159	13,190	115,070,069
Machinery and equipment	14,801,364	740,384	-	15,541,748
Infrastructure	1,629,924	404,478	-	2,034,402
Total capital assets being depreciated	<u>125,939,388</u>	<u>6,720,021</u>	<u>13,190</u>	<u>132,646,219</u>
Less accumulated depreciation for:				
Buildings and improvements	37,198,220	2,795,641	-	39,993,861
Machinery and equipment	11,928,484	861,301	-	12,789,785
Infrastructure	117,635	63,528	-	181,163
Total accumulated depreciation	<u>49,244,339</u>	<u>3,720,470</u>	<u>-</u>	<u>52,964,809</u>
Total capital assets, being depreciated, net	<u>76,695,049</u>	<u>2,999,551</u>	<u>13,190</u>	<u>79,681,410</u>
Governmental activities capital assets, net	<u>\$ 82,726,564</u>	<u>\$ 3,324,129</u>	<u>\$ 1,756,820</u>	<u>\$ 84,293,873</u>

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2006

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, being depreciated:				
Buildings and improvements	\$ 388,711	\$ -	\$ -	\$ 388,711
Machinery and equipment	2,878,069	163,632	-	3,041,701
Total capital assets, being depreciated	<u>3,266,780</u>	<u>163,632</u>	<u>-</u>	<u>3,430,412</u>
Less accumulated depreciation for:				
Buildings and improvements	239,816	3,187	-	243,003
Machinery and equipment	2,534,181	237,013	-	2,771,194
Total accumulated depreciation	<u>2,773,997</u>	<u>240,200</u>	<u>-</u>	<u>3,014,197</u>
Total business-type capital assets, net	<u>\$ 492,783</u>	<u>\$ (76,568)</u>	<u>\$ -</u>	<u>\$ 416,215</u>

Depreciation expense was charged to functions/programs of the Town as follows:

Governmental activities:	
Board of Education	\$ 2,389,569
General Government	48,307
Culture and Recreation	264,658
Human Services	6,297
Public Works	427,790
Public Safety	<u>583,840</u>
Total depreciation expense – governmental activities	<u>\$ 3,720,461</u>
Business-type activities:	
Landfill	\$ 222,060
Adult Caring Connection	<u>13,264</u>
Total depreciation expense – business-type activities	<u>\$ 235,324</u>

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2006

Note 6. Interfund Receivables, Payables and Transfers

During the course of operations, transactions are processed through a fund on behalf of another fund. A summary of interfund balances as of June 30, 2006 is presented below:

	Due From Other Funds	Due To Other Funds
General Fund	\$ 648,502	\$ 512,365
Capital Projects	210,000	-
Non-Major Governmental Funds	435,492	648,502
Non-Major Enterprise Funds	-	210,000
Internal Service Fund	76,873	-
	<u>\$ 1,370,867</u>	<u>\$ 1,370,867</u>

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Interfund transfers during the year ended June 30, 2006 were as follows:

	Transfers From Other Funds	Transfers To Other Funds
General Fund	\$ -	\$ 6,325,757
Capital Projects	90,000	6,396
Non-Major Governmental Funds	6,332,153	-
Non-Major Enterprise Funds	-	90,000
	<u>\$ 6,422,153</u>	<u>\$ 6,422,153</u>

Transfers are used to account for financing by the General Fund of programs accounted for in other funds in accordance with budgetary amortizations.

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2006

Note 7. Unearned Revenue/Deferred Revenue

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds and governmental activities also defer revenue in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of unearned revenue and deferred revenue reported in the governmental funds and governmental activities were as follows:

	Deferred Revenues	Unearned Revenues
Property taxes	\$ 734,060	\$ -
School construction grant receivable	2,617,422	-
Grants receivable	872,959	-
Grant drawdowns prior to meeting all eligibility requirements	-	223,873
Total deferred/unearned revenue	\$ 4,224,441	\$ 223,873

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2006

Note 8. Long-Term Liabilities

A summary of changes in outstanding long-term obligations during the year ended June 30, 2006 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 48,140,000	\$ 2,000,000	\$ 3,665,000	\$ 46,475,000	\$ 3,805,000
Premiums on refunding	507,000	-	78,000	429,000	-
Less deferred loss on refunding	(953,166)	-	(69,468)	(883,698)	-
	<u>47,693,834</u>	<u>2,000,000</u>	<u>3,673,532</u>	<u>46,020,302</u>	<u>3,805,000</u>
Other long-term liabilities:					
Compensated absences	1,117,974	101,596	-	1,219,570	304,895
	<u>1,117,974</u>	<u>101,596</u>	<u>-</u>	<u>1,219,570</u>	<u>304,895</u>
Governmental activity long-term liabilities	<u>\$ 48,811,808</u>	<u>\$ 2,101,596</u>	<u>\$ 3,673,532</u>	<u>\$ 47,239,872</u>	<u>\$ 4,109,895</u>
Business-type activities:					
Other long-term liabilities:					
Compensated absences	\$ 66,169	\$ 7,645	\$ -	73,814	\$ 18,454
Landfill postclosure costs	30,085,580	1,186,154	-	31,271,734	7,817,934
Total other long-term liabilities	<u>30,151,749</u>	<u>1,193,799</u>	<u>-</u>	<u>31,345,548</u>	<u>7,836,388</u>
Business-type activity long-term liabilities	<u>\$ 30,151,749</u>	<u>\$ 1,193,799</u>	<u>\$ -</u>	<u>\$ 31,345,548</u>	<u>\$ 7,836,388</u>

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2006

General obligation bonds

As of June 30, 2006, the outstanding general obligation bonds of the Town was as follows:

Purpose	Maturity Ranges	Issued	Interest Rate	Original Amount	Balance 6/30/2006
GENERAL PURPOSE					
PUBLIC IMPROVEMENTS	\$135,000-\$140,000	1987	5.2-5.5	\$ 2,500,000	\$ 135,000
PUBLIC IMPROVEMENTS	\$227,000-\$234,000	1991	6.4-6.6	4,165,000	1,374,000
PUBLIC IMPROVEMENTS	\$75,000-\$100,000	1998	4.5-5.0	1,300,000	130,000
ECONOMIC DEVELOPMENT	\$47,000-\$156,000	2000	4.45-5.35	1,980,000	-
PUBLIC IMPROVEMENTS	\$30,000-\$75,000	2000	5.0-6.5	2,037,000	310,000
ECONOMIC DEVELOPMENT	\$30,000-\$35,000	2001	4.0-5.0	250,000	95,000
PUBLIC IMPROVEMENTS	\$70,000-\$80,000	2001	4.0-5.0	1,300,000	210,000
PUBLIC IMPROVEMENTS REFUND	\$119,060-\$242,920	2001	4.0-5.0	3,882,820	2,955,780
PUBLIC IMPROVEMENTS	\$20,000-\$25,000	2002	3.0-5.0	245,000	150,000
PUBLIC IMPROVEMENTS	\$27,500-\$35,000	2002	3.0-5.0	335,000	210,000
PUBLIC IMPROVEMENTS	\$27,500-\$40,000	2002	3.0-5.0	375,000	240,000
PUBLIC IMPROVEMENTS	\$10,000-\$45,000	2003	3.0-4.75	1,810,000	1,540,000
PUBLIC IMPROVEMENTS	\$10,000-\$230,000	2004	2.5-5.00	4,525,000	4,320,000
PUBLIC IMPROVEMENTS	\$63,000-\$112,000	2004	2.0-5.0	1,726,000	1,711,000
PUBLIC IMPROVEMENTS	\$320,000-\$350,000	2005	3.0-4.8	5,745,000	5,745,000
PUBLIC IMPROVEMENTS	\$20,000-\$80,000	2006	4.0-5.0	2,000,000	2,000,000
TOTAL GENERAL PURPOSE				\$ 34,175,820	\$ 21,125,780
SCHOOLS					
SCHOOL GEN. OBLIGATION	\$105,000-\$105,000	1987	7.0-7.5	1,905,000	210,000
SCHOOL GEN. OBLIGATION	\$225,000-\$225,000	1988	6.6-7.0	4,050,000	450,000
SCHOOL GEN. OBLIGATION	\$46,000-\$53,000	1991	6.4-6.6	835,000	276,000
SCHOOL GEN. OBLIGATION	\$75,000-\$100,000	1998	4.5-5.0	265,000	20,000
SCHOOL GEN. OBLIGATION	\$20,000-\$175,000	2000	5.0-6.5	3,528,000	505,000
SCHOOL GEN. OBLIGATION	\$100,000-\$125,000	2000	4.45-5.35	2,000,000	-
SCHOOL GEN. OBLIGATION	\$200,000-\$245,000	2001	4.0-5.0	4,000,000	595,000
SCHOOL GEN. OBLIGATION	\$260,000-\$390,000	2001	4.0-5.0	5,800,000	1,040,000
SCHOOL REFUNDING BONDS	\$33,620-\$360,000	2001	4.0-5.0	7,957,180	6,119,220
SCHOOL GEN. OBLIGATION	\$150,000-\$225,000	2002	3.0-5.0	4,000,000	3,375,000
SCHOOL GEN. OBLIGATION	\$10,000-\$20,000	2003	3.0-4.75	550,000	475,000
SCHOOL GEN. OBLIGATION	\$15,000-\$230,000	2004	2.5-5.00	5,195,000	5,085,000
SCHOOL GEN. OBLIGATION	\$12,000-\$415,000	2004	2.0-5.0	7,274,000	7,199,000
TOTAL SCHOOLS				47,359,180	25,349,220
GRAND TOTAL				\$ 81,535,000	\$ 46,475,000

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2006

The following is a summary as of June 30, 2006, of the future principal and interest requirements for the Town's general obligation bonds:

Fiscal Year Ending	Principal	Interest	Total
2007	\$ 3,805,000	\$ 2,035,600	\$ 5,840,600
2008	4,100,000	1,869,208	5,969,208
2009	3,920,000	1,687,374	5,607,374
2010	3,985,000	1,502,031	5,487,031
2011	3,985,000	1,147,592	5,132,592
2012	3,725,000	999,449	4,724,449
2013	3,195,000	869,589	4,064,589
2014	2,860,000	755,774	3,615,774
2015	2,625,000	657,879	3,282,879
2016	2,635,000	547,282	3,182,282
2017	2,140,000	454,053	2,594,053
2018	2,125,000	368,879	2,493,879
2019	1,990,000	287,274	2,277,274
2020	1,975,000	206,745	2,181,745
2021	1,205,000	140,687	1,345,687
2022	795,000	97,697	892,697
2023	575,000	63,454	638,454
2024	485,000	39,338	524,338
2025	350,000	16,800	366,800
Total	<u>\$ 46,475,000</u>	<u>\$ 13,746,705</u>	<u>\$ 60,221,705</u>

School bond reimbursements

The State of Connecticut reimburses the Town for eligible school bond principal and interest costs. The amount of reimbursement for the year ended June 30, 2006 was approximately \$626,000. Additional payments for principal and interest aggregating approximately \$3,004,000 are expected to be received through the bonds maturity.

Legal debt limit

\$18,800,000 of the School's portion relates to the High School Project. The bond counsel has opined that every dollar of grants received reduces the authority to issue by one dollar. The original High School bonding authorization was \$35,000,000 less any grants received. The remaining effective authorization for the High School bonding is therefore \$16,200,000 less reimbursements received to date.

