

TOWN OF WINDSOR, CONNECTICUT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
JUNE 30, 2009



For the Fiscal Year Ended June 30, 2009

The Town of Windsor, Connecticut

Comprehensive Annual Financial Report



Fiscal Year Ended June 30, 2009

Prepared by:

Department of Financial Accounting & Reporting

**Robert Metcalf
Interim Finance Director**

**James Bourke
Assistant Finance Director**

**Linda Collins
Town Accountant**

**Kelly Barrett
Budget Analyst**

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Introductory Section



December 24, 2009

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, 2009.

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, 2009. 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.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Windsor for its comprehensive annual financial report for the fiscal year ended June 30, 2008. This was the 24th consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

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 information, communications and aerospace technologies, 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 ING, Valassis Inc., Aetna, CELLC/Verizon, Walgreens, CIGNA, The Hartford, Westinghouse, Konica Minolta, 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. In FY 2007, the Town adopted the retroactive reporting of infrastructure as allowed under GASB No. 34.

In the current year, the Town implemented the financial reporting and disclosure requirements of *Other Post-Employment Benefits (OPEB) Other Than Pensions*, as required under GASB 45. The Town now recognizes other post-employment benefit expenses (health) and related liabilities or assets.

Long-Range Financial Planning

Annually, the Town Manager prepares a six-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 2009-2014 CIP includes various projects for road improvements, building renovations, new building facilities, major equipment purchases, and other capital improvements totaling \$123,517,251.

Included in the six-year CIP is a recommended Annual Capital Expenditure Budget for the current fiscal year. The FY 2009 capital expenditure budget approved by the Town Council, and special Town Meeting and citizen referendum when required, totaled \$10,147,000 and included multiple road and facilities 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.

The Town also instituted preparation of a five-year budget forecast which is prepared by the Town Manager and Finance Director and presented to the Finance Committee and Town Council for review and discussion. This process allows the town to look at issues such as budget sustainability and institute revenue and budgetary changes sooner rather than later in anticipation of future events.

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.

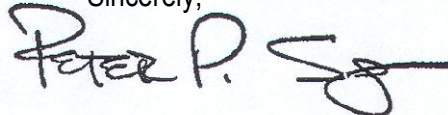
Independent Audit

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 2009. 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, Robert Metcalf, Interim Finance Director; James Bourke, Assistant Finance Director; Linda Collins, Town Accountant and Kelly Barrett, Budget Analyst. Their invaluable assistance made the preparation of this report an easier task.

Sincerely,

A handwritten signature in black ink, appearing to read "Peter P. Souza". The signature is written in a cursive, somewhat stylized font.

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, 2008

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.



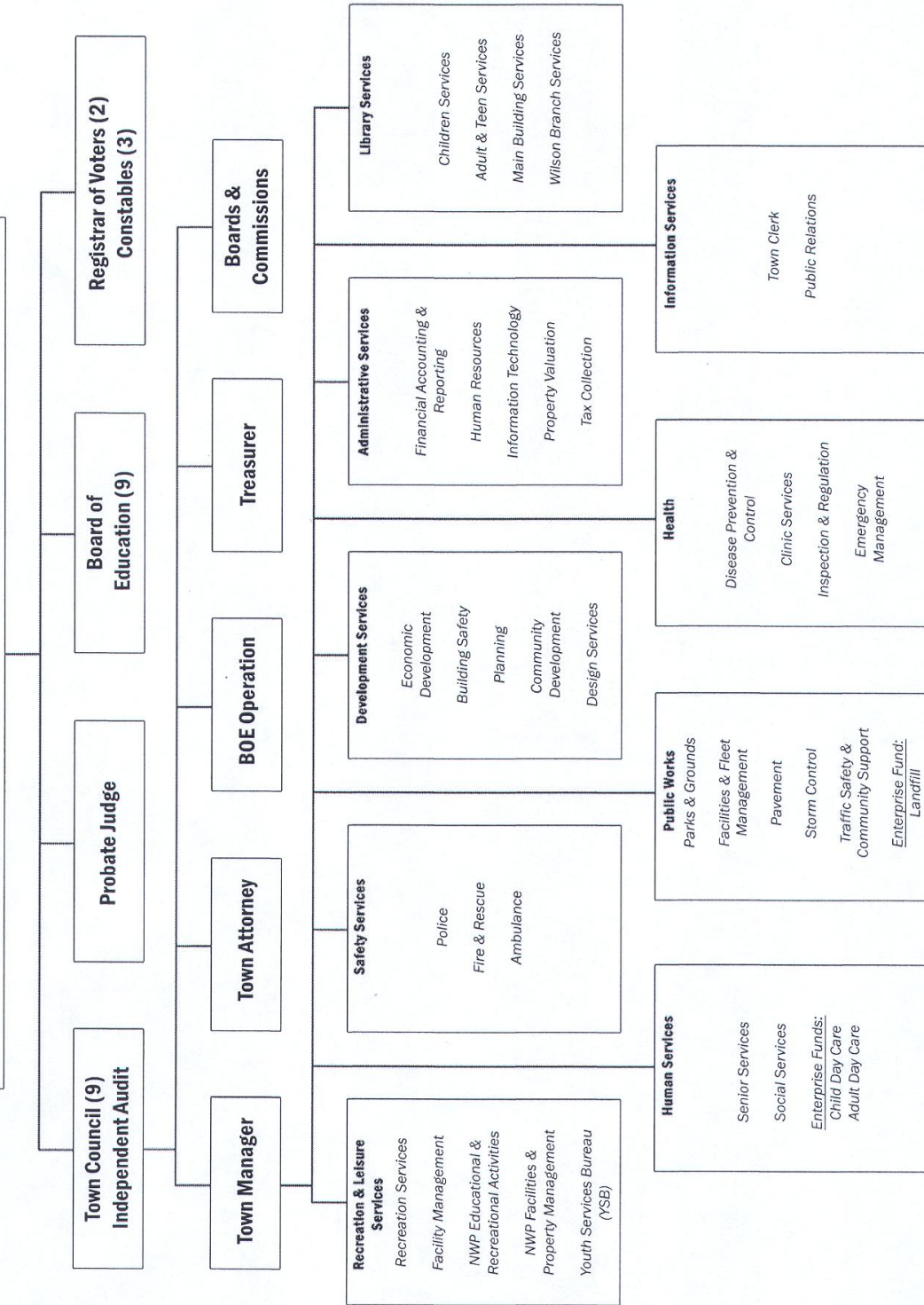
A handwritten signature in black ink, appearing to read "M. L. R. M.", written in a cursive style.

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Enos", written in a cursive style.

Executive Director

Voters of Windsor



PRINCIPAL TOWN OFFICIALS
As of June 30, 2009

Town Council

Donald S. Trinks, Mayor
Alan J. Simon, Deputy Mayor
Ronald C. Eleveld
Donald A. Jepsen, Jr.
Matthew A. Marci
Randy P. McKenney
Robert L. Rispoli
Robert B. Gegetskas, II
William H. Herzfeld

Board of Education

Milo Peck, Jr. (President)
Christopher McAuliffe
Lucille Browne
Doreen E. Richardson (Secretary)
Ana Cristina Santos
Christopher J. Watts (Vice President)
Paul J. Panos
Patricia M. DiGiore
Howard Jubrey, Jr. (Minority Leader)

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

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 (the "Town") as of and for the year ended June 30, 2009, 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, 2009, and the respective changes in financial position, and cash flows, where applicable 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.

As described in Note 10 to the basic financial statements, the Town adopted GASB Statement 45 as of July 1, 2008.

In accordance with "Government Auditing Standards," we have also issued our report dated December 24, 2009 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 and the schedule of funding progress for the pension and other postemployment benefits are not a required part of the basic financial statements, but are 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 assets 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 and schedules, 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 24, 2009

Town of Windsor, Connecticut Management's Discussion and Analysis June 30, 2009

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, 2009. 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 ended with total net assets at the close of the fiscal year of \$80.5 million. Total net assets for Governmental Activities at fiscal year-end were \$87.4 million, which was a decrease of \$1.7 million. Total net (deficits) for Business-Type Activities were (\$6.9 million), which was a decrease of \$1.1 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 \$114.0 million (an increase of \$5.0 million), while revenues were \$113.4 million, an increase of \$.9 million.
- ◆ At the close of the year, the Town's governmental funds reported, on a current financial resource basis, combined ending fund balances of \$26.2 million, an decrease of \$.2 million from the prior fiscal year. Of the total fund balance as of June 30, 2009, \$21.8 million is the combined unreserved and undesignated fund balance in the general fund, special revenue funds, capital projects funds and debt service fund.
- ◆ At the end of the current fiscal year, the total fund balance for the general fund alone was \$15.3 million, an increase of \$1.4 million from the prior fiscal year. Of the total General Fund balance as of June 30, 2009, \$13.5 million represents unreserved, undesignated General Fund fund balance. Unreserved, undesignated General Fund fund balance at year-end represents 14.8% of total FY09 General Fund expenditures and transfers, and 14.2% of FY10 budgeted expenditures and transfers.

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 (deficits) and statement of activities) can be found on pages 15-16 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 66-67 and in the combining statement of revenues, expenditures and changes in fund balance on pages 68-69.

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 20.

The basic governmental fund financial statements (balance sheet and statement of revenues, expenditures and changes in fund balances) can be found on pages 17-18 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 21-23 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 five 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 24-25 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 26 to 61 of this report.

The notes to this report also contain certain supplementary information concerning the Town of Windsor's funding obligation to provide pension and other postemployment 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 \$87.4 million on June 30, 2009, which was a decrease of \$1.7 million.

TOWN OF WINDSOR CONNECTICUT NET ASSETS (\$'000's) June 30, 2009 and 2008

	Governmental Activities		Business-Type Activities		Total		Total Percentage Change
	2009	2008	2009	2008	2009	2008	2008-09
Current and other assets	\$ 42,812	\$ 41,650	\$ 28,088	\$ 26,306	\$ 70,900	\$ 67,956	4.3%
Capital assets, net of accumulated depreciation	101,928	101,744	186	221	102,114	101,965	0.1%
Total Assets	144,740	143,394	28,274	26,527	173,014	169,921	1.8%
Current liabilities	16,820	14,820	1,607	1,715	18,427	16,535	11.4%
Long-term liabilities outstanding	40,508	39,510	33,534	32,739	74,042	72,249	2.5%
Total Liabilities	57,328	54,330	35,141	34,454	92,469	88,784	4.2%
Net Assets (Deficits):							
Invested in capital assets, net of related debt	63,450	59,635	186	221	63,636	59,856	6.3%
Unrestricted	23,962	29,429	(7,053)	(8,148)	16,909	21,281	-20.5%
Total Net Assets (Deficits)	\$ 87,412	\$ 89,064	\$ (6,867)	\$ (7,927)	\$ 80,545	\$ 81,137	-0.7%

At the end of the current fiscal year, the Town of Windsor is able to report positive balances of \$80.5 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.

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 (DEFICITS) (\$000's)
For the Years Ended June 30, 2009 and 2008

	Governmental Activities		Business-Type Activities		Total		Total Percentage Change
	2009	2008	2009	2008	2009	2008	2008-09
Revenues:							
Program Revenues:							
Charges for services	\$ 4,890	\$ 6,371	\$ 4,052	\$ 5,459	\$ 8,942	\$ 11,830	-24.4%
Operating grants and contributions	22,984	23,485	-	-	22,984	23,485	-2.1%
Capital grants and contributions	190	54	-	-	190	54	251.9%
General Revenues:							
Property taxes	76,625	71,319	-	-	76,625	71,319	7.4%
Grants not restricted to specific programs	2,710	2,588	-	-	2,710	2,588	4.7%
Miscellaneous	431	-	-	-	431	-	100.0%
Unrestricted investment earnings	974	2,142	538	1,084	1,512	3,226	-53.1%
Total revenues	108,804	105,959	4,590	6,543	113,394	112,502	0.8%
Expenses:							
General Government	10,226	12,369	-	-	10,226	12,369	-17.3%
Culture & Recreation	4,329	3,933	-	-	4,329	3,933	10.1%
Human Services	1,546	1,476	-	-	1,546	1,476	4.7%
Public Works	6,421	7,901	-	-	6,421	7,901	-18.7%
Education	75,437	68,567	-	-	75,437	68,567	10.0%
Public Safety	10,162	9,157	-	-	10,162	9,157	11.0%
Interest expense	2,425	1,759	-	-	2,425	1,759	37.9%
Landfill	-	-	1,543	2,049	1,543	2,049	-24.7%
Child Development	-	-	1,235	1,197	1,235	1,197	3.2%
Adult Caring Connection	-	-	662	610	662	610	8.5%
Total expenses	110,546	105,162	3,440	3,856	113,986	109,018	4.6%
Excess of revenues over expenses before transfers	(1,742)	797	1,150	2,687	(592)	3,484	-117.0%
Transfers	90	-	(90)	-	-	-	0.0%
Extraordinary Item:							
State teachers' on-behalf payments	-	(16,336)	-	-	-	(16,336)	-100.0%
State teachers' on-behalf revenues	-	16,336	-	-	-	16,336	100.0%
Total extraordinary item	-	-	-	-	-	-	-
Change in net assets	(1,652)	797	1,060	2,687	(592)	3,484	-117.0%
Net assets (deficits)-beginning	89,064	88,267	(7,927)	(10,614)	81,137	77,653	4.5%
Net assets (deficits)-ending	\$ 87,412	\$ 89,064	\$ (6,867)	\$ (7,927)	\$ 80,545	\$ 81,137	-0.7%

Governmental Activities

Approximately 70.4% of the revenues came from property taxes, followed by 23.6% from State and Federal Government program revenues, then 6.0% from other revenue sources.

Major revenue factors included:

- ◆ Property tax revenues recorded for fiscal year 2009 were based on Town's tax rate remaining the same at 29.30 mills for the third consecutive year and a large increase in the total assessed value of all taxable property of \$230,938,735 or 9.4% from the previous year.
- ◆ Increase in State School Aid of \$856,200 and State Grants in Lieu of taxes of \$243,200.
- ◆ Decrease in building permit revenue of \$510,000 due to the economic turndown and a decrease in interest income of \$1,167,000 as interest rates moved below 1%.

For Governmental Activities, approximately 68.2% for 2009 of the Town's expenses relate to education (versus 65.2% in FY08), 9.2% (versus 8.7% in FY08) relate to public safety, 9.3% (vs. 11.8% in FY08) to general government, 5.8% (vs. 7.5% in FY08) relate to public works, 3.9% (vs. 3.7% in FY08) to culture and recreation, 1.4% to human services (vs. 1.4% in FY08), and 2.2% (vs. 1.7% in FY08) to interest on long-term debt.

Major expense factors include:

- ◆ Increases in Town employee wages ranged from approximately 3.5% - 3.9%, resulting from negotiated steps, merit changes and general wage increases.
- ◆ Employee health insurance costs for town employees rose approximately 14.0%, dental decreased 10.2%, and prescription costs increased approximately 6.8%.
- ◆ The cost of education services increased, due to 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 \$1.06 million. This was due primarily to revenues from charges for services again exceeding the expenses attributed to the cost of operations.

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 \$26.2 million, a decrease from \$26.4 million the previous year. Approximately 83.3% 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 undesignated fund balance of the General Fund was \$13.5 million, while total fund balance reached \$15.3 million (compared to \$13.2 million and \$13.9 million in FY08). 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 14.8% of total General Fund expenditures, while total fund balance represents 16.7% of that same amount.

As stated earlier, the fund balance of the Town of Windsor's General Fund increased by approximately \$1.4 thousand during the current fiscal year. Key factors in this increase are as follows:

- ◆ Property tax receipts were \$106 thousand above budgeted estimates.
- ◆ Revenue from the use of assets was \$524 thousand below budget estimates and intergovernmental revenues were \$1.1 million above budgeted estimates.
- ◆ Total departmental expenditures came in \$1.2 million under budget.

The Capital Projects Fund has a total fund balance of \$5.3 million (\$4.3 million is unreserved, undesignated) down from a balance of \$6.9 million in the prior year (\$5.9 million in unreserved). The decrease is explained by \$2.585 million of new bond anticipation note proceeds versus \$4.7 million in expenditures during the 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 \$(7.8) million with unrestricted net (deficit) of approximately \$(8.0) million compared to \$(8.9) million and \$(9.1) million in the prior year. The Landfill Fund had a net gain during the year of approximately \$1.0 million compared with a net gain of \$2.6 million in the prior year. This is due primarily to the reduction in tonnage received and less interest income from lower rates.

General Fund Budgetary Highlights

The difference between the original budget and the final amended budget was approximately \$1.0 million. The additional appropriations approved during the year are summarized below:

- ◆ An additional appropriation of \$500,000 to the debt service fund; \$450,000 to fund a new Town Hall phone system, and \$70,000 for a Public Safety claim.

During the year, actual revenues, on a budgetary basis were approximately \$96.2 million, which was more than budgetary estimates by approximately \$864 thousand. The major variances in revenues were decreases in revenues from the use of assets below estimates of \$524 thousand; increases in tax revenue over estimates of \$106 thousand; increases in State aid over estimates of \$1.1 million.

Actual expenditures and transfers out on a budgetary basis and other financing uses totaled \$95.7 million, below actual revenues on a budgetary basis by approximately \$496 thousand.

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, 2009, amounted to \$102.1 million (net of accumulated depreciation) compared to \$102.0 million in the prior fiscal year. This slight increase from the prior year is due to the new construction in progress less depreciation of existing assets. 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, 2009**

	Governmental Activities	Business- Type Activities	Total
Land	\$ 4,388	\$ -	\$ 4,388
Construction in Progress	5,110	-	5,110
Buildings and improvements	67,458	129	67,587
Infrastructure	21,998	-	21,998
Machinery and equipment	2,974	56	3,030
Total	\$ 101,928	\$ 185	\$ 102,113

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

- ◆ 2006 International Drive Infrastructure improvements
- ◆ Day Hill Road Reconstruction
- ◆ Lang Road Reconstruction

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 \$39.265 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, 2009**

	Governmental Activities
General obligation bonds	<u>\$ 39,265,000</u>

The Town of Windsor's total debt decreased by \$4.5 million or 10.2% during the current fiscal year compared to a 1.1% decrease in the prior year. During FY09, the Town issued \$18.625 million of Refunding bonds and \$3,535,000 bond anticipation notes.

The Town of Windsor maintains an Aa2 rating from Moody's Investors Service, and was upgraded in FY 2008 to a rating of AAA from Standard & Poor's.

The overall statutory debt limit for the Town of Windsor is equal to seven times annual receipts from taxation or \$536.3 million, up from \$499.2 million. As of June 30, 2009, the Town recorded long-term debt of \$39.3 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 October 2009, the unemployment rate for the Windsor Labor Market Area was 8.4%, up from 5.9% in the prior year.

The economy is showing continued declines and fiscal stress. Nevertheless, the Town of Windsor has tried to position itself to deal with the present economic situation. The FY09 budget realized some increases in State aid for special education mitigating the effect of some of the budget increases. With an overwhelming reliance on property taxes, Windsor's income stream may prove to be rather stable, even during a recession. 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. Windsor has positioned itself as a destination address for office and commercial development. This increased development will lend itself to an increase in the valuation in coming years. 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, 2009

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and cash equivalents	\$ 37,796,925	\$ 27,525,429	\$ 65,322,354
Receivables:			
Property taxes, net of allowance for collection losses	1,087,303	-	1,087,303
Accounts receivable	619,063	-	619,063
Customer receivables	23,589	682,978	706,567
Federal and state governments	1,377,680	-	1,377,680
Community rehabilitation loans, net	1,617,525	-	1,617,525
Inventories	44,093	-	44,093
Internal balances	120,000	(120,000)	-
Prepays	19,731	-	19,731
Deferred charges	106,121	-	106,121
Capital assets, not being depreciated	9,498,166	-	9,498,166
Capital assets, being depreciated, net of depreciation	92,430,357	185,621	92,615,978
Total assets	144,740,553	28,274,028	173,014,581
Liabilities			
Accounts payable and accruals	4,369,349	109,789	4,479,138
BANS Payable	3,535,000	-	3,535,000
Accrued interest payable	316,435	-	316,435
Advance tax collections	3,930,897	-	3,930,897
Unearned revenues	68,370	18,418	86,788
Noncurrent liabilities:			
Due within one year	4,600,000	1,417,738	6,017,738
Due in more than one year	40,508,366	33,595,543	74,103,909
Total liabilities	57,328,417	35,141,488	92,469,905
Net Assets (Deficits)			
Investment in capital assets, net of related debt	63,449,890	185,621	63,635,511
Unrestricted (deficit)	23,962,246	(7,053,081)	16,909,165
Total net assets (deficits)	\$ 87,412,136	\$ (6,867,460)	\$ 80,544,676

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, 2009

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	\$ (10,226,562)	\$ 1,860,882	\$ 584,945	\$ 16,920	\$ (7,763,815)	\$ -	\$ (7,763,815)
Culture & recreation	(4,329,481)	791,531	469,411	-	(3,068,539)	-	(3,068,539)
Human services	(1,545,945)	190,175	83,513	-	(1,272,257)	-	(1,272,257)
Public works	(6,420,709)	122,262	50,620	172,744	(6,075,083)	-	(6,075,083)
Education	(75,436,627)	1,685,284	21,514,592	-	(52,236,751)	-	(52,236,751)
Public safety	(10,161,628)	239,645	280,373	-	(9,641,610)	-	(9,641,610)
Interest expense	(2,424,721)	-	-	-	(2,424,721)	-	(2,424,721)
Total governmental activities	(110,545,673)	4,889,779	22,983,454	189,664	(82,482,776)	-	(82,482,776)
Business-type activities:							
Landfill	(1,542,767)	2,064,217	-	-	-	521,450	521,450
Child development	(1,234,799)	1,242,989	-	-	-	8,190	8,190
Adult caring connection	(662,319)	744,902	-	-	-	82,583	82,583
Total business-type activities	(3,439,885)	4,052,108	-	-	-	612,223	612,223
Total primary government	\$ (113,985,558)	\$ 8,941,887	\$ 22,983,454	\$ 189,664	(82,482,776)	612,223	(81,870,553)
General revenues:							
Property taxes					76,625,138	-	76,625,138
Grants and contributions not restricted to specific programs					2,710,019	-	2,710,019
Miscellaneous					431,184	-	431,184
Unrestricted investment earnings					974,090	537,378	1,511,468
Transfers out					90,000	(90,000)	-
Total general revenues					80,830,431	447,378	81,277,809
Change in net assets					(1,652,345)	1,059,601	(592,744)
Net assets (deficits) - beginning					89,064,481	(7,927,061)	81,137,420
Net assets (deficits) - ending					\$ 87,412,136	\$ (6,867,460)	\$ 80,544,676