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2006

The Town's indebtedness (including authorized but unissued bonds and overlapping debt), net of principal reimbursements expected from the State, does not exceed the legal debt limitation as required by the Connecticut General Statutes as reflected in the following schedule:

Category	Debt Limit	Indebtedness	Balance
General purpose	\$ 149,545,751	\$ 24,162,780	\$ 125,382,971
Unfunded Pension Benefit Obligation	199,394,334	-	199,394,334
Schools	299,091,501	22,847,846	276,243,655
Sewers	249,242,918	7,616,118	241,626,800
Urban renewal	216,010,529	-	216,010,529

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation, or approximately \$465,253,446.

Prior years' debt defeasance

In prior years, the Town defeased certain bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the basic purpose financial statements. At June 30, 2006, the Town's portion of defeased bonds outstanding, but removed from the Town's government-wide financial statements was approximately \$7,740,000.

Bonds authorized but unissued

Total authorized but unissued debt at June 30, 2006 consists of the following:

General purpose	\$ 3,037,000
Schools	538,954
	<u>3,575,954</u>

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2006

Note 9. Capital Projects

	Project Authorization	Expended To June 30, 2006	Encumbrances June 30, 2006
WHS Renovations	\$ 36,077,809	\$36,049,251	\$ -
Library Expansion	5,890,070	5,728,559	68,097
Goslee Pool Renovations	1,263,318	1,263,318	-
Outdoor Amphitheater	1,135,000	1,135,000	-
Radio System-Public Safety	1,010,000	943,364	-
Economic Dev - JDS	968,500	956,861	-
Mack Street Improvements	947,000	914,106	-
Sage Park Middle School Roof	900,389	900,389	-
LP Wilson Roof Repair	857,000	840,194	-
Mechanic Street Redevelopment Project	628,000	23,324	-
Poq. School Office Modernization	618,637	618,382	-
Phase II - 330 Wsr Avenue	591,000	590,982	-
330 Windsor Ave Property	590,000	567,302	-
LOCIP program	682,738	518,818	-
Economic Dev - Marriott	565,000	562,579	-
BOE FY05 Capital Items	541,438	530,243	-
Information Tech Modernization	450,000	432,685	2,794
White Rock Culvert	482,000	42,863	8,201
Fire Pumper Truck	472,000	13,996	-
Elm Street (bond proceeds) prt of \$5,745,000 issue	445,000	404,580	-
Town Hall Roof Repairs	444,162	443,951	-
Hayden Station Road	403,060	297,658	-
Huntington/Town Hall Parking	402,570	398,549	-
Poquonock School Asbestos	332,755	332,755	-
Sage Park Athletic Fields Improvement	350,500	355,992	22,547
Clover School Window Replacement	515,608	347,865	-
Great Pond Drive-EC Development	340,000	291,981	-
Pleasant Street Project (3/7/05)	340,000	74,713	11,128
JFK Flooring and Asbestos Abatement	238,370	157,812	-
Laurel Avenue	329,000	323,194	-
Kennedy Road Improvements	324,000	314,626	-
Fire Equipment Fund	374,864	368,967	-
FY2000 Pavement Program	298,189	298,189	-
Welch Pool Improvements	280,000	252,889	1,801
Street Reclamation Program	279,160	151,247	3,250
Poq. Window Replacement	271,015	261,516	-
Rainbor Road Culvert	255,000	32,297	6,782
Sage Park Rec Facilities Improv.	253,200	243,763	-
Day Hill Rd - Infrastructure	250,000	241,447	-

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2006

	Project Authorization	Expended To June 30, 2006	Encumbrances June 30, 2006
FY2001 Pavement Program	250,000	250,000	-
Clover Street Walkways Part	249,042	249,042	-
WHS Football Field Lights	231,080	230,722	-
FY98 Major Road Reconstrucion	228,250	228,250	-
DPW Facility Improvements	215,000	215,000	-
Scarborough Bridge	154,227	105,488	-
Refunding 2004	146,017	169,344	-
Pioneer Drive	140,878	140,878	-
New England Tradeport (4/5/05)	183,500	6,269	7,934
Fire Rescue Truck	130,000	130,000	-
Washington Park Pond	120,310	117,234	-
Civil Defense Warning System	120,000	117,170	-
Day Hill Rd & Addison Rd Intersect (5/2/05)	111,000	92,961	9,340
Sage Park Field House	97,517	97,517	-
O'Brien Field Renovations	95,000	77,229	11,120
Mack Street	92,848	92,848	-
IT Software Update	85,000	75,958	-
IT Software Update	84,000	84,000	-
Town Hall HVAC System Project (2/22/05)	77,000	75,095	-
Clover Street Asbestos	76,248	76,248	-
Windsor Center Improvements	75,000	43,864	-
Veteran's Pool Repairs	75,000	18,165	-
Facility Planning and Reuse Study (3/21/05)	75,000	48,434	-
Park Improv-Playground Replacement	65,920	64,715	-
Public Safety Complex Study	63,660	34,388	10,647
Roof Maintenance Fund	60,200	40,000	-
Milo Peck Renovation Design	285,620	14,781	15,000
Sidewalk/Curb Replacement	53,000	41,045	10,805
Playground Improvements	52,000	51,829	-
Corey St. Reconstruction	50,000	55,917	-
Transfer Station & Post-Closure Landfill Uses	50,000	-	-
Town Clerk Office Software	48,000	48,000	-
Batchelder Road Improvements	47,000	13,625	25,045
Election Equipment	45,000	10,033	-
Engineering Service	45,000	41,630	-
Route 159 Improvements	43,718	1,275	-
Install Generator @ LPW	35,000	35,000	-
Pavement Mgmt Work @ Schools	31,800	31,800	-
Building Security Systems	30,000	30,000	-

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2006

	Project Authorization	Expended To June 30, 2006	Encumbrances June 30, 2006
Stormwater Management System	30,000	29,439	-
Clover Street School code Compliance (10/18/2004)	26,000	-	-
Pavement Management System	25,000	25,000	-
Engr. Equip/ Storm Water Software	25,000	12,997	-
Sand and Salt Storage Facility	25,000	25,000	-
Police Telephone Switch Equipment	25,000	25,000	-
Engineering Vehicle	24,777	24,777	-
Government TV Equipment	20,000	20,000	-
Fire Marshal Vehicle	20,000	19,704	-
CAD Replacement	20,000	15,958	-
Senior Center Improvements	20,000	20,000	-
AC for Fire Trucks	20,000	-	-
Wilson Firehouse - Kitchen Equipment	19,000	-	-
Dial-A-Ride Van	15,092	14,692	-
Hayden Station Firehouse	15,000	15,000	-
Electronic Keys - Firehouses	15,000	15,000	-
Senior Center Design Concept	6,601	6,601	-
Replacement Vehicle for Bldg Safety	15,000	13,999	-
Volunteer Ambulance Radio Equipment	15,000	-	-
Bldg/Fire Marshall Field Technology	14,000	13,993	-
Family Services Van	12,000	10,449	-
Vans for Police Athletic League	10,000	4,800	-
Emergency Preparedness	5,000	-	-
NW Park Perimeter Fencing	5,000	2,800	-
Roger Wolcott Compliance Project (10/18/04)	158,000	3,180	-
Eng. Traffic Analysis Software	2,000	1,705	-
Capen Street Road Repair	1,200	1,200	-
Planning Printer	1,000	1,000	-
Intersection IMP at 1001 Day Hill	-	64,946	233,073
Land Actions ING INFRA Improvements	-	63,951	-
Total	\$ 66,103,857	\$ 61,933,152	\$ 447,564

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS

June 30, 2006

Note 10. Employee Retirement Plans

Employee pension plans

The Town maintains the Town of Windsor Retirement Plan, a public employee retirement system (PERS), which covers all Town employees (except police officers) and all employees of the Board of Education not eligible for membership in the State of Connecticut Teacher's Retirement Plan.

The Town participates in the statewide Municipal Employees' Retirement Fund B, a multiple-employer, cost-sharing public employee retirement system that covers all of the police officers of the Town.

The certified faculty and administrative personnel of the Board of Education participate in a contributory retirement plan (non-contributory for the employer) administered by the Connecticut State Teachers' Retirement Board.

Town of Windsor Retirement Plan

Plan Description

All Town employees (except police officers and certified members of the Board of Education) participate in this PERS, a single-employer, defined benefit pension plan, established and administered by the Town Council and Board of Education (through the Pension Committee) to provide pension, disability, and death benefits to plan members and their beneficiaries. The Town Charter and State statutes provide the authority to establish and amend benefit provisions. The PERS is considered to be part of the Town's financial reporting entity and is included in the Town's financial reports as a pension trust fund. Stand-alone financial statements are not issued.

All full-time employees are required to join the PERS. Employees are 100 percent vested after the completion of five years of service. The retirement benefit is 1.75% of the average monthly earnings (36 consecutive months) times years of service for normal retirement benefits. Active employees with ten years of credited service who become permanently and totally disabled receive a benefit determined in the same manner as a normal retirement benefit based on credited service and average monthly earnings to the date of the disability. If the disability is a result of the employee's employment with the Town, the ten year requirement is waived.

Prior to 1999-2000, the PERS did not provide for cost of living adjustments to benefits in years subsequent to retirement. Cost of living adjustments were paid to retirees at the discretion of the Town Council and were paid directly by the General Fund. Effective July 1, 2000, such payments are paid from the PERS and the percentage increase is set to match that given to Social Security recipients.

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2006

The membership in the PERS at July 1, 2005 is comprised of the following:

Retirees and beneficiaries currently receiving benefits	120
Vested terminated employees	18
Active employees:	
Fully vested	216
Non-vested	148
Total	<u>502</u>

Funding Policy

The contribution requirements of plan members are established and may be amended by the Town Council and Board of Education, subject to union contract negotiation. Employees are required to contribute 2¼ percent of their earnings up to the social security wage base plus five percent of the excess, to the PERS. If an employee leaves covered employment or dies before meeting the vesting requirements, accumulated employee contributions and interest thereon are refunded. The Town is required to contribute the remaining amounts necessary to finance the benefits for its employees. As determined by the Town's actuaries, the current rate is 4.87% of annual covered payroll. The direct management costs of the plan (fund manager, trustee) are paid for by the Pension Fund. The Town pays the cost of monitoring the plan (advisor) and administering its plan (actuary) through an additional annual budget appropriation.