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

TOWN OF WINDSOR, CONNECTICUT

BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2009

	Major Funds		Other	Total
	General	Capital Projects	Nonmajor Governmental Funds	Governmental Funds
Assets				
Cash and cash equivalents	\$ 20,390,702	\$ 9,248,828	\$ 4,456,152	\$ 34,095,682
Receivables (net of allowances for collection losses):				
Property taxes	1,087,303	-	-	1,087,303
Accounts receivable	417,305	-	201,758	619,063
State and Federal governments	1,253,304	-	124,376	1,377,680
Community rehabilitation loans, net	-	-	1,617,525	1,617,525
Due from other funds	498,874	120,000	3,742	622,616
Prepays	19,731	-	-	19,731
Inventories	35,989	-	8,104	44,093
Total assets	\$ 23,703,208	\$ 9,368,828	\$ 6,411,657	\$ 39,483,693
Liabilities				
Accounts payable and accrued liabilities	\$ 2,267,129	\$ 524,752	\$ 217,785	\$ 3,009,666
BANS Payable	-	3,535,000	-	3,535,000
Advanced tax collection	3,930,897	-	-	3,930,897
Unearned revenues	-	-	68,370	68,370
Deferred revenues	2,203,768	-	26,011	2,229,779
Due to other funds	32,757	-	498,874	531,631
Total liabilities	8,434,551	4,059,752	811,040	13,305,343
Fund balances				
Reserved for:				
Encumbrances	522,844	1,012,821	-	1,535,665
Inventories	35,989	-	8,104	44,093
Loans	-	-	1,617,525	1,617,525
Prepays	19,731	-	-	19,731
Unreserved/designated for:				
Future appropriations	1,075,000	-	-	1,075,000
Retro pay	74,905	-	-	74,905
Unreserved/undesignated, reported in:				
General Fund	13,540,188	-	-	13,540,188
Special revenue funds	-	-	3,648,238	3,648,238
Capital projects funds	-	4,296,255	-	4,296,255
Debt service fund	-	-	326,750	326,750
Total fund balances	15,268,657	5,309,076	5,600,617	26,178,350
Total liabilities and fund balances	\$ 23,703,208	\$ 9,368,828	\$ 6,411,657	

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 Town as a whole.	101,928,523
Deferred revenues are not available and therefore not recognized in the funds.	2,229,779
Deferred charges	106,121
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(45,108,366)
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.	2,394,164
Accrued interest payable	(316,435)

Net assets of governmental activities

\$ 87,412,136

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, 2009

	Major Funds		Other	Total
	General	Capital Projects	Nonmajor Governmental Funds	Governmental Funds
REVENUES				
Property taxes	\$ 76,562,176	\$ -	\$ -	\$ 76,562,176
State and Federal governments	21,033,244	239,664	4,949,963	26,222,871
Charges for services	2,105,689	-	2,755,408	4,861,097
Investment income	801,980	112,500	59,610	974,090
Other	-	387,759	43,425	431,184
Total revenues	100,503,089	739,923	7,808,406	109,051,418
EXPENDITURES				
Current:				
Education	63,321,537	-	5,192,317	68,513,854
General government	9,932,944	-	313,785	10,246,729
Culture and recreation	2,448,050	-	1,261,090	3,709,140
Human services	1,210,215	-	305,661	1,515,876
Public safety	8,361,647	-	438,195	8,799,842
Public works	5,600,080	-	220,435	5,820,515
Debt service:				
Principal retirements	-	-	4,363,000	4,363,000
Interest and other charges	-	-	1,908,961	1,908,961
Capital outlay	-	4,729,743	-	4,729,743
Total expenditures	90,874,473	4,729,743	14,003,444	109,607,660
Revenues over (under) expenditures	9,628,616	(3,989,820)	(6,195,038)	(556,242)
OTHER FINANCING SOURCES (USES)				
Transfers in	539,456	2,361,886	6,534,330	9,435,672
Transfers out	(8,770,185)	(6,800)	(568,687)	(9,345,672)
Issuance of refunding bonds	-	-	18,625,000	18,625,000
Premium on bonds issued	-	-	776,854	776,854
Payments made to escrow	-	-	(19,205,032)	(19,205,032)
Total other financing sources (uses)	(8,230,729)	2,355,086	6,162,465	286,822
Change in fund balances	1,397,887	(1,634,734)	(32,573)	(269,420)
FUND BALANCES, beginning	13,870,770	6,943,810	5,633,190	26,447,770
FUND BALANCES, ending	\$ 15,268,657	\$ 5,309,076	\$ 5,600,617	\$ 26,178,350

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, 2009

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

Net change in fund balances – total governmental funds	\$ (269,420)
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.	185,065
Changes in revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(248,090)
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.	3,413,214
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.	(4,220,115)
The net loss of certain activities of internal service funds is reported with governmental activities.	(512,999)
Change in net assets of governmental activities	<u>\$ (1,652,345)</u>

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, 2009

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Property taxes	\$ 76,456,028	\$ 76,456,028	\$ 76,562,176	\$ 106,148
Licenses and permits	720,460	720,460	764,894	44,434
Fines, forfeitures and penalties	22,000	22,000	46,041	24,041
Other agencies	632,348	632,348	631,573	(775)
Intergovernmental	15,009,922	15,009,922	16,156,575	1,146,653
Revenues from use of assets	1,681,512	1,681,512	1,157,032	(524,480)
Charges for services	784,670	784,670	852,798	68,128
Total revenues	95,306,940	95,306,940	96,171,089	864,149
EXPENDITURES				
Current:				
General government	896,820	896,820	832,015	64,805
Safety Service	8,224,460	8,294,460	8,198,937	95,523
Public works	5,238,220	5,252,145	5,247,457	4,688
Health Services	456,460	456,460	432,858	23,602
Human Services	926,540	926,540	771,423	155,117
Recreation and Leisure Services	1,310,810	965,510	931,735	33,775
Education	59,546,260	59,431,160	59,129,744	301,416
Town support for education	4,361,720	1,520,160	1,472,969	47,191
Library services	1,488,030	1,488,030	1,458,598	29,432
Development services	1,717,585	1,717,585	1,575,944	141,641
Information services	419,000	419,000	399,098	19,902
Administrative services	1,930,920	1,930,920	1,779,798	151,122
Community development	25,000	25,000	25,000	-
General services	9,265,115	4,732,965	4,649,244	83,721
Total expenditures	95,806,940	88,056,755	86,904,820	1,151,935
Revenues over (under) expenditures	(500,000)	7,250,185	9,266,269	2,016,084
OTHER FINANCING SOURCES (USES)				
Transfers out	-	(8,770,185)	(8,770,185)	-
Total other financing sources (uses)	-	(8,770,185)	(8,770,185)	-
Net change in budgetary fund balance	\$ (500,000)	\$ (1,520,000)	496,084	\$ 2,016,084
BUDGETARY FUND BALANCE, beginning			13,710,273	
Non-budgeted transfer			539,456	
BUDGETARY FUND BALANCE, ending			\$ 14,745,813	

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, 2009

	Business-Type Activities - Enterprise Funds			Governmental
	Landfill	Other Nonmajor Enterprise Funds	Total	Internal Service Fund Activities
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 26,452,179	\$ 1,073,250	\$ 27,525,429	\$ 3,701,243
Receivables:				
Customer receivables, net	548,693	134,285	682,978	23,589
Due from other funds	-	-	-	29,015
Total current assets	27,000,872	1,207,535	28,208,407	3,753,847
Noncurrent assets:				
Capital assets (net of accumulated depreciation)	166,674	18,947	185,621	-
Total noncurrent assets	166,674	18,947	185,621	-
Total assets	27,167,546	1,226,482	28,394,028	3,753,847
LIABILITIES				
Current liabilities:				
Accounts payable	62,310	67,963	130,273	180,305
Accrued claims payable	-	-	-	1,179,378
Accrued post closure costs	1,397,254	-	1,397,254	-
Unearned revenue	-	18,418	18,418	-
Due to other funds	-	120,000	120,000	-
Total current liabilities	1,459,564	206,381	1,665,945	1,359,683
Noncurrent liabilities:				
Accrued post closure costs	33,534,093	-	33,534,093	-
Compensated absences	15,895	45,555	61,450	-
Total noncurrent liabilities	33,549,988	45,555	33,595,543	-
Total liabilities	35,009,552	251,936	35,261,488	1,359,683
NET ASSETS (DEFICITS)				
Invested in capital assets	166,674	18,947	185,621	-
Unrestricted	(8,008,680)	955,599	(7,053,081)	2,394,164
Total net assets (deficits)	\$ (7,842,006)	\$ 974,546	\$ (6,867,460)	\$ 2,394,164

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, 2009

	Business-Type Activities - Enterprise Funds			Governmental
	Landfill	Other	Total	Activities
		Nonmajor Enterprise Funds		Internal Service Fund
OPERATING REVENUES				
User charges	\$ 2,064,217	\$ 1,987,891	\$ 4,052,108	\$ 6,620,360
Total operating revenues	<u>2,064,217</u>	<u>1,987,891</u>	<u>4,052,108</u>	<u>6,620,360</u>
OPERATING EXPENSES				
Operations and maintenance	1,527,598	1,876,573	3,404,171	7,175,450
Depreciation	15,169	20,545	35,714	-
Total operating expenses	<u>1,542,767</u>	<u>1,897,118</u>	<u>3,439,885</u>	<u>7,175,450</u>
Operating income (loss)	<u>521,450</u>	<u>90,773</u>	<u>612,223</u>	<u>(555,090)</u>
NONOPERATING REVENUES (EXPENSES)				
Interest income	523,396	13,982	537,378	42,091
Transfers out	-	(90,000)	(90,000)	-
Total nonoperating revenues (expenses)	<u>523,396</u>	<u>(76,018)</u>	<u>447,378</u>	<u>42,091</u>
Net income (loss)	<u>1,044,846</u>	<u>14,755</u>	<u>1,059,601</u>	<u>(512,999)</u>
NET ASSETS (DEFICITS), beginning	<u>(8,886,852)</u>	<u>959,791</u>	<u>(7,927,061)</u>	<u>2,907,163</u>
NET ASSETS (DEFICITS), ending	<u>\$ (7,842,006)</u>	<u>\$ 974,546</u>	<u>\$ (6,867,460)</u>	<u>\$ 2,394,164</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, 2009

	Business-Type Activities - Enterprise Funds			Governmental
	Other Nonmajor			Activities
	Landfill	Enterprise Funds	Total	Internal Service Fund
Cash Flows From Operating Activities				
Receipts from customers and users	\$ 1,789,595	\$ 1,951,846	\$ 3,741,441	\$ 6,604,949
Payments to suppliers	(308,809)	(712,918)	(1,021,727)	(6,874,026)
Payments to employees	(520,175)	(1,164,520)	(1,684,695)	-
Net cash provided by (used in) operating activities	960,611	74,408	1,035,019	(269,077)
Cash Flows From Noncapital Financing Activities				
Payment of due to other funds	-	(30,000)	(30,000)	46,100
Transfers out	-	(90,000)	(90,000)	-
Net cash used by noncapital financing activities	-	(120,000)	(120,000)	46,100
Cash Flows From Investing Activities				
Interest received	523,396	13,982	537,378	42,091
Net cash provided by investing activities	523,396	13,982	537,378	42,091
Net increase (decrease) in cash and cash equivalents	1,484,007	(31,610)	1,452,397	(180,886)
Cash and Cash Equivalents				
Beginning	24,968,172	1,104,860	26,073,032	3,882,129
Ending	<u>\$ 26,452,179</u>	<u>\$ 1,073,250</u>	<u>\$ 27,525,429</u>	<u>\$ 3,701,243</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities				
Operating income (loss)	\$ 521,450	\$ 90,773	\$ 612,223	\$ (555,090)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	15,168	20,545	35,713	-
Changes in assets and liabilities:				
(Increase) decrease in receivable accounts	(274,621)	(25,867)	(300,488)	(15,411)
(Decrease) increase in accounts payable	(129,530)	(865)	(130,395)	133,050
Increase in accrued liabilities	828,144	(10,178)	817,966	168,374
Net cash provided by (used in) operating activities	\$ 960,611	\$ 74,408	\$ 1,035,019	\$ (269,077)

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, 2009

	Pension Trust Fund	Agency Funds
ASSETS		
Cash and cash equivalents	\$ 752,998	\$ 1,174,172
Investments		
Common and preferred stock	9,533,618	-
Debt securities	12,154,470	-
Equity mutual funds	14,002,849	-
Corporate debt	3,861,502	-
Total investments	39,552,439	-
Other receivables	330,922	-
Total assets	40,636,359	1,174,172
LIABILITIES		
Accounts payable	-	1,174,172
Net Assets Held in Trust for Pension Benefits	\$ 40,636,359	\$ -

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, 2009

	<u>Pension Trust Fund</u>
Additions	
Contributions	
Employer	\$ 834,453
Plan members	361,825
Total contributions	<u>1,196,278</u>
Investment Income (Loss)	
Net depreciation in fair value of investments	(6,866,521)
Interest and dividends	1,058,644
	<u>(5,807,877)</u>
Less investment expenses:	
Investment management fees	270,046
	<u>270,046</u>
Total investment loss	<u>(6,077,923)</u>
Deductions	
Benefits	2,191,240
	<u>2,191,240</u>
Change in net assets	(7,072,885)
Net Assets	
Beginning of year	47,709,244
	<u>47,709,244</u>
End of year	<u>\$ 40,636,359</u>

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

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS

June 30, 2009

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

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2009

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 are generally recorded when a liability is incurred except for debt service expenditures, as well as expenditures related to compensated absences, pension obligations, claims and judgments, and other post-employment benefits which are recorded only when payment is due (matured).

Property taxes when levied for, intergovernmental revenue when eligibility requirements are met, licenses, charges for services and interest associated with the current fiscal period are all considered to be measurable and so have been recognized as revenues of the current fiscal period, if available. All other revenue items are considered to be measurable and available 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, 2009

Additionally, the Town reports the following fund types:

Internal Service Funds account for all general health, 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 defined 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 are used for performance bonds, adult education, scholarships and escrows.

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, which include premium charges and claims. 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 assets and liabilities at the date of

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2009

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, notes receivable and CDBG 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 stated 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 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.

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

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2009

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.

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:

<u>Assets</u>	<u>Years</u>
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, 2009

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 post-closure

The Town accounts for the cost and estimated costs for closure and post-closure care costs in its Landfill Fund. The Landfill Fund is an enterprise fund. Enterprise funds account for the estimated total current costs of landfill closure and post-closure 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, 2009

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 Activities

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.

Net other post-employment benefit obligations

In fiscal year 2009, the Town implemented GASB Statement No. 45, "Accounting and Financial Reporting by Employers for Post-employment Benefits Other than Pensions." This pronouncement required the Town to calculate and record a net other post-employment benefit obligation (NOPEBO) at June 30, 2009. The NOPEBO is, in general, the cumulative difference between the actuarial required contribution and the actual contributions since July 1, 2008. The Town makes annual contributions based upon budgetary decisions using the actuarial valuation.

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 reduce this category.

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2009

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.

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 \$45,108,366 difference are as follows:

Bonds payable	\$ 39,265,000
Compensated absences	768,186
Deferred loss on refunding, net of amortization	(675,294)
Deferred gain on refunding	398,599
OPEB	4,491,000
Deferred premiums on refunding, net of amortization	<u>860,875</u>
Net adjustment to reduce fund balance – total governmental funds to arrive at net assets – governmental activities	<u>\$ 45,108,366</u>

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2009

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 allocated over their estimated useful lives and reported as depreciation expense.” The details of this \$185,065 difference are as follows:

Capital outlay	\$ 5,401,694
Depreciation expense	(4,985,130)
Loss on disposal	<u>(231,499)</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u><u>\$ 185,065</u></u>

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2009

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 \$3,413,214 difference are as follows:

Principal repayments:	
General obligation debt	\$ 4,363,000
Payment to escrow	18,740,000
Deferred loss on refunding	(69,468)
Debt issued or incurred:	
Issuance of general obligation bonds	(18,625,000)
Bond premium	(587,875)
Deferred gain	(398,599)
Deferred charges related to refunding	<u>(8,844)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u><u>\$ 3,413,214</u></u>

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 \$(4,220,115) difference are as follows:

Compensated absences	\$ 33,680
OPEB obligation	(4,491,000)
Accrued interest	<u>237,205</u>
Net adjustment to decrease net changes in fund balances – total governmental funds to arrive at changes in net assets of governmental activities	<u><u>\$ (4,220,115)</u></u>

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2009

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 approximately \$1,000,000 as a result of fund balance and revenue appropriations during the year ended June 30, 2009. The additional appropriations were approved in accordance with the Town Charter.

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2009

- 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:

	Revenues and Transfers	Expenditures and Transfers
Balance, GAAP basis	\$ 101,042,545	\$ 99,644,658
State Teachers Retirement payments made by State Department of Education on behalf of the Town, not recognized for budgetary purposes	(4,332,000)	(4,332,000)
Non-budgeted transfer	(539,456)	-
Encumbrances:		
June 30, 2008	-	(160,497)
June 30, 2009	-	522,844
Balance, budgetary basis	<u>\$ 96,171,089</u>	<u>\$ 95,675,005</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, including the Debt Service Fund. 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, 2009

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, 2009

- 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.

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, 2009, approximately \$15,214,000 of the Town's bank balance of approximately \$17,810,000 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. The Town and the pension trust funds do not have custodial credit risk policies for investments.

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2009

Cash and investments of the Town consist of the following at June 30, 2009:

Cash and Cash Equivalents		
Deposits with financial institutions	\$	15,353,182
State of Connecticut Short-Term Investment fund		51,524,876
Tax Exempt Proceeds Fund		371,466
Total cash and cash equivalents		<u>67,249,524</u>
Pension Trust Funds:		
U.S. Government Securities		2,971,007 *
U.S. Government Agencies		9,183,463 *
Corporate Debt		3,861,502 *
Common and Preferred Stocks		9,533,618 *
Equity Mutual Funds		14,002,849
Total pension investments		<u>39,552,439</u>
Total cash, cash equivalents and investments	\$	<u>106,801,963</u>

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

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

Statement of Net Assets		
Cash and cash equivalents	\$	<u>65,322,354</u>
Fiduciary Funds:		
Cash and cash equivalents		1,927,170
Investments		39,552,439
		<u>41,479,609</u>
Total cash and investments	\$	<u>106,801,963</u>

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2009

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		
		Less Than 1 Year	1-5 Years	6-10 Years
U.S. Government Securities	\$ 2,971,007	\$ -	\$ 1,864,190	\$ 1,106,817
U.S. Government Agencies	9,183,463	-	8,683,573	499,890
Corporate Debt	3,861,502	-	2,890,137	971,365
Pooled Fixed Income	51,896,342	51,896,342	-	-
Total	\$ 67,912,314	\$ 51,896,342	\$ 13,437,900	\$ 2,578,072

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. The Town does not have a formal policy for deposit or investment risk. Presented below is the minimum rating as required for each debt type investment.

Average Rating	Pooled Fixed Income	U.S. Government Agencies
AAA	\$ -	\$ 9,183,463
AAAm	51,524,876	-
Unrated	371,466	-
Total	\$ 51,896,342	\$ 9,183,463

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2009

Note 5. Capital Assets

Capital asset activity for the year ended June 30, 2009 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 4,388,005	\$ -	\$ -	\$ 4,388,005
Construction in progress	3,975,708	1,327,491	193,038	5,110,161
Total capital assets, not being depreciated	<u>8,363,713</u>	<u>1,327,491</u>	<u>193,038</u>	<u>9,498,166</u>
Capital assets, being depreciated:				
Buildings and improvements	115,699,709	430,904	-	116,130,613
Machinery and equipment	17,231,324	872,936	1,485,298	16,618,962
Infrastructure	85,589,620	2,963,401	-	88,553,021
Total capital assets being depreciated	<u>218,520,653</u>	<u>4,267,241</u>	<u>1,485,298</u>	<u>221,302,596</u>
Less accumulated depreciation for:				
Buildings and improvements	46,121,738	2,550,432	-	48,672,170
Machinery and equipment	14,293,176	605,414	1,253,799	13,644,791
Infrastructure	64,725,994	1,829,284	-	66,555,278
Total accumulated depreciation	<u>125,140,908</u>	<u>4,985,130</u>	<u>1,253,799</u>	<u>128,872,239</u>
Total capital assets, being depreciated, net	<u>93,379,745</u>	<u>(717,889)</u>	<u>231,499</u>	<u>92,430,357</u>
Governmental activities				
capital assets, net	<u>\$ 101,743,458</u>	<u>\$ 609,602</u>	<u>\$ 424,537</u>	<u>\$ 101,928,523</u>

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2009

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, being depreciated:				
Buildings and improvements	\$ 388,711	\$ -	\$ -	\$ 388,711
Machinery and equipment	3,089,310	-	-	3,089,310
Total capital assets, being depreciated	<u>3,478,021</u>	-	-	<u>3,478,021</u>
Less accumulated depreciation for:				
Buildings and improvements	253,958	5,479	-	259,437
Machinery and equipment	3,002,728	30,235	-	3,032,963
Total accumulated depreciation	<u>3,256,686</u>	<u>35,714</u>	-	<u>3,292,400</u>
Total business-type capital assets, net	<u>\$ 221,335</u>	<u>\$ (35,714)</u>	<u>\$ -</u>	<u>\$ 185,621</u>

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

Governmental activities:	
Board of Education	\$ 3,281,565
General Government	115,528
Culture and Recreation	603,112
Human Services	26,781
Public Works	175,302
Public Safety	<u>782,842</u>
Total depreciation expense – governmental activities	<u>\$ 4,985,130</u>
Business-type activities:	
Landfill	\$ 15,169
Adult Caring Connection	<u>20,545</u>
Total depreciation expense – business-type activities	<u>\$ 35,714</u>

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2009

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, 2009 is presented below:

	Due From Other Funds	Due To Other Funds
General Fund	\$ 498,874	\$ 32,757
Capital Projects	120,000	-
Non-Major Governmental Funds	3,742	498,874
Non-Major Enterprise Funds	-	120,000
Internal Service Fund	29,015	-
	<u>\$ 651,631</u>	<u>\$ 651,631</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, 2009 were as follows:

	Transfers From Other Funds	Transfers To Other Funds
General Fund	\$ 539,456	\$ 8,770,185
Capital Projects	2,361,886	6,800
Non-Major Governmental Funds	6,534,330	568,687
Non-Major Enterprise Funds	-	90,000
	<u>\$ 9,435,672</u>	<u>\$ 9,435,672</u>

Transfers primarily consisted of 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, 2009

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 report unearned 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	\$ 947,793	\$ -
School construction grant receivable	1,253,304	-
Other receivables	28,682	-
Prepaid program fees	-	68,370
Total	\$ 2,229,779	\$ 68,370

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2009

Note 8. Long-Term Liabilities

A summary of changes in outstanding long-term obligations during the year ended June 30, 2009 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 43,743,000	\$ 18,625,000	\$ 23,103,000	\$ 39,265,000	\$ 4,500,000
Premiums on refunding	273,000	776,854	188,979	860,875	-
Deferred gain on refunding	-	465,032	66,433	398,599	-
Less deferred loss on refunding	(744,762)		(69,468)	(675,294)	-
	<u>43,271,238</u>	<u>19,866,886</u>	<u>23,288,944</u>	<u>39,849,180</u>	<u>4,500,000</u>
Other long-term liabilities:					
Compensated absences	801,866	51,673	85,353	768,186	100,000
Other post-employment benefits	-	6,389,000	1,898,000	4,491,000	-
	<u>801,866</u>	<u>6,440,673</u>	<u>1,983,353</u>	<u>5,259,186</u>	<u>100,000</u>
Governmental activity long-term liabilities	<u>\$ 44,073,104</u>	<u>\$ 26,307,559</u>	<u>\$ 25,272,297</u>	<u>\$ 45,108,366</u>	<u>\$ 4,600,000</u>
Business-type activities:					
Other long-term liabilities:					
Compensated absences	\$ 74,820	\$ 10,430	\$ 3,316	\$ 81,934	\$ 20,484
Landfill post closure costs	34,103,203	828,144	-	34,931,347	1,397,254
Total other long-term liabilities	<u>34,178,023</u>	<u>838,574</u>	<u>3,316</u>	<u>35,013,281</u>	<u>1,417,738</u>
Business-type activity long-term liabilities	<u>\$ 34,178,023</u>	<u>\$ 838,574</u>	<u>\$ 3,316</u>	<u>\$ 35,013,281</u>	<u>\$ 1,417,738</u>