Annual Pension Cost and Net Pension Asset

The Town's annual pension cost and net pension asset to the PERS for the year ended June 30, 2006 were as follows:

Annual required contribution	\$ 789,843
Interest on net pension obligation	-
Adjustment to annual required contribution	-
Annual pension cost	<u>789,843</u>
Contributions made	<u>789,843</u>
Decrease in net pension asset	-
Net pension asset, July 1, 2005	-
Net pension asset, June 30, 2006	<u><u>\$ -</u></u>

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2006

The following is a summary of certain significant actuarial assumptions and other PERS information:

Actuarial valuation date	July 1, 2005
Actuarial cost method	Projected Unit Credit
Amortization method	Level Dollar Open
Remaining amortization period	24 years
Asset valuation method	5-year smoothed market
Actuarial assumptions:	
Investment rate of return	7.75%
Projected salary increases*	4%
Cost-of-living adjustments for payments to retirees	2.75%
* <i>Amount of wage base included</i>	3.5%

TREND INFORMATION

<u>Fiscal Year</u> <u>Ending</u>	<u>Annual</u> <u>Pension</u> <u>Cost (APC)</u>	<u>Percentage</u> <u>of APC</u> <u>Contributed</u>	<u>Net</u> <u>Pension</u> <u>Asset</u>
6/30/04	\$ 637,615	100%	\$ -
6/30/05	\$ 763,468	100%	\$ -
6/30/06	\$ 789,843	100%	\$ -

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2006

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Overfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((a-b)/c)
July 1, 2000	29,098,313	25,497,647	3,600,666	114.1%	10,561,637	34.1%
July 1, 2001	32,622,004	28,510,280	4,111,724	114.4%	11,698,249	35.1%
July 1, 2002	35,716,064	31,041,467	4,674,597	115.1%	12,536,129	37.3%
July 1, 2003	37,973,828	32,146,951	5,826,877	118.1%	13,131,981	44.4%
July 1, 2004	40,520,462	34,163,256	6,357,206	118.6%	13,274,916	47.9%
July 1, 2005	42,994,540	37,665,616	5,328,924	114.2%	14,101,531	37.8%

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Year Ended June 30,	Annual Required Contribution	Percentage Contributed
6/30/01	657,641	100%
6/30/02	648,537	100%
6/30/03	749,398	100%
6/30/04	637,615	100%
6/30/05	763,468	100%
6/30/06	789,843	100%

Connecticut Municipal Employees' Retirement Fund B

All uniformed police officers of the Town of Windsor participate in the Connecticut Municipal Employees' Retirement Fund B (MERF), a defined benefit cost sharing multiple-employer public employee retirement system (PERS) established by the State of Connecticut and administered by the State Retirement Commission to provide retirement and disability benefits, annual cost-of-living adjustments, and death benefits to the employees and beneficiaries of participating municipalities. Chapter 113 Part II of the General Statutes of Connecticut, which can be amended by legislative action, establishes PERS benefits, member contribution rates, and other plan provisions. MERF is considered to be a part of the State of Connecticut financial reporting entity and is included in the State's financial reports as a pension trust fund. Those

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2006

reports may be obtained by writing to the State of Connecticut, Office of the State Comptroller, 55 Elm Street, Hartford, Connecticut 06106 or by calling 860-702-3480.

Funding Policy – Plan members are required by State statute to contribute 2-1/4% of earnings upon which Social Security tax is paid plus 5% of earnings on which no Social Security tax is paid. Each participating municipality is required to contribute at an actuarially determined rate. The current rate is 5.25% of annual covered payroll. The contribution requirements of the Town are established and may be amended by the State Retirement Commission. The Town's contributions to MERF for the years ended June 30, 2006, 2005 and 2004 were \$511,512, \$409,916 and \$566,315, equal to the required contributions for each year.

Connecticut State Teachers' Retirement System

The faculty and certified personnel of the Board of Education participate in a contributory defined benefit plan, established under Chapter 167a of the Connecticut General Statutes, which is administered by the Connecticut State Teachers' Retirement Board. A teacher is eligible to receive normal retirement benefits if he or she has attained age sixty and has accumulated twenty years of credit service in the public schools of Connecticut or has attained any age and has accumulated thirty-five years of credited service, at least twenty-five of which are service in the public schools of Connecticut. The financial statements of the Plan are available from the Connecticut State Teachers' Retirement Board, 21 Grand Street, Hartford, CT 06105.

Certain part-time and full-time certified teachers are eligible to participate in the plan and are required to contribute 7.25% of their annual earnings to the plan. The Town does not, and is not legally responsible to, contribute to the plan.

The State of Connecticut contributes based on actuarially determined amounts. The funding level is determined based on an actuarial valuation of the plan as a whole, which does not provide actuarial information on an individual city/town basis.

In addition, the Town has recognized revenues and expenditures for on-behalf payments for pension contributions paid directly to the Connecticut State Teachers' Retirement System by the State of Connecticut. Such on-behalf payments were approximately \$3,341,000 for the year ended June 30, 2006.

Note 11. Risk Management

The Town self-insures its liability for workers' compensation claims to a limit of \$500,000/employee. Aggregate claims in excess of that amount up to \$20,000,000, as well as any individual claim up to \$1,000,000 are fully insured. Connecticut Healthcare Workers' Compensation Trust, a fully qualified, third party administrator, is the current administrator of the program and calculates the liability at year-end. As employee claims are processed and

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2006

certified for payment by the third party administrator, payment is made out of the Internal Service Fund. The accrued liability made for this purpose is determined annually based on prior experience and the amount of unsettled claims outstanding.

The following is a schedule of changes in the aggregate liabilities for claims:

	Liability July 1,	Current Year Claims and Changes in Estimates	Claim Payments	Liability June 30,
2004-05	\$ 2,094,502	\$ 2,404,905	\$ 3,367,672	\$ 1,131,735
2005-06	\$ 1,131,735	\$ 4,748,402	\$ 4,993,367	\$ 886,770

Premiums are paid into the Internal Service Fund by all other funds and are available to pay claims, claim reserves and administrative costs of the program.

Employee health/medical claims are fully insured through Anthem Blue Cross/Blue Shield of Connecticut and CIGNA Corporation. Funds are transferred into the Insurance Internal Service Fund from other funds and are available to pay the health/medical premium costs.

The Town has commercial general liability and auto liability with levels of coverage of \$3,000,000 and \$1,000,000, respectively. There has been no significant reductions in insurance coverage from the level of coverage in the prior year. Furthermore, for the past three fiscal years, no settlements have exceeded insurance coverage.

The Town maintains a limited risk management program for general liability, auto and fire losses. Property and casualty risks are fully insured except for the general environmental liability exposure represented by the landfill, which is essentially uninsurable.

Note 12. Contingent Liabilities

The Town has received State and Federal grants for specific purposes that are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Town expects such amounts, if any, to be immaterial.

As a member of the Metropolitan District (a quasi-municipal corporation that provides water supply and sewage collection and disposal facilities for members), the Town is contingently liable for \$7,616,118 or 9.3% of the debt of the District Fund Deficits.

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2006

In fiscal year 2002, the Town approved the guarantee of a \$250,000 loan to Celebrate Windsor, Inc., a local 501(c) 3 corporation that manages an outdoor amphitheater that opened at the end of fiscal year 2002. Under the terms of the loan and the guarantee by the Town, the Town guarantees up to \$250,000 of a \$600,000 loan. The guarantee is activated when the loss by the bank on the loan exceeds \$250,000. The loan has a ten year term with level amortization (term expiring in August 2012). If the guarantee is exercised, the Town is likely to be required to make future appropriations. The Town subsequently received a \$100,000 grant from the State to cover part of the guarantee. They have reserved part of the General Fund fund balance for approximately \$150,000. Under the resolutions adopted by the Town, any payments under the guarantee in excess of the \$100,000 State grant must be separately appropriated by the Council.

Lawsuits

Various litigations, principally involving claims for personal injury and contested tax assessment, are pending against the Town. The outcome and eventual liability of the Town, if any, in these cases are not known at this time. The Town's management and legal counsel estimated that potential claims against the Town resulting from such litigation not covered by insurance would not have a material adverse effect on the financial position of the Town.

Note 13. Landfill Closure and Postclosure Care Costs

State and federal laws and regulations require the Town to place a final cover on its 65 acre landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Under these regulations, the landfill has established a horizontal footprint of 50 acres which is now the basis of maximum horizontal expansion without providing a liner system.

Although closure and post-closure costs will be paid only near or after the date that the landfill stops accepting waste, the Landfill Enterprise Fund reports a portion of these closure and post-closure costs as an operating expense in each period based on the landfill capacity used as of each balance sheet date. The \$31,271,734 reported as landfill closure and post-closure care liability at June 30, 2006, is \$1,186,154 more than the liability reported on June 30, 2005. Due to revised engineer estimates (regarding settling of the landfill and a more efficient redesign of the final shape of the landfill), the proportion of the landfill used is now estimated at 83.5%. This decrease or adjustment in estimated closure costs accrued to date directly increases the operating income for the Landfill Enterprise Fund in fiscal year 2006. The landfill will recognize the remaining estimated cost of closure and post-closure care of \$5,888,266 as the remaining capacity is filled. These amounts are based on what it would cost to perform all closure and post-closure care at 2006 prices with a third party performing all closure work. Actual costs may also change based on inflation, compliance with the standing consent order, changes in technology, or changes in the regulations. The engineering analysis assumes that numerous

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2006

engineering and construction procedures will be required. The Town Council has set a deadline to close the landfill as of December 2007.

The landfill serves the Towns of Bloomfield and Windsor. An agreement (dated November 19, 1993) exists between the two communities. This agreement establishes the terms and conditions of operating the landfill. For closure costs, the agreement states "The two towns shall contribute equally, on an annual basis, for said purposes and shall be equally responsible for closure, post-closure, and monitoring expenses until all Federal and State requirements are met". The Town of Bloomfield is currently contesting the obligations and rights under this agreement and has filed suit.

The landfill is currently operating under a consent order issued by the Department of Environmental Protection (DEP) that addresses the detail needs of the regulations, including the control and monitoring of leachate and landfill generated gases. It is expected that this process will result in collecting leachate from the groundwater and treating the effluent.

Note 14. Fund Deficits

The following funds had net fund deficits as of June 30, 2006:

Landfill Fund	\$	13,608,539
Cafeteria Fund		42,228

The deficit in the Landfill Fund will be funded by future operations.

Note 15. Pronouncements Issued, Not Yet Effective

The Governmental Accounting Standards Board (GASB) has issued several pronouncements that have effective dates that may impact future financial presentations.

Management has not currently determined what, if any, impact implementation of the following statements may have on the financial statements:

- ♦ GASB Statement No. 43, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, issued April 2004, will be effective for the Town beginning with its year ended June 30, 2008. This statement establishes uniform financial reporting standards for OPEB (other postemployment benefits) and supersedes the interim guidance included in Statement No. 26, Financial Reporting for Postemployment Healthcare Plans Administered by Defined Benefit Pension Plans.

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2006

- ◆ GASB Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, issued June 2004, will be effective for the Town beginning with its year ending June 30, 2009. This Statement establishes standards for the measurement, recognition and display of other postemployment benefits expenses and related liabilities or assets, note disclosures and, if applicable, required supplementary information in the financial reports.
- ◆ GASB Statement No. 48, Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues, issued September 2006, is effective for periods beginning after December 15, 2006. This Statement establishes accounting and financial reporting standards for transactions in which a government receives, or is entitled to, resources in exchange for future cash flows generated by collecting specific receivables or specific future revenues. It also provides disclosure requirements for a government that pledges or commits future cash flows from a specific revenue source. In addition, this Statement establishes accounting and financial reporting standards for intra-entity transfers of assets and future revenues.
- ◆ GASB Statement No. 49, Accounting and Financial Reporting for Pollution Remediation Obligations, issued December 1, 2006, will be effective for the Town beginning with its fiscal year June 30, 2008, but the liability should be measured at July 1, 2007 so that beginning net assets can be restated. This Statement identifies the circumstances under which a government would have to estimate its expected outlays for pollution remediation if it knows a site is polluted, if the pollution poses an imminent danger to the public or the environment, if the government has violated a pollution prevention permit or license, if the government has been named as a responsible party for cleaning up the pollution, if the government began to clean up the pollution, and if the government is named in a lawsuit. In addition, it provides disclosure information about their pollution obligations associated with clean-up efforts.

**Supplemental and Combining
Nonmajor Fund Statements and Schedules**

Nonmajor Governmental Funds

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Educational Grant Programs: Cover all specially financed education programs under grants received from the Federal or State government.

Cafeteria: Accounts for revenue and expenditures of the food service operations in the Windsor Public Schools

Community Rehabilitation Program: Accounts for block grants received from the United States Department of Housing and Urban Development.

Other Special Revenue Funds: Account for intergovernmental and private grants for various special projects administered by the Town.

J. Bartash Expendable Trust Fund: is used to account for a bequest made to the Town by a former resident.

Treehouse Fund: Accounts for revenue and expenditures for before and after school childcare provided by the school system.

Debt Service Funds

Debt Service Fund: Accounts for all debt service transactions.

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TOWN OF WINDSOR, CONNECTICUT

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

June 30, 2006

	Special Revenue		
	Educational		Community
	Grant	Cafeteria	Rehabilitation
	Program		Program
ASSETS			
Cash and cash equivalents	\$ 99,810	\$ 23,175	\$ 779,532
Intergovernmental receivables	-	99,613	-
Community rehabilitation loans, net	-	-	1,291,538
Other receivables	-	-	-
Due from other funds	435,492	-	-
Inventories	-	13,023	-
Total assets	\$ 535,302	\$ 135,811	\$ 2,071,070
LIABILITIES AND FUND BALANCES (DEFICITS)			
Liabilities			
Accounts payable	\$ 37,575	\$ 178,039	\$ 16,567
Due to other funds	469,894	-	-
Unearned revenue	27,833	-	-
Total liabilities	535,302	178,039	16,567
Fund balances (deficits)			
Reserve for inventory	-	13,023	-
Reserved for loans to participants	-	-	1,291,538
Unreserved and undesignated	-	(55,251)	762,965
Total fund balances (deficits)	-	(42,228)	2,054,503
Total liabilities and fund balances (deficits)	\$ 535,302	\$ 135,811	\$ 2,071,070

Special Revenue			Debt Service	
Other Special Revenue Funds	J. Bartash Trust Fund	Treehouse	Debt Service	Totals
\$ 2,377,803	\$ 17,440	\$ 382,747	\$ 330,006	\$ 4,010,513
-	-	-	-	99,613
-	-	-	-	1,291,538
51,869	-	-	-	51,869
-	-	-	-	435,492
-	-	-	-	13,023
<u>\$ 2,429,672</u>	<u>\$ 17,440</u>	<u>\$ 382,747</u>	<u>\$ 330,006</u>	<u>\$ 5,902,048</u>
\$ 105,330	\$ -	\$ 8,099	\$ -	\$ 345,610
-	-	178,608	-	648,502
-	-	196,040	-	223,873
<u>105,330</u>	<u>-</u>	<u>382,747</u>	<u>-</u>	<u>1,217,985</u>
-	-	-	-	13,023
-	-	-	-	1,291,538
<u>2,324,342</u>	<u>17,440</u>	<u>-</u>	<u>330,006</u>	<u>3,379,502</u>
<u>2,324,342</u>	<u>17,440</u>	<u>-</u>	<u>330,006</u>	<u>4,684,063</u>
<u>\$ 2,429,672</u>	<u>\$ 17,440</u>	<u>\$ 382,747</u>	<u>\$ 330,006</u>	<u>\$ 5,902,048</u>

TOWN OF WINDSOR, CONNECTICUT

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 For the Year Ending June 30, 2006

	Special Revenue		
	Educational Grant Programs	Cafeteria	Community Rehabilitation Program
REVENUES			
Intergovernmental	\$ 2,023,550	\$ 581,285	\$ 163,980
Sale of food	-	1,430,207	-
Income from investments	-	-	64,312
Charges for services	-	-	-
Other	-	10,687	-
Total revenues	2,023,550	2,022,179	228,292
EXPENDITURES			
General government	-	-	193,657
Culture & recreation	-	-	-
Human Services	-	-	-
Education	2,023,550	2,098,763	-
Public works	-	-	-
Public safety	-	-	-
Debt service	-	-	-
Total expenditures	2,023,550	2,098,763	193,657
OTHER FINANCING SOURCES			
Transfers in	-	-	-
Total other financing sources	-	-	-
Change in fund balance	-	(76,584)	34,635
FUND BALANCES, beginning	-	34,356	2,019,868
FUND BALANCES, ending	\$ -	\$ (42,228)	\$ 2,054,503

Special Revenue			Debt Service	
Other Special Revenue Funds	J. Bartash Trust Fund	Treehouse	Debt Service	Totals
\$ 664,187	\$ -	\$ 681,920	\$ -	\$ 4,114,922
-	-	-	-	1,430,207
70,436	-	-	-	134,748
1,159,010	-	-	-	1,159,010
82,079	147	-	-	92,913
<u>1,975,712</u>	<u>147</u>	<u>681,920</u>	<u>-</u>	<u>6,931,800</u>
99,067	-	-	-	292,724
1,226,452	-	-	-	1,226,452
278,629	-	-	-	278,629
1,991	-	681,920	-	4,806,224
364,006	-	-	-	364,006
510,988	-	-	-	510,988
-	-	-	5,603,336	5,603,336
<u>2,481,133</u>	<u>-</u>	<u>681,920</u>	<u>5,603,336</u>	<u>13,082,359</u>
404,703	-	-	5,927,450	6,332,153
<u>404,703</u>	<u>-</u>	<u>-</u>	<u>5,927,450</u>	<u>6,332,153</u>
(100,718)	147	-	324,114	181,594
<u>2,425,060</u>	<u>17,293</u>	<u>-</u>	<u>5,892</u>	<u>4,502,469</u>
<u>\$ 2,324,342</u>	<u>\$ 17,440</u>	<u>\$ -</u>	<u>\$ 330,006</u>	<u>\$ 4,684,063</u>

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Enterprise Funds

ENTERPRISE FUNDS

Enterprise funds are maintained to account for the Town's ongoing organizations and activities that are similar to those found in the private sector. The Town's two nonmajor enterprise funds are:

Child Development – Accounts for the operations of the Windsor Child Development Center which provides day care services to Town residents and to employees of businesses located in Windsor.

Adult Caring Connection – Accounts for the operations of the Windsor Adult Caring Center which provides for the needs of the elderly and handicapped adults of the Town.

TOWN OF WINDSOR, CONNECTICUT

COMBINING STATEMENT OF NET ASSETS
NONMAJOR ENTERPRISE FUNDS

June 30, 2006

	Child Development	Adult Caring Connection	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 451,839	\$ 492,367	\$ 944,206
Customer receivable, net	15,304	84,645	99,949
Total current assets	467,143	577,012	1,044,155
Noncurrent Assets:			
Capital assets (net of accumulated depreciation)	-	45,493	45,493
Total assets	467,143	622,505	1,089,648
LIABILITIES			
Current liabilities:			
Accounts payable and accrued liabilities	55,232	23,265	78,497
Unearned revenue	36,503	-	36,503
Due to other funds	-	210,000	210,000
Total current liabilities	91,735	233,265	325,000
NET ASSETS			
Invested in capital assets	-	45,493	45,493
Unrestricted	375,408	343,747	719,155
Total net assets	\$ 375,408	\$ 389,240	\$ 764,648

TOWN OF WINDSOR, CONNECTICUT

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS -
NONMAJOR ENTERPRISE FUNDS

For the Year Ending June 30, 2006

	Child Development	Adult Caring Connection	Total
Operating Revenues			
Charges for services	\$ 1,118,647	\$ 569,973	\$ 1,688,620
Operating Expenses			
Salaries and benefits	707,301	280,051	987,352
Depreciation	-	13,264	13,264
Administrative expenses	166,714	104,052	270,766
Repairs and maintenance	16,672	-	16,672
Fuel and utilities	20,761	11,105	31,866
Outside services	64,606	44,441	109,047
Rent expense	110,330	68,000	178,330
Total operating expenses	1,086,384	520,913	1,607,297
Operating income	32,263	49,060	81,323
Nonoperating Revenues			
Interest income	24,219	20,775	44,994
Net income before transfers	56,482	69,835	126,317
Transfers out	-	(90,000)	(90,000)
Change in net assets	56,482	(20,165)	36,317
Net Assets, beginning of year	318,926	409,405	728,331
Net Assets, end of year	\$ 375,408	\$ 389,240	\$ 764,648

TOWN OF WINDSOR, CONNECTICUT

COMBINING STATEMENT OF CASH FLOWS - NONMAJOR ENTERPRISE FUNDS

For the Year Ended June 30, 2006

	Child Development	Adult Caring Connection	Totals
Cash Flows From Operating Activities			
Receipts from customers and users	\$ 1,114,243	\$ 595,120	\$ 1,709,363
Payments to suppliers	(374,988)	(223,150)	(598,138)
Payments to employees	(707,301)	(279,086)	(986,387)
Net cash provided by operating activities	31,954	92,884	124,838
Cash Flows From Capital and Related Financing Activities			
Purchase of capital assets	-	(18,781)	(18,781)
Cash Flows From Noncapital Financing Activities			
Due to other funds	-	210,000	210,000
Transfers out	-	(90,000)	(90,000)
Net cash provided by noncapital financing activities	-	120,000	120,000
Cash Flows From Investing Activities			
Interest received	24,219	20,775	44,994
Net increase in cash and cash equivalents	56,173	214,878	271,051
Cash and Cash Equivalents			
Beginning	395,666	277,489	673,155
Ending	\$ 451,839	\$ 492,367	\$ 944,206
Reconciliation of Operating Income to Net Cash Provided by Operating Activities			
Operating income	\$ 32,263	\$ 49,060	\$ 81,323
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	-	13,264	13,264
Changes in assets and liabilities:			
Decrease (increase) in accounts receivable	(4,404)	25,148	20,744
Decrease in accounts payable	(3,077)	(57)	(3,134)
Increase in accrued expenses	13,385	5,469	18,854
Decrease in unearned revenue	(6,213)	-	(6,213)
Net cash provided by operating activities	\$ 31,954	\$ 92,884	\$ 124,838

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Agency Funds

AGENCY FUNDS

Agency Funds – are used to account for various Board of Education activities. They are custodial in nature (assets equal liabilities) and are as follows:

Education Escrow Fund

Student Activity Fund

Adult Education

TOWN OF WINDSOR, CONNECTICUT

COMBINING STATEMENT OF NET ASSETS - AGENCY FUNDS

June 30, 2006

	Agency Funds			
	Student	Education	Adult	Total Agency
	Activity	Escrow	Education	Funds
ASSETS				
Cash and cash equivalents	\$ 333,913	\$ 26,820	\$ 21,040	\$ 381,773
Total assets	\$ 333,913	\$ 26,820	\$ 21,040	\$ 381,773
LIABILITIES				
Liabilities				
Due to student groups	\$ 333,913	\$ 26,820	\$ 21,040	\$ 381,773
Total liabilities	\$ 333,913	\$ 26,820	\$ 21,040	\$ 381,773

TOWN OF WINDSOR, CONNECTICUT

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
AGENCY FUNDS
For the Year Ended June 30, 2006**