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2009

General obligation bonds

As of June 30, 2009, the outstanding general obligation bonds of the Town was as follows:

Purpose	Maturity Ranges	Issued	Interest Rate	Original Amount	Balance 6/30/2009
GENERAL PURPOSE					
PUBLIC IMPROVEMENTS	\$227,000-\$234,000	1991	6.4-6.6	\$ 4,165,000	\$ 687,000
PUBLIC IMPROVEMENTS REFUND	\$119,060-\$242,920	2001	4.0-5.0	3,882,820	382,120
PUBLIC IMPROVEMENTS	\$20,000-\$25,000	2002	3.0-5.0	245,000	100,000
PUBLIC IMPROVEMENTS	\$10,000-\$230,000	2004	2.5-5.00	4,725,000	595,000
PUBLIC IMPROVEMENTS	\$63,000-\$112,000	2004	2.0-5.0	1,726,000	1,648,000
PUBLIC IMPROVEMENTS	\$320,000-\$350,000	2005	3.0-4.8	5,745,000	1,600,000
PUBLIC IMPROVEMENTS	\$20,000-\$80,000	2006	4.0-5.0	2,000,000	1,775,000
PUBLIC IMPROVEMENTS	\$125,000-\$180,000	2007	4.0-5.5	1,555,000	1,305,000
PUBLIC IMPROVEMENTS	\$202,000-\$1,505,000	2008	3.25-5.0	3,743,000	3,425,000
PUBLIC IMPROVEMENTS REFUNDING	\$190,000-\$1,330,000	2009	2.0-4.0	8,806,000	8,806,000
TOTAL GENERAL PURPOSE				\$ 36,592,820	\$ 20,323,120
SCHOOLS					
SCHOOL GEN. OBLIGATION	\$46,000-\$53,000	1991	6.4-6.6	\$ 835,000	\$ 138,000
SCHOOL GEN. OBLIGATION	\$260,000-\$390,000	2001	4.0-5.0	5,800,000	1,052,880
SCHOOL GEN. OBLIGATION	\$150,000-\$225,000	2002	3.0-5.0	4,000,000	200,000
SCHOOL GEN. OBLIGATION	\$10,000-\$20,000	2003	3.0-4.75	550,000	-
SCHOOL GEN. OBLIGATION	\$15,000-\$230,000	2004	2.5-5.00	5,195,000	605,000
SCHOOL GEN. OBLIGATION	\$12,000-\$415,000	2004	2.0-5.0	7,274,000	7,127,000
SCHOOL REFUNDING	\$190,000-\$1,330,000	2009	2.0-4.0	9,819,000	9,819,000
TOTAL SCHOOLS				33,473,000	18,941,880
GRAND TOTAL				\$ 70,065,820	\$ 39,265,000

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2009

The following is a summary as of June 30, 2009, of the future principal and interest requirements for the Town's general obligation bonds:

Fiscal Year Ending	Principal	Interest	Total
2010	\$ 4,500,000	\$ 1,225,248	\$ 5,725,248
2011	4,355,000	1,163,529	5,518,529
2012	3,865,000	1,027,669	4,892,669
2013	3,440,000	912,446	4,352,446
2014	3,410,000	806,808	4,216,808
2015	3,155,000	703,403	3,858,403
2016	3,155,000	595,774	3,750,774
2017	3,100,000	473,970	3,573,970
2018	2,920,000	355,655	3,275,655
2019	2,575,000	245,338	2,820,338
2020	2,575,000	150,209	2,725,209
2021	965,000	82,859	1,047,859
2022	555,000	51,444	606,444
2023	560,000	28,919	588,919
2024	135,000	5,738	140,738
Total	<u>\$ 39,265,000</u>	<u>\$ 7,829,009</u>	<u>\$ 47,094,009</u>

2009 General Obligation Bond – In-substance Defeasance

On March 26, 2009, the Town issued \$18,625,000 of general obligation bonds with interest rates ranging from 2.0% to 4.0% of which was used to advance refund portions of the outstanding principal amounts of the general obligation bonds of the Town dated March 1, 2001, March 1, 2002, March 1, 2003, March 1, 2004, April 1, 2004 and June 15, 2005 (the "Refunding Bonds"). Of the net proceeds of \$19,401,854 (after payment of \$196,822 in underwriters fees and other costs), \$19,205,032 was placed in an irrevocable trust fund under an Escrow Agreement dated April 2009 between the Town and the Escrow Holder. The Escrow Holder used the proceeds to purchase a portfolio of non-callable direct obligations of the United States of America ("Government Obligations"). The Government Obligations will have maturities and interest rates sufficient to pay principal and interest payments and redemption premiums on the Refunding Bonds on the date the payments are due.

The Town advance refunded the above bonds to obtain an economic gain (difference between the present values of the debt service payments on the old and net debt) of approximately \$972,000, and a savings of approximately \$1,326,000 between the old debt payments and the new debt payments.

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2009

The balance in the escrow was approximately \$20 million at June 30, 2009. The balance of the defeased bonds was approximately \$18.7 million at June 30, 2009. As a result, the refunded bonds are considered defeased and the liability has been removed from the basic financial statements.

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, 2009 was approximately \$403,000. Additional payments for principal and interest aggregating approximately \$1,379,000 are expected to be received through the bonds maturity.

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:

<u>Category</u>	<u>Debt Limit</u>	<u>Indebtedness</u>	<u>Balance</u>
General purpose	\$ 172,363,374	\$ 24,423,120	\$ 147,940,254
Unfunded Pension Benefit Obligation	229,817,832	-	229,817,832
Schools	344,726,748	17,688,576	327,038,172
Sewers	287,272,290	-	287,272,290
Urban renewal	248,969,318	-	248,969,318

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation, or approximately \$536,255,608.

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 financial statements. At June 30, 2009, the Town's portion of defeased bonds outstanding, but removed from the Town's government-wide financial statements was approximately \$4,075,000.

Bonds authorized but unissued

Total authorized but unissued debt at June 30, 2009 consists of the following:

General purpose	<u><u>\$ 565,000</u></u>
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TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2009

Bond anticipation notes

In June 2009, the Town issued \$3,535,000 in bond anticipation notes, which have an interest rate of 1.5% and mature in June 2010.

Bond anticipation note transactions for the year ended June 30, 2009 were as follows:

Outstanding, July 1, 2008	\$ 2,345,000
New borrowings	3,535,000
Repayments	(2,345,000)
Outstanding, June 30, 2009	<u>\$ 3,535,000</u>

Note 9. 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.

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2009

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.

The membership in the PERS at July 1, 2007 is comprised of the following:

Retirees and beneficiaries currently receiving benefits	136
Vested terminated employees	25
Active employees:	
Fully vested	245
Non-vested	125
Total	<u>531</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 5.47% 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. The benefits and refunds of the plan are recognized when due and payable in accordance with the terms of the plan.

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2009

Annual Pension Cost and Net Pension Obligation

The Town's annual pension cost and net pension asset to the PERS for the year ended June 30, 2009 were as follows:

Annual required contribution	\$ 834,453
Interest on net pension obligation	-
Adjustment to annual required contribution	-
Annual pension cost	<u>834,453</u>
Contributions made	<u>834,453</u>
Decrease in net pension asset	-
Net pension obligation, July 1, 2008	-
Net pension asset, June 30, 2009	<u><u>\$ -</u></u>

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

Actuarial valuation date	July 1, 2007
Actuarial cost method	Projected Unit Credit Cost Method
Amortization method	Level Dollar Open
Remaining amortization period	30 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>	
Inflation	3.0 – 3.5%

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2009

TREND INFORMATION

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Asset
6/30/07	\$ 737,493	100%	\$ -
6/30/08	\$ 827,855	100%	\$ -
6/30/09	\$ 834,453	100%	\$ -

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Overfunded AAL	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
July 1, 2007	\$ 48,961,596	\$ 43,855,272	\$ 5,106,324	111.6%	\$ 15,265,451	0.0%

* Subsequent to the most recent valuation date, certain economic events have had a significant adverse impact on investment portfolios. As such, these market downturns may have a significant effect on the funded ratio and on future required contributions.

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Year Ended June 30,	Annual Required Contribution	Percentage Contributed
6/30/04	\$ 637,615	100%
6/30/05	763,468	100%
6/30/06	572,985	100%
6/30/07	737,493	100%
6/30/08	827,855	100%
6/30/09	834,453	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

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2009

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 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, 2009, 2008 and 2007 were \$615,739, \$559,082 and \$548,385, equal to the required contributions for each year.

Connecticut State Teachers' Retirement System

The faculty and professional 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 credited 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 State of Connecticut Teacher Retirement System 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 reports may be obtained by writing to the State of Connecticut, Office of the State Comptroller, 55 Elm Street, Hartford, Connecticut 06106.

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 was 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 \$4,332,000 for the year ended June 30, 2009.

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2009

Note 10. Other Post-Employment Benefits

In addition to providing pension benefits, the Town instituted a policy providing 50% to 75% of certain health care benefits for retired employees. Substantially all of the Town's employees may become eligible for those benefits, if they retire under a normal retirement or with disability.

Post retirement benefits

From an accrual accounting perspective, the cost of postemployment healthcare benefits, like the cost of pension benefits, generally should be associated with the periods in which the cost occurs, rather than in the future year when it will be paid. In adopting the requirements of GASB Statement No. 45 during the year ended June 30, 2009, the Town recognizes the cost of postemployment healthcare in the year when the employee services are received, disclosed the accumulated liability from prior years, and provides information useful in assessing potential demands on the Town's future cash flows. Recognition of the liability accumulated from prior years will be phased in over 30 years, commencing with the 2009 liability.

Plan description

The Town provides post-employment benefits for certain employees for current and future health and life insurance benefit expenses through a single-employer defined benefit plan. A bi-annual actuarial valuation is made to determine whether the contributions are sufficient to meet the plan obligations. The latest actuarial valuation was made July 1, 2007. The post-retirement plan does not issue stand-alone financial reports.

The contribution requirements of plan members and the Town are established and may be amended by the Town. The Town determines the required contribution using the Projected Unit Credit Method.

Membership in the plan consisted of the following at July 1, 2007, the date of the last actuarial valuation.

Retirees and beneficiaries receiving benefits	251
Active plan members	<u>686</u>
Total	<u><u>937</u></u>

The Town's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The actuarial accrued liability as of July 1, 2007 is estimated to be \$66,013,000. The Town's contributions represent payments made for premiums for insured individuals on a pay-as-you-go method.

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2009

The Town's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation was as follows:

Fiscal Year Ending	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/09	\$ 6,389,000	\$ 1,898,000	29.71%	\$ 4,491,000

OPEB Obligation

Annual required contribution	\$ 6,389,000
Interest on net pension obligation	-
Annual OPEB cost	6,389,000
Contributions made	1,898,000
Increase in net OPEB liability	4,491,000
Net OPEB obligation, beginning of year	-
Net OPEB obligation, end of year	<u>\$ 4,491,000</u>

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Underfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
July 1, 2007	\$ -	\$ 66,013,000	\$ (66,013,000)	0.0%	N/A	N/A

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued

June 30, 2009

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The information presented was determined as part of the actuarial valuation. Additional information as of the last actuarial valuations follows:

Valuation Date:	July 1, 2007
Actuarial Cost Method:	Projected Unit Credit
Asset Valuation Method:	Market Value
Amortization Method:	Level Percent of Pay
Remaining Amortization Period	30 Years
Actuarial Assumptions:	
Discount rate	4.00%
Salary increase rate	4.00%
Inflation rate	None
Health cost trend rates	Average annual healthcare cost trend rates are assumed to be as follows:

Year	Decrease
2009	8%
2010	7%
2011	6%
2012	5%
2013	4%
2014 and later	4%

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 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 on an actuarial basis.

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2009

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,
2007-08	\$ 776,566	\$ 6,730,067	\$ 6,495,629	\$ 1,011,004
2008-09	\$ 1,011,004	\$ 7,343,824	\$ 7,175,450	\$ 1,179,378

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 \$12,186,749 or 8.90% of the debt of the District Fund Deficits.

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2009

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 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 Post-closure 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 \$34,931,347 reported as landfill closure and post-closure care liability at June 30, 2009, is \$828,144 more than the liability reported on June 30, 2008. 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 94%. This decrease or adjustment in estimated closure costs accrued to date directly increases the operating income for the Landfill Enterprise Fund in fiscal year 2009. The landfill will recognize the remaining estimated cost of closure and post-closure care of \$2,228,653 as the remaining capacity is filled. These amounts are based on what it would cost to perform all closure and post-closure care at 2009 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 engineering and construction procedures will be required.

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". It is anticipated that no additional amount will be required from the Towns upon closure of the landfill.

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.

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2009

Note 14. Fund Deficits

The following funds had net fund deficits as of June 30, 2009:

Landfill Fund	\$	7,842,006
Cafeteria Fund		81,782
Treehouse		162,308

The deficits 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. 51, *Accounting and Financial Reporting for Intangible Assets* will be implemented by the Town as required by the GASB during the fiscal year ending June 30, 2010. The statement requires that all intangible assets not specifically excluded by its scope provisions be classified as capital assets. The statement also provides authoritative guidance that specifically addresses the nature of these intangible assets.
- ◆ GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments* will be implemented by the Town as required by the GASB during the fiscal year ending June 30, 2010. The statement is intended to improve how state and local governments report information about derivative instruments – financial arrangements used by governments to manage specific risks or make investments – in their financial statements.
- ◆ GASB Statement Number 54, *Fund Balance Reporting and Governmental Fund Type Definitions* will be implemented by the Town as required by the GASB during the fiscal year ending June 30, 2010. This statement establishes accounting and financial reporting standards for all governments that report governmental funds. This statement establishes the criteria for classifying fund balances into specifically defined classifications and clarifies definitions for governmental fund types.

TOWN OF WINDSOR, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2009

- ◆ GASB Statement Number 56, *Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards* will be implemented by the Town as required by the GASB during the fiscal year ending June 30, 2010. This Statement establishes accounting and financial reporting standards for related party transactions, subsequent events, and going concern considerations for all state and local governments.

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**Required Supplementary
Information**

TOWN OF WINDSOR, CONNECTICUT

REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2009

SCHEDULE OF FUNDING PROGRESS - PENSION TRUST

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 ((b-a)/c)
July 1, 2002	\$ 35,716,064	\$ 31,041,467	\$ 4,674,597	115.1%	\$ 12,536,129	0.0%
July 1, 2003	37,973,828	32,146,951	5,826,877	118.1%	13,131,981	0.0%
July 1, 2004	40,520,462	34,163,256	6,357,206	118.6%	13,274,916	0.0%
July 1, 2005	42,994,540	37,665,616	5,328,924	114.2%	14,101,531	0.0%
July 1, 2006	45,594,279	41,130,295	4,463,984	110.9%	14,776,977	0.0%
July 1, 2007*	48,961,596	43,855,272	5,106,324	111.6%	15,265,451	0.0%

SCHEDULE OF FUNDING PROGRESS - OPEB

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 ((b-a)/c)
July 1, 2007*	\$ -	\$ 66,013,000	\$ 66,013,000	0.0%	N/A	N/A

Historical Trend Information – The schedules of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, present multi-year trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the AALs for benefits.

- * Subsequent to the most recent valuation date, certain economic events have had a significant adverse impact on investment portfolios. As such, these market downturns may have a significant effect on the funded ratio and on future required contributions.

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**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, 2009

	Special Revenue		
	Educational Grant Program	Cafeteria	Community Rehabilitation Program
ASSETS			
Cash and cash equivalents	\$ 214,600	\$ 24,697	\$ 470,796
Intergovernmental receivables	8,205	116,171	-
Community rehabilitation loans, net	-	-	1,617,525
Accounts receivable	-	-	-
Due from other funds	3,742	-	-
Inventories	-	8,104	-
Total assets	\$ 226,547	\$ 148,972	\$ 2,088,321
LIABILITIES AND FUND BALANCES (DEFICITS)			
Liabilities			
Accounts payable	\$ 28,671	\$ 42,224	\$ 14,876
Unearned revenue	34,295	-	-
Deferred revenue	-	-	-
Due to other funds	163,581	188,530	-
Total liabilities	226,547	230,754	14,876
Fund balances (deficits)			
Reserved for inventory	-	8,104	-
Reserved for loans to participants	-	-	1,617,525
Unreserved and undesignated	-	(89,886)	455,920
Total fund balances (deficits)	-	(81,782)	2,073,445
Total liabilities and fund balances (deficits)	\$ 226,547	\$ 148,972	\$ 2,088,321

Special Revenue			Debt Service	Totals
Other Special Revenue Funds	J. Bartash Trust Fund	Treehouse	Debt Service	
\$ 3,359,637	\$ 17,565	\$ 19,294	\$ 349,563	\$ 4,456,152
-	-	-	-	124,376
-	-	-	-	1,617,525
157,247	-	44,511	-	201,758
-	-	-	-	3,742
-	-	-	-	8,104
<u>\$ 3,516,884</u>	<u>\$ 17,565</u>	<u>\$ 63,805</u>	<u>\$ 349,563</u>	<u>\$ 6,411,657</u>
\$ 89,937	\$ -	\$ 19,264	\$ 22,813	\$ 217,785
-	-	34,075	-	68,370
-	-	26,011	-	26,011
-	-	146,763	-	498,874
<u>89,937</u>	<u>-</u>	<u>226,113</u>	<u>22,813</u>	<u>811,040</u>
-	-	-	-	8,104
-	-	-	-	1,617,525
3,426,947	17,565	(162,308)	326,750	3,974,988
<u>3,426,947</u>	<u>17,565</u>	<u>(162,308)</u>	<u>326,750</u>	<u>5,600,617</u>
<u>\$ 3,516,884</u>	<u>\$ 17,565</u>	<u>\$ 63,805</u>	<u>\$ 349,563</u>	<u>\$ 6,411,657</u>

TOWN OF WINDSOR, CONNECTICUT

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS)

NONMAJOR GOVERNMENTAL FUNDS

For the Year Ending June 30, 2009

	Special Revenue		
	Educational Grant Programs	Cafeteria	Community Rehabilitation Program
REVENUES			
Intergovernmental	\$ 2,266,405	\$ 685,313	\$ 249,494
Sale of food	-	1,408,270	-
Income from investments	-	303	17,726
Charges for services	-	-	-
Other	-	9,614	264
Total revenues	2,266,405	2,103,500	267,484
EXPENDITURES			
General government	-	-	184,184
Culture & recreation	-	-	-
Human Services	-	-	-
Education	2,266,405	2,062,487	-
Public works	-	-	-
Public safety	-	-	-
Debt service	-	-	-
Total expenditures	2,266,405	2,062,487	184,184
Revenues over (under) expenditures	-	41,013	83,300
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	-	-	-
Issuance of refunding bonds	-	-	-
Premium on bonds issued	-	-	-
Payments made to escrow	-	-	-
Total other financing sources (uses)	-	-	-
Change in fund balances (deficits)	-	41,013	83,300
FUND BALANCES (DEFICITS), beginning	-	(122,795)	1,990,145
FUND BALANCES (DEFICITS), ending	\$ -	\$ (81,782)	\$ 2,073,445

Special Revenue			Debt Service	Totals
Other Special Revenue Funds	J. Bartash Trust Fund	Treehouse	Debt Service	
\$ 1,116,804	\$ -	\$ 631,947	\$ -	\$ 4,949,963
-	-	-	-	1,408,270
41,297	284	-	-	59,610
1,347,138	-	-	-	1,347,138
-	-	-	33,547	43,425
<u>2,505,239</u>	<u>284</u>	<u>631,947</u>	<u>33,547</u>	<u>7,808,406</u>
129,601	-	-	-	313,785
1,261,090	-	-	-	1,261,090
305,661	-	-	-	305,661
159,507	-	703,918	-	5,192,317
220,435	-	-	-	220,435
437,895	300	-	-	438,195
-	-	-	6,271,961	6,271,961
<u>2,514,189</u>	<u>300</u>	<u>703,918</u>	<u>6,271,961</u>	<u>14,003,444</u>
(8,950)	(16)	(71,971)	(6,238,414)	(6,195,038)
482,200	-	-	6,052,130	6,534,330
(568,687)	-	-	-	(568,687)
-	-	-	18,625,000	18,625,000
-	-	-	776,854	776,854
-	-	-	(19,205,032)	(19,205,032)
<u>(86,487)</u>	<u>-</u>	<u>-</u>	<u>6,248,952</u>	<u>6,162,465</u>
(95,437)	(16)	(71,971)	10,538	(32,573)
<u>3,522,384</u>	<u>17,581</u>	<u>(90,337)</u>	<u>316,212</u>	<u>5,633,190</u>
<u>\$ 3,426,947</u>	<u>\$ 17,565</u>	<u>\$ (162,308)</u>	<u>\$ 326,750</u>	<u>\$ 5,600,617</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, 2009

	Child Development	Adult Caring Connection	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 551,502	\$ 521,748	\$ 1,073,250
Customer receivable, net	2,928	131,357	134,285
Total current assets	554,430	653,105	1,207,535
Noncurrent Assets:			
Capital assets (net of accumulated depreciation)	-	18,947	18,947
Total assets	554,430	672,052	1,226,482
LIABILITIES			
Current liabilities:			
Accounts payable and accrued liabilities	43,719	24,244	67,963
Unearned revenue	18,418	-	18,418
Due to other funds	-	120,000	120,000
Total current liabilities	62,137	144,244	206,381
Noncurrent liabilities:			
Compensated absences	35,119	10,436	45,555
Total noncurrent liabilities	35,119	10,436	45,555
Total liabilities	97,256	154,680	251,936
NET ASSETS			
Invested in capital assets	-	18,947	18,947
Unrestricted	457,174	498,425	955,599
Total net assets	\$ 457,174	\$ 517,372	\$ 974,546

TOWN OF WINDSOR, CONNECTICUT

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

For the Year Ending June 30, 2009

	Child Development	Adult Caring Connection	Total
Operating Revenues			
Charges for services	\$ 1,242,989	\$ 744,902	\$ 1,987,891
Operating Expenses			
Salaries and benefits	799,754	364,767	1,164,521
Depreciation	-	20,545	20,545
Administrative expenses	213,847	121,307	335,154
Repairs and maintenance	17,187	16,967	34,154
Fuel and utilities	24,199	14,959	39,158
Outside services	67,827	54,774	122,601
Rent expense	111,985	69,000	180,985
Total operating expenses	1,234,799	662,319	1,897,118
Operating income	8,190	82,583	90,773
Nonoperating Revenues (Expenses)			
Transfers out	-	(90,000)	(90,000)
Interest income	6,637	7,345	13,982
Total nonoperating revenues (expenses)	6,637	(82,655)	(76,018)
Change in net assets	14,827	(72)	14,755
Net Assets, beginning of year	442,347	517,444	959,791
Net Assets, end of year	\$ 457,174	\$ 517,372	\$ 974,546

TOWN OF WINDSOR, CONNECTICUT

COMBINING STATEMENT OF CASH FLOWS - NONMAJOR ENTERPRISE FUNDS

For the Year Ended June 30, 2009

	Child Development	Adult Caring Connection	Totals
Cash Flows From Operating Activities			
Receipts from customers and users	\$ 1,232,599	\$ 719,247	\$ 1,951,846
Payments to suppliers	(442,550)	(270,368)	(712,918)
Payments to employees	(799,754)	(364,766)	(1,164,520)
Net cash (used in) provided by operating activities	(9,705)	84,113	74,408
Cash Flows From Noncapital Financing Activities			
Due to other funds	-	(30,000)	(30,000)
Transfers out	-	(90,000)	(90,000)
Net cash used by noncapital financing activities	-	(120,000)	(120,000)
Cash Flows From Investing Activities			
Interest received	6,637	7,345	13,982
Net decrease in cash and cash equivalents	(3,068)	(28,542)	(31,610)
Cash and Cash Equivalents			
Beginning	554,570	550,290	1,104,860
Ending	<u>\$ 551,502</u>	<u>\$ 521,748</u>	<u>\$ 1,073,250</u>
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities			
Operating income	\$ 8,190	\$ 82,583	\$ 90,773
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:			
Depreciation	-	20,545	20,545
Changes in assets and liabilities:			
Increase in accounts receivable	(212)	(25,655)	(25,867)
(Increase) decrease in accounts payable	(7,505)	6,640	(865)
Decrease in unearned revenue	(10,178)	-	(10,178)
Net cash (used in) provided by operating activities	\$ (9,705)	\$ 84,113	\$ 74,408

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Fiduciary Funds

FIDUCIARY FUNDS

Fiduciary Funds – are used to account for assets held in a trustee capacity for others and include Agency Funds.