	Balance June 30, 2005	Additions	Deletions	Balance June 30, 2006
EDUCATION ESCROW				
Assets				
Cash and cash equivalents	\$ 2,933	\$ 755,398	\$ 731,511	\$ 26,820
Liabilities				
Amount held as agent	\$ 2,933	\$ 755,398	\$ 731,511	\$ 26,820
STUDENT ACTIVITY FUNDS				
Assets				
Cash and cash equivalents	\$ 347,998	\$ 731,920	\$ 746,005	\$ 333,913
Liabilities				
Due to student groups	\$ 347,998	\$ 731,920	\$ 746,005	\$ 333,913
ADULT EDUCATION				
Assets				
Cash and cash equivalents	\$ 28,313	\$ 34,915	\$ 42,188	\$ 21,040
Liabilities				
Amount held as agent	\$ 28,313	\$ 34,915	\$ 42,188	\$ 21,040
TOTAL AGENCY FUNDS				
Assets				
Cash and cash equivalents	\$ 379,244	\$ 1,522,233	\$ 1,519,704	\$ 381,773
Liabilities				
Due to student groups	\$ 379,244	\$ 1,522,233	\$ 1,519,704	\$ 381,773

Capital Asset Schedule

TOWN OF WINDSOR, CONNECTICUT

**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS -
NET OF DEPRECIATION**

June 30, 2006

	Land	Buildings	Machinery and Equipment	Construction in Progress	Infrastructure	Totals
General Government	\$ 199,857	\$ -	\$ 192,908	\$ -	\$ -	\$ 392,765
Education	324,612	57,063,791	562,554	-	-	57,950,957
Culture and recreation	2,100,434	9,405,830	499,033	-	-	12,005,297
Human services	-	-	26,587	-	-	26,587
Public services	312,078	5,007,550	819,415	-	-	6,139,043
Public works	1,451,024	3,599,113	651,393	224,458	1,853,237	7,779,225
Total	\$4,388,005	\$75,076,284	\$ 2,751,890	\$ 224,458	\$ 1,853,237	\$ 84,293,874

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Other Schedules

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TOWN OF WINDSOR, CONNECTICUT

**SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED AND OUTSTANDING
For the Year Ended June 30, 2006**

Grand List Year	Balance Uncollected July 1, 2005	Current Levy	Lawful Corrections		Transfers to Suspense	Balance to be Collected
			Additions	Deletions		
2004	\$ -	\$ 66,093,422	\$ 332,414	\$ 300,406	\$ -	\$ 66,125,430
2003	716,790	-	30,692	7,057	-	740,425
2002	322,538	-	7,825	3,271	(174,891)	152,201
2001	33,670	-	-	370	-	33,300
2000	12,332	-	-	354	-	11,978
1999	4,372	-	-	-	-	4,372
1998	5,978	-	-	-	-	5,978
1997	5,762	-	-	-	-	5,762
1996	5,504	-	-	-	-	5,504
1995	5,223	-	-	-	-	5,223
1994	5,045	-	-	-	-	5,045
1993	4,775	-	-	-	-	4,775
1992	4,588	-	-	-	-	4,588
1991	4,514	-	-	-	-	4,514
1990	3,789	-	-	-	-	3,789
	<u>\$ 1,134,880</u>	<u>\$ 66,093,422</u>	<u>\$ 370,931</u>	<u>\$ 311,458</u>	<u>\$ (174,891)</u>	<u>\$ 67,112,884</u>

Collections				Balance
Taxes	Interest	Fees	Total	Uncollected
				June 30, 2006
\$ 65,358,104	\$ 278,320	\$ 540	\$ 65,636,964	\$ 767,326
490,981	111,184	2,472	604,637	249,444
123,713	49,893	653	174,259	28,488
24,548	11,498	312	36,358	8,752
7,002	1,456	120	8,578	4,976
17	14	48	79	4,355
11	13	24	48	5,967
-	-	-	-	5,762
-	-	-	-	5,504
-	-	-	-	5,223
-	-	-	-	5,045
-	-	-	-	4,775
-	-	-	-	4,588
-	-	-	-	4,514
-	-	-	-	3,789
<u>\$ 66,004,376</u>	<u>\$ 452,378</u>	<u>\$ 4,169</u>	<u>\$ 66,460,923</u>	<u>1,108,508</u>
Less: Allowance for doubtful accounts				300,000
				<u>\$ 808,508</u>

TOWN OF WINDSOR, CONNECTICUT

SCHEDULE OF CHANGES IN BOND INDEBTEDNESS
For the Year Ended June 30, 2006

Description	Interest Rate (%)	Year	Maturity	Amount
Bonded debt:				
Public Improvements	5.20/5.4/5.50	1987	2/15/07	\$ 405,000
School General Obligation Bonds	7.0/7.1/7.2/ 7.3/7.4/7.5	1987	10/01/07	420,000
School General Obligation Bonds	6.6/6.7/6.8/ 6.9/7.0	1988	4/01/08	900,000
Public Improvements	6.4/6.5/6.6	1991	7/15/11	1,832,000
School General Obligation Bonds	6.4/6.5/6.6	1991	7/15/11	368,000
Public Improvements	4.5/4.6/4.625/4.7/ 4.75/4.8/4.85/4.9/ 5.0	1998	2/15/18	1,045,000
School General Obligation Bonds	4.5/4.6/4.625/4.7/ 4.75/4.8/4.85/4.9 5.0	1998	2/15/18	220,000
Public Improvements	5.0-6.5	2000	1/15/20	490,000
Public Improvements	4.45-5.35	2000	4/01/20	350,000
School General Obligation Bonds	5.0-6.5	2000	1/15/20	825,000
School General Obligation Bonds	4.45-5.35	2000	4/01/20	200,000
Public Improvements	4.0-5.0	2001	1/15/20	1,350,000
Public Improvement Refunding	4.0-5.0	2001	7/15/15	3,597,380
School General Obligation Bonds	4.0-5.0	2001	1/15/20	3,600,000
School General Obligation Bonds	4.0-5.0	2001	7/15/20	5,540,000
School Refunding	4.0-5.0	2001	7/15/15	7,407,620
Public Improvements	3.0-5.0	2002	3/1/2012	800,000
School General Obligation Bonds	3.0-5.0	2002	3/1/2022	3,700,000
Public Improvements	3.0/4.75	2003	3/1/23	1,725,000
School General Obligation Bonds	3.0/4.75	2003	3/1/23	525,000
School Projects FY 2004	2.5/4.25	2004	3/1/24	1,180,000
Refunding bonds of 2004	2.5/5.00	2004	6/30/20	4,015,000
General Purpose Bonds of 2004	2.5/4.125	2004	03/01/24	2,205,000
Refunding bonds of 2004	2.75/5.00	2004	6/30/20	2,520,000

	Balance July 1, 2005	Additions	Retirements	Balance June 30, 2006
\$	270,000	\$ -	\$ 135,000	\$ 135,000
	315,000	-	105,000	210,000
	675,000	-	225,000	450,000
	1,603,000	-	229,000	1,374,000
	322,000	-	46,000	276,000
	195,000	-	65,000	130,000
	30,000	-	10,000	20,000
	400,000	-	90,000	310,000
	175,000	-	175,000	-
	665,000	-	160,000	505,000
	100,000	-	100,000	-
	405,000	-	100,000	305,000
	3,316,100	-	360,320	2,955,780
	795,000	-	200,000	595,000
	1,300,000	-	260,000	1,040,000
	6,858,900	-	739,680	6,119,220
	700,000	-	100,000	600,000
	3,550,000	-	175,000	3,375,000
	1,635,000	-	95,000	1,540,000
	500,000	-	25,000	475,000
	1,125,000	-	55,000	1,070,000
	4,015,000	-	-	4,015,000
	2,005,000	-	205,000	1,800,000
	2,520,000	-	-	2,520,000

TOWN OF WINDSOR, CONNECTICUT

SCHEDULE OF CHANGES IN BOND INDEBTEDNESS, Continued
For the Year Ended June 30, 2006

Description	Interest Rate (%)	Year	Maturity	Amount
Public Improvements Refunding	2.0/5.0	2005	7/15/17	\$ 189,000
Public Improvements Refunding	2.0/5.0	2005	7/15/19	2,780,000
Public Improvements Refunding	2.0/5.0	2005	7/15/20	4,305,000
School Refunding	2.0/5.0	2004	7/15/17	826,000
School Refunding	2.0/5.0	2004	7/15/19	900,000
School Projects FY2005	3.0/4.8	2005	6/15/25	5,300,000
School Projects FY2005	3.0/4.0/4.8	2005	6/15/15	445,000
Public Improvements	4.0/5.0	2006	6/15/21	472,000
Public Improvements	4.0/5.0	2006	6/15/16	1,528,000
TOTAL				

Balance				Balance	
July 1, 2005		Additions	Retirements	June 30, 2006	
\$	187,000	\$ -	\$ -	\$	187,000
	2,757,000	-	-		2,757,000
	4,265,000	-	10,000		4,255,000
	818,000	-	-		818,000
	893,000	-	-		893,000
	5,300,000	-	-		5,300,000
	445,000	-	-		445,000
	-	472,000	-		472,000
	-	1,528,000	-		1,528,000
\$	48,140,000	\$ 2,000,000	\$ 3,665,000	\$	46,475,000

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Statistical Section

Statistical Section

This part of the Town of Windsor, Connecticut's 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.

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Financial Trends

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time. 81

Revenue Capacity

These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax. 90

Debt Capacity

These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future. 98

Demographic and Economic Information

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Operating Information

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TOWN OF WINDSOR, CONNECTICUT

Net Assets By Component
Last Five Fiscal Years
(accrual basis of accounting)

	2003	2004	2005	2006
Governmental activities:				
Invested in capital assets, net of related debt	\$ 37,493,839	\$ 35,633,107	\$ 35,903,258	\$ 36,691,713
Restricted				
Unrestricted	20,076,262	22,099,832	25,875,738	27,301,646
Total governmental activities				
net assets	<u>\$ 57,570,101</u>	<u>\$ 57,732,939</u>	<u>\$ 61,778,996</u>	<u>\$ 63,993,359</u>
Business-type activities:				
Invested in capital assets, net of related debt	\$ 697,959	\$ 620,776	\$ 39,977	\$ 416,215
Restricted				
Unrestricted	(21,735,508)	(16,636,890)	(15,758,142)	(13,260,106)
Total business-type activities				
net assets	<u>\$ (21,037,549)</u>	<u>\$ (16,016,114)</u>	<u>\$ (15,718,165)</u>	<u>\$ (12,843,891)</u>
Primary government:				
Invested in capital assets, net of related debt	\$ 38,191,798	\$ 36,253,883	\$ 35,943,235	\$ 37,107,928
Restricted	-	-	-	-
Unrestricted	(1,659,246)	5,462,942	10,117,596	14,041,540
Total primary government				
net assets	<u>\$ 36,532,552</u>	<u>\$ 41,716,825</u>	<u>\$ 46,060,831</u>	<u>\$ 51,149,468</u>