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

Education Escrow Fund

Student Activity Fund

Adult Education

Performance Bonds

Town Escrow

Scholarship Fund

TOWN OF WINDSOR, CONNECTICUT

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
AGENCY FUNDS**

For the Year Ended June 30, 2009

	Balance July 1, 2008	Additions	Deletions	Balance June 30, 2009
EDUCATION ESCROW				
Assets				
Cash and cash equivalents	\$ 187,354	\$ 1,460,865	\$ 1,305,419	\$ 342,800
Liabilities				
Accounts payable	\$ 187,354	\$ 1,460,865	\$ 1,305,419	\$ 342,800
STUDENT ACTIVITY FUNDS				
Assets				
Cash and cash equivalents	\$ 288,541	\$ 749,994	\$ 805,223	\$ 233,312
Liabilities				
Accounts payable	\$ 288,541	\$ 749,994	\$ 805,223	\$ 233,312
ADULT EDUCATION				
Assets				
Cash and cash equivalents	\$ 58,238	\$ 41,610	\$ 66,444	\$ 33,404
Liabilities				
Accounts payable	\$ 58,238	\$ 41,610	\$ 66,444	\$ 33,404
PERFORMANCE BONDS				
Assets				
Cash and cash equivalents	\$ 495,076	\$ 87,512	\$ 107,856	\$ 474,732
Liabilities				
Accounts payable	\$ 495,076	\$ 87,512	\$ 107,856	\$ 474,732
TOWN ESCROW				
Assets				
Cash and cash equivalents	\$ 5,350	\$ 19	\$ -	\$ 5,369
Liabilities				
Accounts payable	\$ 5,350	\$ 19	\$ -	\$ 5,369

(Continued)

TOWN OF WINDSOR, CONNECTICUT

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
 AGENCY FUNDS, Continued
 For the Year Ended June 30, 2009**

	Balance July 1, 2008	Additions	Deletions	Balance June 30, 2009
SCHOLARSHIP FUNDS				
Assets				
Cash and cash equivalents	\$ 86,430	\$ 2,825	\$ 4,700	\$ 84,555
Liabilities				
Accounts payable	\$ 86,430	\$ 2,825	\$ 4,700	\$ 84,555
TOTAL AGENCY FUNDS				
Assets				
Cash and cash equivalents	\$ 1,120,989	\$ 2,342,825	\$ 2,289,642	\$ 1,174,172
Liabilities				
Accounts payable	\$ 1,120,989	\$ 2,342,825	\$ 2,289,642	\$ 1,174,172

Capital Asset Schedule

TOWN OF WINDSOR, CONNECTICUT

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

June 30, 2009

	Land	Buildings	Machinery and Equipment	Construction in Progress	Infrastructure	Totals
General Government	\$ 199,858	\$ 218,717	\$ 395,916	\$ -	\$ -	\$ 814,491
Education	324,612	50,751,154	359,805	-	-	51,435,571
Culture and recreation	1,799,890	8,732,896	398,048	-	-	10,930,834
Human services	300,544	144,147	118,500	-	-	563,191
Public services	312,078	6,841,903	1,308,461	-	-	8,462,442
Public works	1,451,023	769,626	393,441	5,110,161	21,997,743	29,721,994
Total	\$ 4,388,005	\$ 67,458,443	\$ 2,974,171	\$ 5,110,161	\$ 21,997,743	\$ 101,928,523

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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, 2009

Grand List Year	Balance Uncollected July 1, 2008	Current Levy	Lawful Corrections		Transfers to Suspense	Balance to be Collected
			Additions	Deletions		
2007	\$ -	\$ 76,230,165	\$ 329,455	\$ (184,900)	\$ -	\$ 76,374,720
2006	864,604	-	9,038	(13,157)	-	860,485
2005	327,561	-	1,487	(6,715)	(193,398)	128,935
2004	24,647	-	356	(4,095)	(188)	20,720
2003	12,905	-	198	(4,109)	-	8,994
2002	6,902	-	377	(2,103)	(340)	4,836
2001	7,657	-	199	(4,087)	-	3,769
2000	4,628	-	-	(3,912)	-	716
1999	4,355	-	156	(3,723)	(156)	632
1998	5,967	-	130	(5,098)	(130)	869
1997	5,762	-	136	(4,963)	(136)	799
1996	5,504	-	-	(4,850)	-	654
1995	5,223	-	-	(4,603)	-	620
1994	5,045	-	-	(4,446)	-	599
1993	4,775	-	-	(4,313)	-	462
	<u>\$ 1,285,535</u>	<u>\$ 76,230,165</u>	<u>\$ 341,532</u>	<u>\$ (255,074)</u>	<u>\$ (194,348)</u>	<u>\$ 77,407,810</u>

Suspense collections

Total collections

Collections				Balance Uncollected June 30, 2009
Taxes	Interest	Fees	Total	
\$ 75,475,905	\$ 275,851	\$ 312	\$ 75,752,068	\$ 898,815
539,867	125,513	2,871	668,251	320,618
79,295	25,897	689	105,881	49,640
8,666	2,587	96	11,349	12,054
807	605	38	1,450	8,187
585	501	24	1,110	4,251
731	582	24	1,337	3,038
-	-	-	-	716
-	-	-	-	632
-	-	-	-	869
-	-	-	-	799
-	-	-	-	654
-	-	-	-	620
-	-	-	-	599
-	-	-	-	462
76,105,856	431,536	4,054	76,541,446	1,301,954
Less: Allowance for doubtful accounts				350,000
				<u>\$ 951,954</u>
34,985	29,513	-	94,498	
<u>\$ 76,140,841</u>	<u>\$ 461,049</u>	<u>\$ 4,054</u>	<u>\$ 76,635,944</u>	

TOWN OF WINDSOR, CONNECTICUT

SCHEDULE OF CHANGES IN BOND INDEBTEDNESS

For the Year Ended June 30, 2009

Description	Interest Rate (%)	Year	Maturity	Amount
Bonded debt:				
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
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
School General Obligation Bonds	5.0-6.5	2000	1/15/20	825,000
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, 2008	Additions	Retirements	Balance June 30, 2009
\$	-	\$ -	\$ -	\$ -
	916,000	-	229,000	687,000
	184,000	-	46,000	138,000
	-	-	-	-
	105,000	-	105,000	-
	170,000	-	170,000	-
	105,000	-	105,000	-
	2,219,270	-	1,837,150	382,120
	195,000	-	195,000	-
	520,000	-	260,000	260,000
	4,590,730	-	3,797,850	792,880
	400,000	-	300,000	100,000
	3,000,000	-	2,800,000	200,000
	1,340,000	-	1,340,000	-
	425,000	-	425,000	-
	960,000	-	685,000	275,000
	3,730,000	-	3,400,000	330,000
	1,370,000	-	1,120,000	250,000
	2,035,000	-	1,690,000	345,000

(Continued)

TOWN OF WINDSOR, CONNECTICUT

SCHEDULE OF CHANGES IN BOND INDEBTEDNESS, Continued
 For the Year Ended June 30, 2009

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	3.0/4.0/4.8	2005	6/15/25	5,745,000
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
Public Improvements	4.0/5.0	2007	6/15/17	1,555,000
Public Improvements	3.25-5.0	2008	6/15/23	3,743,000
Public Improvements Refunding	2.0/2.5/4.0	2009	8/01/19	8,806,000
School Refunding	2.0/2.5/4.0	2009	8/01/19	9,819,000
TOTAL				

Balance			Balance	
July 1, 2008		Additions	Retirements	June 30, 2009
\$	187,000	\$ -	\$ 12,000	\$ 175,000
	2,757,000	-	-	2,757,000
	4,225,000	-	30,000	4,195,000
	818,000	-	63,000	755,000
	893,000	-	-	893,000
	5,425,000	-	3,825,000	1,600,000
	472,000	-	50,000	422,000
	1,528,000	-	175,000	1,353,000
	1,430,000	-	125,000	1,305,000
	3,743,000	-	318,000	3,425,000
	-	8,806,000	-	8,806,000
	-	9,819,000	-	9,819,000
\$	43,743,000	\$ 18,625,000	\$ 23,103,000	\$ 39,265,000

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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.

Contents

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. 88

Revenue Capacity

These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax. 100

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. 108

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place. 114

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs. 120

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TOWN OF WINDSOR, CONNECTICUT

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

	Fiscal Year		
	2003	2004	2005
Governmental activities:			
Invested in capital assets, net of related debt	\$ 37,493,839	\$ 35,633,107	\$ 35,903,258
Unrestricted	20,076,262	22,099,832	25,875,738
Total governmental activities net assets	\$ 57,570,101	\$ 57,732,939	\$ 61,778,996
Business-type activities:			
Invested in capital assets, net of related debt	\$ 697,959	\$ 620,776	\$ 39,977
Unrestricted	(21,735,508)	(16,636,890)	(15,758,142)
Total business-type activities net assets	\$ (21,037,549)	\$ (16,016,114)	\$ (15,718,165)
Primary government:			
Invested in capital assets, net of related debt	\$ 38,191,798	\$ 36,253,883	\$ 35,943,235
Unrestricted	(1,659,246)	5,462,942	10,117,596
Total primary government net assets	\$ 36,532,552	\$ 41,716,825	\$ 46,060,831

GASB Statement No. 34 implemented in Fiscal Year 2003, and as such, only seven years are shown.

Fiscal Year			
2006	2007	2008	2009
\$ 36,691,713	\$ 58,558,140	\$ 59,634,623	\$ 63,449,890
27,301,646	29,708,858	29,429,858	23,962,246
<u>\$ 63,993,359</u>	<u>\$ 88,266,998</u>	<u>\$ 89,064,481</u>	<u>\$ 87,412,136</u>
\$ 416,215	\$ 324,863	\$ 221,335	\$ 185,621
(13,260,106)	(10,939,282)	(8,148,396)	(7,053,081)
<u>\$ (12,843,891)</u>	<u>\$ (10,614,419)</u>	<u>\$ (7,927,061)</u>	<u>\$ (6,867,460)</u>
\$ 37,107,928	\$ 58,883,003	\$ 59,855,958	\$ 63,635,511
14,041,540	18,769,576	21,281,462	16,909,165
<u>\$ 51,149,468</u>	<u>\$ 77,652,579</u>	<u>\$ 81,137,420</u>	<u>\$ 80,544,676</u>

TOWN OF WINDSOR, CONNECTICUT

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

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

GASB Statement No. 34 implemented in Fiscal Year 2003, and as such, only seven years are shown.