GASB Statement No. 34 Implemented in Fiscal Year 2003

TOWN OF WINDSOR, CONNECTICUT

**Changes In Net Assets
Last Five Fiscal Years
(accrual basis of accounting)**

	2003	2004	2005	2006
Expenses:				
Governmental activities:				
General government	\$ 8,404,359	\$ 8,290,368	\$ 9,098,239	\$ 9,915,592
Culture & recreation	3,375,174	3,129,442	3,339,960	3,373,174
Human services	1,251,782	1,525,642	1,519,473	1,676,685
Public works	3,957,412	4,838,064	5,215,856	5,395,578
Education	53,547,311	58,276,582	58,426,021	62,706,704
Public safety	6,908,418	7,174,676	7,519,211	8,485,227
Interest expense	2,171,416	3,414,738	1,998,227	1,800,092
Total governmental activities expenses	79,615,872	86,649,512	87,116,987	93,353,052
Business-type activities:				
Landfill	5,870,256	2,626,215	2,665,213	2,299,076
Child development	961,617	985,130	1,051,846	1,086,384
Adult caring connection	350,023	449,716	488,524	520,913
Total business-type activities expenses	7,181,896	4,061,061	4,205,583	3,906,373
Total primary government expenses	86,797,768	90,710,573	91,322,570	97,259,425
Program revenue:				
Governmental activities:				
Charges for services:				
General government	2,190,703	2,891,380	2,789,332	2,940,997
Culture & recreation	651,326	748,903	748,281	754,944
Human services	442,250	57,831	101,247	104,716
Public works	101,310	168,617	96,077	21,880
Education	1,496,191	1,836,038	1,551,825	1,620,243
Public safety	460,423	243,743	234,119	316,712
Operating grants and contributions:				
General government	1,034,903	635,586	468,113	948,699
Culture & recreation	82,162	817,427	97,208	89,484
Human services	114,532	248,946	169,050	30,869
Public works	215,847	142,507	140,178	202,330
Education	11,080,282	13,239,217	14,245,323	16,099,415
Public safety	274,922	76,715	109,668	148,985
Capital grants and contributions:				
Education	2,473,868	135,757	2,303,442	933,034
Total governmental activities program revenue	20,618,719	21,242,667	23,053,863	24,212,308

TOWN OF WINDSOR, CONNECTICUT

Changes In Net Assets, Continued

Last Five Fiscal Years

(accrual basis of accounting)

	2003	2004	2005	2006
Business-type activities:				
Charges for services:				
Landfill	2,627,673	7,652,733	2,581,762	4,576,077
Child development	1,054,687	1,088,460	1,071,303	1,118,647
Adult caring connection	423,786	436,822	553,990	569,973
Total business-type activities program revenues	4,106,146	9,178,015	4,207,055	6,264,697
Total primary government program revenues	24,724,865	30,420,682	27,260,918	30,477,005
Net (expense) revenue:				
Governmental activities	(58,997,153)	(65,406,845)	(64,063,124)	(69,140,744)
Business-type activities	(3,075,750)	5,116,954	1,472	2,358,324
Total primary government net expense	(62,072,903)	(60,289,891)	(64,061,652)	(66,782,420)
General revenues and other changes in net assets:				
Governmental activities:				
Property taxes	58,496,073	62,525,330	64,924,875	67,159,495
Grants and contributions not restricted to specific programs	2,743,559	2,352,383	2,031,800	1,944,629
Unrestricted investment earnings	790,900	515,430	1,152,506	2,160,983
Transfers	179,155	176,540	-	90,000
Total governmental activities	62,209,687	65,569,683	68,109,181	71,355,107
Business-type activities:				
Unrestricted investment earnings	132,753	81,021	296,477	605,950
Transfers	(179,155)	(176,540)	-	(90,000)
Total business-type activities	(46,402)	(95,519)	296,477	515,950
Total primary government	62,163,285	65,474,164	68,405,658	71,871,057
Changes in net assets:				
Governmental activities	3,212,534	162,838	4,046,057	2,214,363
Business-type activities	(3,122,152)	5,021,435	297,949	2,874,274
Total primary government	\$ 90,382	\$ 5,184,273	\$ 4,344,006	\$ 5,088,637

TOWN OF WINDSOR, CONNECTICUT

Program Revenues by Function/Program
Last Five Fiscal Years*
(accrual basis of accounting)

Function / Program	Fiscal Year			
	2003	2004	2005	2006
Governmental activities:				
General government	\$ 3,225,606	\$ 3,526,966	\$ 3,257,445	\$ 3,889,696
Culture & recreation	733,488	1,566,330	845,489	844,428
Human services	556,782	306,777	270,297	135,585
Public works	317,157	311,124	236,255	224,210
Education	15,050,341	15,211,012	18,100,590	18,652,692
Public safety	735,345	320,458	343,787	465,697
Total governmental activities	20,618,719	21,242,667	23,053,863	24,212,308
Business-type activities:				
Landfill	2,627,673	7,652,733	2,581,762	4,576,077
Child development	1,054,687	1,088,460	1,071,303	1,118,647
Adult caring connection	423,786	436,822	553,990	569,973
Total business-type activities	4,106,146	9,178,015	4,207,055	6,264,697
Total government	\$ 24,724,865	\$ 30,420,682	\$ 27,260,918	\$ 30,477,005

GASB Statement No. 34 implemented in fiscal year 2003.

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TOWN OF WINDSOR, CONNECTICUT

Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year			
	1997	1998	1999	2000
General Fund:				
Reserved	\$ 1,666,164	\$ 1,120,196	\$ 511,058	\$ 594,755
Unreserved	3,748,320	5,067,253	6,410,389	5,880,338
Total General Fund	\$ 5,414,484	\$ 6,187,449	\$ 6,921,447	\$ 6,475,093
All Other Governmental Funds:				
Reserved	\$ 2,154,821	\$ 2,139,374	\$ 2,243,284	\$ 5,925,184
Unreserved, reported in:				
Special revenue funds	2,287,026	2,568,151	2,188,318	2,443,615
Debt service funds	-	-	-	-
Capital projects funds	1,544,444	559,303	2,212,650	1,371,985
Total all other government funds	\$ 5,986,291	\$ 5,266,828	\$ 6,644,252	\$ 9,740,784

Fiscal Year						
2001	2002	2003	2004	2005	2006	
\$ 300,290	\$ 156,097	\$ 390,848	\$ 494,639	\$ 672,235	\$ 906,732	
6,141,459	7,114,101	6,492,477	7,226,301	8,852,536	10,116,866	
<u>\$ 6,441,749</u>	<u>\$ 7,270,198</u>	<u>\$ 6,883,325</u>	<u>\$ 7,720,940</u>	<u>\$ 9,524,771</u>	<u>\$ 11,023,598</u>	
\$ 23,906,276	\$ 8,656,012	\$ 3,709,231	\$ 2,720,243	\$ 5,280,999	\$ 1,752,125	
2,573,117	2,930,701	3,280,885	3,086,465	3,114,867	3,049,496	
-	-	169,500	-	5,892	330,006	
(7,076,147)	472,476	1,136,388	3,748,654	3,962,317	4,432,038	
<u>\$ 19,403,246</u>	<u>\$ 12,059,189</u>	<u>\$ 8,296,004</u>	<u>\$ 9,555,362</u>	<u>\$ 12,364,075</u>	<u>\$ 9,563,665</u>	

TOWN OF WINDSOR, CONNECTICUT

Changes In Fund Balances, Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal Year			
	1997	1998	1999	2000
Revenues:				
Property taxes, interest and liens, net	\$ 40,729,742	\$ 43,252,612	\$ 44,638,469	\$ 46,723,633
Intergovernmental	11,935,324	13,205,200	14,128,934	16,151,600
Charges for services	1,004,664	913,918	1,185,831	848,288
Interest and dividends	1,462,340	1,584,091	1,597,722	2,097,570
Other	2,761,427	2,915,752	3,529,495	3,651,864
Total revenues	57,893,497	61,871,573	65,080,451	69,472,955
Expenditures:				
Education	34,062,037	36,913,844	39,679,180	42,356,370
General government	2,995,094	3,033,001	3,446,618	4,107,144
Culture & recreation	2,672,438	2,707,723	2,732,549	3,086,567
Human services	526,371	579,256	599,409	327,154
Public safety	5,195,957	5,067,503	5,425,627	5,476,220
Public works	5,159,641	4,826,417	5,496,080	5,344,146
Capital outlay	1,711,832	2,374,742	1,297,219	5,230,464
Debt service:				
Principal	2,300,000	2,250,000	2,300,000	2,350,000
Interest	1,929,060	1,651,885	1,554,300	1,571,112
Total expenditures	56,552,430	59,404,371	62,530,982	69,849,177
Excess of revenues (under) expenditures	1,341,067	2,467,202	2,549,469	(376,222)
Other financing sources (uses):				
Transfers in	4,602,559	4,679,239	4,448,407	5,025,923
Transfers out	(6,988,431)	(7,100,664)	(6,449,552)	(7,626,487)
Issuance of long-term debt	-	-	1,565,000	5,565,000
Proceeds of refunding bonds	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Premium (discount) on long-term debt	-	-	-	-
Total other financing sources (uses)	(2,385,872)	(2,421,425)	(436,145)	2,964,436
Net changes in fund balance	\$ (1,044,805)	\$ 45,777	\$ 2,113,324	\$ 2,588,214
Debt service as a percentage of noncapital expenditures				
	8.4%	7.3%	6.7%	6.5%

Fiscal Year					
2001	2002	2003	2004	2005	2006
\$ 49,514,476	\$ 54,072,438	\$ 58,684,319	\$ 62,484,349	\$ 65,305,954	\$ 66,518,496
19,675,067	22,665,288	19,774,504	17,221,656	20,016,051	20,615,304
1,360,790	1,431,540	5,162,861	5,923,793	5,431,000	5,751,732
2,653,814	1,198,977	708,183	487,314	1,032,966	2,153,617
4,467,700	5,458,422	63,358	258,120	233,716	97,204
<u>77,671,847</u>	<u>84,826,665</u>	<u>84,393,225</u>	<u>86,375,232</u>	<u>92,019,687</u>	<u>95,136,353</u>
45,321,252	48,817,000	51,064,204	53,835,587	56,712,356	60,199,619
6,221,559	6,474,084	6,829,885	7,300,691	8,859,785	9,374,448
2,836,807	3,018,405	3,202,924	3,336,166	3,135,121	3,105,934
671,728	703,426	809,886	860,718	1,500,025	1,531,655
5,870,306	6,097,867	6,631,135	6,360,942	6,980,615	7,877,132
3,904,852	3,824,999	4,054,776	4,242,296	4,825,141	5,090,350
12,401,632	20,459,368	11,196,549	3,431,405	5,565,439	5,745,462
2,375,000	2,405,000	2,400,000	3,380,000	3,725,000	3,665,000
1,619,619	2,073,651	2,191,532	2,246,939	1,990,158	1,938,336
<u>81,222,755</u>	<u>93,873,800</u>	<u>88,380,891</u>	<u>84,994,744</u>	<u>93,293,640</u>	<u>98,527,936</u>
(3,550,908)	(9,047,135)	(3,987,666)	1,380,488	(1,273,953)	(3,391,583)
5,316,379	5,769,154	5,788,841	7,225,073	6,199,793	6,422,153
(7,466,380)	(8,192,736)	(8,328,548)	(10,028,509)	(6,199,793)	(6,332,153)
15,145,385	4,955,000	2,360,000	3,385,000	5,745,000	2,000,000
11,840,000	-	-	6,535,000	9,000,000	-
(11,894,742)	-	-	(6,550,142)	(8,866,373)	-
239,357	-	-	150,063	7,870	-
<u>13,179,999</u>	<u>2,531,418</u>	<u>(179,707)</u>	<u>716,485</u>	<u>5,886,497</u>	<u>2,090,000</u>
<u>\$ 9,629,091</u>	<u>\$ (6,515,717)</u>	<u>\$ (4,167,373)</u>	<u>\$ 2,096,973</u>	<u>\$ 4,612,544</u>	<u>\$ (1,301,583)</u>
6.2%	6.5%	6.3%	7.4%	7.0%	6.4%

TOWN OF WINDSOR, CONNECTICUT

Tax Revenues by Source, Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

(Unaudited)

Fiscal Year	Real Estate	Personal Property	Motor Vehicle	Total
1997	N/A	N/A	N/A	\$ 40,357,803
1998	N/A	N/A	N/A	42,806,392
1999	N/A	N/A	N/A	44,427,308
2000	N/A	N/A	N/A	46,453,835
2001	N/A	N/A	N/A	49,076,071
2002	N/A	N/A	N/A	53,745,020
2003	N/A	N/A	N/A	58,680,150
2004	\$ 46,513,954	\$ 9,447,147	\$ 6,089,327	62,050,428
2005	51,304,553	8,598,849	5,037,958	64,941,360
2006	51,985,365	8,722,593	5,296,418	66,004,376

Source: Town records.

N/A - Not Available.

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TOWN OF WINDSOR, CONNECTICUT

**Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year	Residential Property	Commercial Property	Industrial Property	Miscellaneous Land	Personal Property	Motor Vehicle
1996	\$ 1,145,183,220	\$ 233,360,680	\$ 208,811,610	\$ 33,624,080	\$ 264,389,470	\$ 110,519,740
1997	1,153,265,540	239,019,970	209,124,090	34,533,170	248,687,560	125,094,510
1998	1,156,378,510	239,681,820	215,345,690	32,685,870	242,052,420	130,514,980
1999	1,163,175,230	237,434,400	217,287,490	34,798,400	259,311,950	133,442,170
2000	1,172,091,270	238,899,700	228,395,370	32,055,940	280,677,090	142,034,580
2001	905,610,300	196,566,650	174,269,690	22,581,230	244,392,210	155,774,410
2002	915,276,460	200,378,710	182,331,940	25,233,250	277,806,160	159,544,150
2003	924,273,490	225,516,410	188,070,050	23,953,930	308,154,080	164,100,655
2004	931,840,840	248,214,960	190,953,560	23,342,760	331,037,890	168,337,145
2005	1,254,331,340	325,327,250	180,773,390	36,728,440	335,867,610	159,949,270
2006	1,272,280,520	323,775,700	190,391,740	33,884,690	341,352,590	169,786,997

Source: Town Records

Total Taxable Assessed Value	Percent Growth	Total Direct Tax Rate	Actual Taxable Value	Value as a Percentage of Actual Value
\$ 1,995,888,800	0.00%	19.80	\$ 1,956,222,210	93.92%
2,009,724,840	0.69	20.50	1,971,041,020	90.93%
2,016,659,290	0.35	21.60	1,973,873,920	95.63%
2,045,449,640	1.43	22.10	2,001,190,680	96.03%
2,094,153,950	2.38	22.70	2,044,129,510	91.80%
1,699,194,490	(18.86)	29.70	1,650,906,160	70.00%
1,760,570,670	3.61	31.20	1,712,678,000	60.60%
1,834,068,615	4.17	32.60	1,768,511,335	55.70%
1,893,727,155	3.25	33.57	1,836,550,760	51.60%
2,292,977,300	21.08	28.83	2,243,767,090	70.00%
2,331,472,237	1.68	28.73	2,284,745,107	60.12%

TOWN OF WINDSOR, CONNECTICUT

**Principal Property Taxpayers
Current Year and Nine Years Ago
(Unaudited)**

Taxpayer	2006			Taxpayer	1997		
	Taxable Assessed Value	Rank	Percentage of Total Town Taxable Assessed Value		Taxable Assessed Value	Rank	Percentage of Total Town Taxable Assessed Value
Cigna	\$ 50,022,980	1	2.19%	Aetna	\$ 71,728,550	1	3.64%
IBM & Affiliates	38,956,120	2	1.70	ABB	50,858,410	2	2.59
Aetna Life Insurance	36,324,610	3	1.59	Cigna	45,335,630	3	2.30
Griffin Land & Affiliates	34,871,400	4	1.52	Culbro & Affiliates	44,210,410	4	2.25
Cellco / Verizon Wireless	28,352,870	5	1.24	Stanadyne Automotive	28,503,080	5	1.45
Stanadyne Corporation	26,845,780	6	1.17	River's Bend Condo's	22,664,940	6	1.15
Advo Inc.	24,065,650	7	1.05	Konica & Affiliates	15,200,420	7	0.77
ABB Construction	22,623,570	8	0.99	Catrambone & Affiliates	12,243,850	8	0.62
Ferraina & Affiliates	20,990,410	9	0.92	Emhart	11,924,840	9	0.60
Windsor Marriot	20,862,600	10	0.91	C L & P	10,738,130	10	0.55
Total	\$ 303,915,990		13.28%		\$ 313,408,260		15.92%

Source: Town Records

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TOWN OF WINDSOR, CONNECTICUT

**Property Tax Levies And Collections
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year Ended June 30:	Grand List Year	Taxes Levied for the Tax Year	Collected Within the Fiscal Year of the Levy	
			Amount	Percentage of Levy
1997	1995	\$ 40,461,502	\$ 39,942,553	98.72%
1998	1996	42,792,557	42,306,102	98.86
1999	1997	44,377,851	43,931,748	99.00
2000	1998	46,572,130	46,053,666	98.89
2001	1999	49,308,632	48,683,768	98.73
2002	2000	53,896,833	53,183,017	98.68
2003	2001	58,464,014	58,088,472	99.36
2004	2002	62,122,658	61,264,110	98.62
2005	2003	65,006,071	64,366,789	99.02
2006	2004	66,125,430	65,358,104	98.83

Source: Town Tax Records

Collections in Subsequent Years	Total Collections to Date	
	Amount	Percentage of Levy
\$ 415,250	\$ 40,357,803	99.74%
500,289	42,806,392	100.03
495,560	44,427,308	100.11
400,169	46,453,835	99.75
392,303	49,076,071	99.53
569,010	53,745,020	99.73
616,226	58,680,150	100.41
910,031	62,050,428	100.08
1,065,552	64,941,360	100.65
-	-	-

TOWN OF WINDSOR, CONNECTICUT

**Ratios of Net General Bonded Debt Outstanding by Type
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year	Governmental Activities			Percentage of Actual Property Value	Debt Per Capita
	General Obligation Bonds	Less Amount Available in Debt Service	Net General Bonded Debt		
1997	\$ 28,840,000	\$ -	\$ 28,840,000	1.59%	1,114.00
1998	26,590,000	-	26,590,000	1.46%	1,044.00
1999	36,311,249	-	36,311,249	1.35%	968.00
2000	29,070,000	-	29,070,000	1.29%	942.00
2001	42,415,000	-	42,415,000	1.42%	1,059.00
2002	44,965,000	-	44,965,000	2.57%	1,502.00
2003	44,925,000	-	44,925,000	2.54%	1,592.00
2004	45,515,000	-	45,515,000	2.48%	1,596.00
2005	48,140,000	-	48,140,000	2.13%	1,688.00
2006	46,475,000	-	46,475,000	1.99%	1,620.00

N/A - Not Available.

Percentage of Per Capita Income	Per Capita
N/A	N/A

TOWN OF WINDSOR, CONNECTICUT

**Direct Governmental Activities Debt
For the Year Ended June 30, 2006
(Unaudited)**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
General obligation debt	46,475,000	1.24%	\$ 46,475,000
Less school construction grants receivable - principal portion only			<u>2,617,422</u>
Total direct debt			<u><u>\$ 43,857,578</u></u>

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TOWN OF WINDSOR, CONNECTICUT

Legal Debt Margin Information
Last Ten Fiscal Years
(dollars in thousands)
(Unaudited)

	1997	1998	1999	2000
Debt limit	\$ 284,989,922	\$ 302,180,039	\$ 311,218,411	\$ 327,299,000
Total net debt applicable to limit	25,842,058	26,212,979	24,737,947	44,175,000
Legal debt margin	259,147,864	275,967,060	286,480,464	283,124,000
Total net debt applicable to the limit as a percentage of debt limit	9.07%	8.67%	7.95%	13.50%

	2001	2002	2003	2004	2005	2006
\$	345,989,000	\$ 346,000,000	\$ 378,732,515	\$ 409,397,583	\$ 433,667,479	\$ 465,253,446
	46,975,000	44,240,900	62,306,576	67,890,707	52,836,789	54,756,185
	299,014,000	301,759,100	316,425,939	341,506,876	380,830,690	410,497,261
	13.58%	12.79%	16.45%	16.58%	12.18%	11.77%

TOWN OF WINDSOR, CONNECTICUT

SCHEDULE OF DEBT LIMITATION

June 30, 2006

Total tax collections (including interest and lien fees) for the year ended June 30, 2006	\$ 66,460,923
Reimbursement for revenue loss:	
Tax relief for elderly	<u>3,855</u>
Base	<u>\$ 66,464,778</u>
Debt limit	<u><u>\$ 465,253,446</u></u>

Debt Limitation	General Purpose	Schools	Sewer	Urban Renewal	Unfunded Pension Benefit Obligation
2-1/4 times base	\$ 149,545,751	\$ -	\$ -	\$ -	\$ -
4-1/2 times base	-	299,091,501	-	-	-
3-3/4 times base	-	-	249,242,918	-	-
3-1/4 times base	-	-	-	216,010,529	-
3 times base	-	-	-	-	199,394,334
Total debt limitation	<u>149,545,751</u>	<u>299,091,501</u>	<u>249,242,918</u>	<u>216,010,529</u>	<u>199,394,334</u>
Debt as defined by statute:					
Bonds payable	21,125,780	25,349,220	-	-	-
Bond anticipation notes payable					
Capital leases					
Bonds authorized but not issued, issue dates not yet established	3,037,000	538,954	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total indebtedness	<u>24,162,780</u>	<u>25,888,174</u>	<u>-</u>	<u>-</u>	<u>-</u>
Debt Limitation in excess of indebtedness	<u><u>\$ 125,382,971</u></u>	<u><u>\$ 273,203,327</u></u>	<u><u>\$ 249,242,918</u></u>	<u><u>\$ 216,010,529</u></u>	<u><u>\$ 199,394,334</u></u>

TOWN OF WINDSOR, CONNECTICUT

Demographic and Economic Statistics Last Ten Fiscal Years (Unaudited)

Fiscal Year Ended June 30	Population	Personal Income	Per Capita Income	Median Age	School Enrollment	Unemployment(*) Rate
1997	27,446	N/A	N/A	N/A	4,326	5.0%
1998	27,475	N/A	N/A	N/A	4,441	3.0%
1999	27,450	N/A	N/A	N/A	4,475	3.0%
2000	28,237	N/A	27,633	39.2	4,467	1.9%
2001	28,260	N/A	N/A	39.8	4,542	3.0%
2002	28,519	N/A	N/A	39.8	4,400	4.3%
2003	28,565	N/A	N/A	39.8	4,462	6.0%
2004	28,652	N/A	N/A	39.8	4,394	4.9%
2005	28,565	N/A	N/A	41.39	4,354	4.8%
2006	28,674	N/A	N/A	N/A	4,240	3.7%

N/A - Not Available.

TOWN OF WINDSOR, CONNECTICUT

**Principal Employers
Current Year and Nine Years Ago
(Unaudited)**

Employer	2006			Employer	1998		
	Employees	Rank	Percentage of Total Town Employment		Employees	Rank	Percentage of Total Town Employment
Alstom Power Systems	1,170	1		Asea Brown Boveri	3,000	1	
Hartford Life	930	2		Stanadyne, Inc.	1,200	2	
Aetna	900	3		Town of Windsor	742	3	
Town of Windsor	881	4		AMS Services	550	4	
Stanadyne, Inc.	820	5		Konica, Inc.	525	5	
UTC / Pratt & Whitney	800	6		ADVO, Inc.	450	6	
ADVO, Inc.	590	7		Moore Business Forms	450	7	
American Airlines	530	8		Cigna Insurance	350	8	
Westinghouse Electric Company	520	9		Windsor Manufacturing	350	9	
Bank of America	420	10		Unisource	350	10	
Genworth Financial Services	400	11		Xerox	350	11	
Konica Minolta	400	12		Genesis Health Ventures	320	12	
AMS Services	370	13		Emhart Corporation	300	13	
CIGNA	350	14		BankBoston	300	14	
S S & C	300	15		Spencer-Turbine Company	300	15	

Sources: Town Records

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TOWN OF WINDSOR, CONNECTICUT

**Full-Time Equivalent Town Government Employees By Functions/Programs
Last Ten Fiscal Years
(Unaudited)**

Functions/Program	Full-Time Equivalent Employees as of June 30			
	1997	1998	1999	2000
<u>Police</u>	65.00	68.00	-	-
Administration			6.00	6.00
Support Services			8.00	13.00
Uniformed Patrol			52.30	47.30
Animal Control			1.00	1.00
<u>Fire</u>				
Fire and Rescue Services			1.00	1.00
<u>Parks and Recreation</u>				
Recreation				
Northwest Park Education/Recreation			6.40	6.90
Northwest Park Facility/Property Mgt.			2.60	2.60
<u>Human Services</u>	9.00	9.00		
Senior Services			9.90	9.90
Youth Services Bureau				
Healthy People Program				
Social Services				
Health Services	7.80	8.00		
Inspection and Regulation			2.20	2.10
Disease prevention and Control			1.20	1.30
Clinic Services			0.60	0.60
Emergency Management				
<u>Library Services</u>	9.75	9.75		
Adult and Teen Services			10.75	11.00
Main Library			1.20	0.75
Children's Services			3.65	4.15
Wilson Services			2.75	3.05
<u>Development Services</u>	15.00	14.00		
Building Safety			5.90	5.00
Economic Development			1.00	1.00
Planning			2.50	3.00
Design Services			2.00	2.00
<u>Public Works</u>	37.00	37.00		
Parks and Grounds			9.70	12.20
Town Buildings			2.00	3.50
Pavement			8.00	12.00
Stormwater Drainage			4.00	4.00
Traffic Safety and Community Support			5.50	8.00
Equipment Repair				
Storm Control			7.50	
<u>Information Services</u>				
Town Clerk			3.25	3.75
Public Relations			3.25	1.75
<u>Administrative Services</u>	19.00	20.00		
Financial Accounting and Reporting			9.50	8.00
Human Services			3.00	3.00
Information Technology			3.00	3.00
Risk Management			1.00	1.00
Property Valuation			3.00	3.00
Tax Collection			2.20	2.20
<u>General Government</u>				
Town Manager			1.50	3.50
Town Treasurer			0.25	0.25

Full-Time Equivalent Employees as of June 30

2001	2002	2003	2004	2005	2006
-	-	-	-	-	-
7.00	7.25	6.50	6.00	6.00	6.00
10.00	10.00	13.00	15.00	15.00	15.00
50.30	50.30	48.30	48.80	45.80	43.80
1.00	1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00	1.00
28.50	28.65	29.85	29.15	27.19	27.58
6.25	6.25	6.75	6.25	6.25	6.14
2.50	2.50	2.50	2.50	2.50	2.50
4.90	4.25	5.25	4.80	5.48	5.48
				2.30	2.00
	0.50	2.50	2.50	4.12	3.37
5.00	5.33	5.66	5.00	6.25	6.25
2.00	2.15	2.15	2.01	2.38	2.09
2.40	2.48	2.48	2.35	1.53	1.43
0.60	0.71	0.71	0.64	0.72	0.63
				0.08	0.45
11.00	11.00	11.00	10.50	10.50	9.90
0.75	0.75	0.75	0.75	0.75	0.75
4.15	4.15	3.85	3.85	3.85	3.85
3.35	3.45	3.45	3.45	3.45	3.45
5.00	6.00	6.00	6.25	6.25	6.25
1.00	1.00	1.00	1.00	1.00	1.00
3.00	3.40	3.40	3.50	3.50	3.50
6.15	6.15	6.15	5.15	6.94	6.15
13.20	13.80	12.20	11.45	13.75	11.95
3.50	3.75	4.20	4.20	4.25	4.25
10.50	8.00	8.00	7.00	7.50	7.92
4.00	3.00	3.00	3.00	4.00	2.92
8.00	8.00	7.50	8.00	7.00	8.00
	3.50	3.40	3.40	3.40	3.40
3.75	3.25	3.25	3.20	3.20	3.20
1.00	1.00	1.00	1.20	1.00	1.00
8.00	8.00	8.00	6.12	6.62	7.12
3.00	3.00	3.00	2.75	3.00	3.00
3.00	3.00	3.00	2.50	3.00	3.00
1.00	1.00	1.00	1.00	1.00	1.00
3.00	3.00	3.00	3.00	3.23	3.23
2.20	2.20	2.30	2.30	2.65	2.54
3.50	4.00	4.00	3.50	3.50	3.50
0.25	0.25	0.25	0.25	0.25	0.25

TOWN OF WINDSOR, CONNECTICUT

Full-Time Equivalent Town Government Employees By Functions/Programs, Continued
Last Ten Fiscal Years
(Unaudited)

Functions/Program	Full-Time Equivalent Employees as of June 30			
	1997	1998	1999	2000
<u>Landfill Enterprise Fund</u>				
Landfill Operations	N/A	N/A	4.20	4.30
Landfill Recycling & Composting	N/A	N/A	2.80	2.70
<u>Adult Daycare Enterprise Fund</u>				
Administration	N/A	N/A	0.50	1.00
Nursing	N/A	N/A	1.20	1.50
Social Work	N/A	N/A	0.60	1.00
Therapeutic Recreation	N/A	N/A	1.40	1.00
Transportation	N/A	N/A	2.40	2.00
<u>Child Development Enterprise Fund</u>				
Infant/Toddler Programs	N/A	N/A	4.80	5.25
Preschool/Kindergarten Programs	N/A	N/A	8.90	9.21
Elementary Programs	N/A	N/A	3.53	4.44
<u>Community Development</u>				
Community Development (CDBG)	N/A	N/A	2.75	2.70
<u>Grants</u>	30.00	29.00	-	-
Total	192.55	194.75	220.68	225.90

N/A - Not Available.

Full-Time Equivalent Employees as of June 30

2001	2002	2003	2004	2005	2006
7.80	8.50	8.60	8.60	10.00	9.00
2.70					
1.00	1.00	1.00	1.00	1.00	1.00
2.25	1.50	3.00	4.00	4.00	3.50
1.00	1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	2.50	1.50	2.00
2.00	4.50	2.50	3.25	3.50	3.00
5.82	5.82	5.64	5.64	5.64	5.69
10.04	9.78	9.51	9.51	9.51	9.61
3.47	3.97	4.35	4.35	4.35	4.45
2.00	2.00	2.00	2.00	2.00	2.00
-	-	-	-	-	-
262.83	266.09	268.95	266.17	273.69	267.10

TOWN OF WINDSOR, CONNECTICUT

**Operating Indicators By Function/Program
Last Ten Fiscal Years
(Unaudited)**

Function/Program	Calendar Year			
	1997	1998	1999	2000
Police:				
Calls for service	46,975	45,204	45,853	47,325
Adult arrest	N/A	N/A	N/A	N/A
Juvenile arrest	N/A	N/A	N/A	N/A
Speeding citations only	837	380	672	644
Traffic citations	3,005	2,498	2,872	2,733
Fire:				
Total fire runs	794	775	841	825
Total rescue runs	176	241	241	250
Building safety:				
Total building permits	484	468	443	529
Total value all permits	\$ 11,316,291	\$ 9,723,929	\$ 14,554,839	\$ 13,963,342
Library, volumes in collection	114,696	127,761	126,903	128,987
Parks and Recreation:				
Recreation program attendance	N/A	N/A	N/A	N/A
Aquatics program attendance	3,500	3,935	3,900	4,000

Source: Town Records

Note: ** Indicator not available

N/A - Not Available.

Calendar Year					
2001	2002	2003	2004	2005	2006
48,826	49,185	45,992	38,073	39,883	44,966
1,964	N/A	1,560	1,792	1,775	1,776
N/A	N/A	147	169	175	104
824	836	401	314	431	237
2,750	3,064	3,698	3,698	5,290	6,288
786	756	685	807	879	925
306	312	181	233	244	275
526	455	43	87	83	N/A
\$ 11,027,527	\$ 16,054,752	\$ 5,217,435	\$ 11,321,625	\$ 12,273,988	N/A
136,992	N/A	N/A	N/A	N/A	132,041
8,500	11,000	14,850	14,850	15,000	15,000
4,250	4,500	4,500	4,500	3,500	3,500

TOWN OF WINDSOR, CONNECTICUT

**Capital Asset Statistics By Function/Program
Last Ten Fiscal Years
(Unaudited)**

Function/Program	1997	1998	1999	2000
Police:				
Stations	1	1	1	1
Zone Offices	1	1	1	1
Fire, Fire Stations	4	4	4	4
Public Works:				
Streets (Miles)	138	138	138	138
Traffic Signals	50	50	50	50
Parks & Recreation:				
Acreage	1,500	1,500	1,500	1,500
Parks	23	23	23	23
Baseball/Softball Diamonds	20	20	20	20
In-line Hockey Rinks	-	-	-	-
Soccer/Football Fields	17	17	17	17
Basketball Courts	3	3	3	3
Tennis Courts	21	21	21	21
Swimming pools	4	4	4	4
Parks with Playground Equipment	14	14	14	14
Picnic Shelters	3	3	3	3
Community Centers	1	1	1	1
Library:				
Facilities	2	2	2	2
Volumes	114,696	127,761	126,903	128,987
Water:				
Storage Capacity (MGPD)	105	105	105	105
Average Daily Consumption (MGPD)	56.80	56.48	58.71	55.52
Peak Consumption (MGPD)	91.43	82.34	97.61	87.45
Wastewater:				
Sanitary Sewers (miles)	1027.30	1032.02	1034.23	1037.63
Storm Sewers (miles)	53.43	53.63	53.63	53.63
Combination Sanitary and Storm (miles)	158.82	158.58	158.58	158.58

Source: Town Records & Metropolitan District Commission (MDC)

N/A - Not Available.

2001	2002	2003	2004	2005	2006
1	1	1	1	1	1
1	1	1	1	1	1
5	5	5	5	5	5
138	138	138	138	138	138
50	50	50	50	50	50
1,500	1,500	1,500	1,500	1,500	1,500
23	23	23	23	23	23
20	20	20	20	20	20
-	-	-	-	-	-
17	17	17	17	17	17
3	3	3	3	3	3
21	21	21	21	21	21
4	4	4	4	4	4
14	14	14	14	14	14
3	3	3	3	3	3
1	1	1	1	1	1
2	2	2	2	2	2
136,992	N/A	142,555	N/A	N/A	132,041
105	105	105	105	105	N/A
59.52	57.18	55.10	54.71	55.43	N/A
98.09	90.85	76.74	76.19	87.79	N/A
1044.27	1048.19	1054.60	1059.36	1062.94	N/A
67.90	69.03	69.07	69.30	69.78	N/A
159.00	159.70	160.35	160.35	160.17	N/A

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