Fiscal Year			
2006	2007	2008	2009
\$ 9,915,592	\$ 11,124,017	\$ 12,368,532	\$ 10,226,562
3,373,174	3,579,110	3,932,257	4,329,481
1,676,685	1,394,386	1,475,799	1,545,945
5,395,578	7,830,059	7,900,922	6,420,709
62,706,704	64,184,074	68,566,869	75,436,627
8,485,227	8,896,151	9,157,357	10,161,628
1,800,092	1,565,521	1,759,337	2,424,721
93,353,052	98,573,318	105,161,073	110,545,673
2,299,076	2,635,732	2,048,943	1,542,767
1,086,384	1,112,628	1,197,174	1,234,799
520,913	567,040	610,401	662,319
3,906,373	4,315,400	3,856,518	3,439,885
97,259,425	102,888,718	109,017,591	113,985,558
2,940,997	4,942,301	2,960,987	1,860,882
754,944	773,190	852,132	791,531
104,716	129,631	106,330	190,175
21,880	389,095	66,075	122,262
1,620,243	1,690,607	1,797,684	1,685,284
316,712	459,739	588,112	239,645
948,699	1,560,661	3,484,538	584,945
89,484	528,657	77,013	469,411
30,869	144,525	174,974	83,513
202,330	353,997	205,717	50,620
16,099,415	14,769,094	19,477,942	21,514,592
148,985	154,746	65,236	280,373
-	-	-	16,920
933,034	1,159,255	54,135	172,744
24,212,308	27,055,498	29,910,875	28,062,897

TOWN OF WINDSOR, CONNECTICUT

Changes In Net Assets, Continued
Last Seven Fiscal Years
(accrual basis of accounting)

	Fiscal Year		
	2003	2004	2005
Business-type activities:			
Charges for services:			
Landfill	2,627,673	7,652,733	2,581,762
Child development	1,054,687	1,088,460	1,071,303
Adult caring connection	423,786	436,822	553,990
Total business-type activities			
program revenues	4,106,146	9,178,015	4,207,055
Total primary government program			
revenues	24,724,865	30,420,682	27,260,918
Net (expense) revenue:			
Governmental activities	(58,997,153)	(65,406,845)	(64,063,124)
Business-type activities	(3,075,750)	5,116,954	1,472
Total primary government net expense	(62,072,903)	(60,289,891)	(64,061,652)
General revenues and other changes in net assets:			
Governmental activities:			
Property taxes	58,496,073	62,525,330	64,924,875
Grants and contributions not restricted to			
specific programs	2,743,559	2,352,383	2,031,800
Unrestricted investment earnings	790,900	515,430	1,152,506
Miscellaneous	-	-	-
Transfers	179,155	176,540	-
Total governmental activities	62,209,687	65,569,683	68,109,181
Business-type activities:			
Unrestricted investment earnings	132,753	81,021	296,477
Transfers	(179,155)	(176,540)	-
Total business-type activities	(46,402)	(95,519)	296,477
Total primary government	62,163,285	65,474,164	68,405,658
Extraordinary			
State Teachers' on-behalf payments	-	-	-
State Teachers' on-behalf revenue	-	-	-
Changes in net assets:			
Governmental activities	3,212,534	162,838	4,046,057
Business-type activities	(3,122,152)	5,021,435	297,949
Total primary government	\$ 90,382	\$ 5,184,273	\$ 4,344,006

GASB Statement No. 34 implemented in Fiscal Year 2003, and as such, only seven years are shown.

Fiscal Year			
2006	2007	2008	2009
4,576,077	4,020,021	3,645,534	2,064,217
1,118,647	1,146,713	1,168,468	1,242,989
569,973	600,271	645,399	744,902
6,264,697	5,767,005	5,459,401	4,052,108
30,477,005	32,822,503	35,370,276	32,115,005
(69,140,744)	(71,517,820)	(75,250,198)	(82,482,776)
2,358,324	1,451,605	1,602,883	612,223
(66,782,420)	(70,066,215)	(73,647,315)	(81,870,553)
67,159,495	69,017,335	71,318,509	76,625,138
1,944,629	2,627,975	2,587,585	2,710,019
2,160,983	2,680,848	2,141,587	974,090
-	-	-	431,184
90,000	-	-	90,000
71,355,107	74,326,158	76,047,681	80,830,431
605,950	777,867	1,084,475	537,378
(90,000)	-	-	(90,000)
515,950	777,867	1,084,475	447,378
71,871,057	75,104,025	77,132,156	81,277,809
-	-	(16,366,000)	-
-	-	16,366,000	-
-	-	-	-
2,214,363	2,808,338	797,483	(1,652,345)
2,874,274	2,229,472	2,687,358	1,059,601
\$ 5,088,637	\$ 5,037,810	\$ 3,484,841	\$ (592,744)

TOWN OF WINDSOR, CONNECTICUT

Program Revenues by Function/Program

Last Seven Fiscal Years

(accrual basis of accounting)

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

GASB Statement No. 34 implemented in Fiscal Year 2003, and as such, only seven years are shown.

Fiscal Year			
2006	2007	2008	2009
\$ 3,889,696	\$ 6,502,962	\$ 6,445,525	\$ 2,462,747
844,428	1,301,847	929,145	1,260,942
135,585	274,156	281,304	273,688
224,210	743,092	271,792	345,626
18,652,692	17,618,956	21,329,761	23,199,876
465,697	614,485	653,348	520,018
24,212,308	27,055,498	29,910,875	28,062,897
4,576,077	4,020,021	3,645,534	2,064,217
1,118,647	1,146,713	1,168,468	1,242,989
569,973	600,271	645,399	744,902
6,264,697	5,767,005	5,459,401	4,052,108
\$ 30,477,005	\$ 32,822,503	\$ 35,370,276	\$ 32,115,005

TOWN OF WINDSOR, CONNECTICUT

Fund Balances, Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal Year			
	2000	2001	2002	2003
General Fund:				
Reserved/Designated	\$ 594,755	\$ 300,290	\$ 156,097	\$ 390,848
Unreserved	5,880,338	6,141,459	7,114,101	6,492,477
Total General Fund	\$ 6,475,093	\$ 6,441,749	\$ 7,270,198	\$ 6,883,325
All Other Governmental Funds:				
Reserved	\$ 5,925,184	\$ 23,906,276	\$ 8,656,012	\$ 3,709,231
Unreserved, reported in:				
Special revenue funds	2,443,615	2,573,117	2,930,701	3,280,885
Debt service funds	-	-	-	169,500
Capital projects funds	1,371,985	(7,076,147)	472,476	1,136,388
Total all other government funds	\$ 9,740,784	\$ 19,403,246	\$ 12,059,189	\$ 8,296,004

Fiscal Year						
2004	2005	2006	2007	2008	2009	
\$ 494,639	\$ 672,235	\$ 906,732	\$ 1,341,582	\$ 701,255	\$ 1,728,469	
7,226,301	8,852,536	10,116,866	12,268,996	13,169,515	13,540,188	
<u>\$ 7,720,940</u>	<u>\$ 9,524,771</u>	<u>\$ 11,023,598</u>	<u>\$ 13,610,578</u>	<u>\$ 13,870,770</u>	<u>\$ 15,268,657</u>	
\$ 2,720,243	\$ 5,280,999	\$ 1,752,125	\$ 2,727,171	\$ 2,589,674	\$ 2,638,450	
3,086,465	3,114,867	3,049,496	3,120,411	3,773,977	3,648,238	
-	5,892	330,006	374,557	316,212	326,750	
3,748,654	3,962,317	4,432,038	4,959,362	5,897,137	4,296,255	
<u>\$ 9,555,362</u>	<u>\$ 12,364,075</u>	<u>\$ 9,563,665</u>	<u>\$ 11,181,501</u>	<u>\$ 12,577,000</u>	<u>\$ 10,909,693</u>	

TOWN OF WINDSOR, CONNECTICUT

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

	Fiscal Year			
	2000	2001	2002	2003
Revenues:				
Property taxes	\$ 46,723,633	\$ 49,514,476	\$ 54,072,438	\$ 58,684,319
Intergovernmental	16,151,600	19,675,067	22,665,288	19,774,504
Charges for services	848,288	1,360,790	1,431,540	5,162,861
Investment income	2,097,570	2,653,814	1,198,977	708,183
Other	3,651,864	4,467,700	5,458,422	63,358
Total revenues	69,472,955	77,671,847	84,826,665	84,393,225
Expenditures:				
Education	42,356,370	45,321,252	48,817,000	51,064,204
General government	4,107,144	6,221,559	6,474,084	6,829,885
Culture & recreation	3,086,567	2,836,807	3,018,405	3,202,924
Human services	327,154	671,728	703,426	809,886
Public safety	5,476,220	5,870,306	6,097,867	6,631,135
Public works	5,344,146	3,904,852	3,824,999	4,054,776
Capital outlay	5,230,464	12,401,632	20,459,368	11,196,549
Debt service:				
Principal	2,350,000	2,375,000	2,405,000	2,400,000
Interest	1,571,112	1,619,619	2,073,651	2,191,532
Total expenditures	69,849,177	81,222,755	93,873,800	88,380,891
Excess of revenues (under expenditures)	(376,222)	(3,550,908)	(9,047,135)	(3,987,666)
Other financing sources (uses):				
Transfers in	5,025,923	5,316,379	5,769,154	5,788,841
Transfers out	(7,626,487)	(7,466,380)	(8,192,736)	(8,328,548)
Issuance of long-term debt	5,565,000	15,145,385	4,955,000	2,360,000
Proceeds of refunding bonds	-	11,840,000	-	-
Payment to refunded bond escrow agent	-	(11,894,742)	-	-
Premium (discount) on long-term debt	-	239,357	-	-
Total other financing sources (uses)	2,964,436	13,179,999	2,531,418	(179,707)
Extraordinary Items				
State Teacher's on-behalf payments	-	-	-	-
State Teacher's on-behalf revenues	-	-	-	-
	-	-	-	-
Net changes in fund balance	\$ 2,588,214	\$ 9,629,091	\$ (6,515,717)	\$ (4,167,373)
Debt service as a percentage of noncapital expenditures	6.5%	6.2%	6.5%	6.3%

							Fiscal Year					
							2004	2005	2006	2007	2008	2009
\$	62,484,349	\$	65,305,954	\$	66,518,496	\$	68,138,291	\$	71,336,266	\$	76,562,176	
	17,221,656		20,016,051		20,615,304		23,124,106		26,644,488		26,222,871	
	5,923,793		5,431,000		5,751,732		8,323,821		6,029,904		4,861,097	
	487,314		1,032,966		2,153,617		2,617,648		2,141,587		974,090	
	258,120		233,716		97,204		389,254		880,872		431,184	
	86,375,232		92,019,687		95,136,353		102,593,120		107,033,117		109,051,418	
	53,835,587		56,712,356		60,199,619		62,350,202		66,572,503		68,513,854	
	7,300,691		8,859,785		9,374,448		10,395,260		10,469,204		10,246,729	
	3,336,166		3,135,121		3,105,934		3,237,562		3,518,880		3,709,140	
	860,718		1,500,025		1,531,655		1,382,043		1,456,296		1,515,876	
	6,360,942		6,980,615		7,877,132		8,367,585		8,580,942		8,799,842	
	4,242,296		4,825,141		5,090,350		5,457,772		5,500,331		5,820,515	
	3,431,405		5,565,439		5,745,462		3,100,481		6,974,255		4,729,743	
	3,380,000		3,725,000		3,665,000		3,805,000		4,225,000		4,363,000	
	2,246,939		1,990,158		1,938,336		1,847,399		1,823,015		1,908,961	
	84,994,744		93,293,640		98,527,936		99,943,304		109,120,426		109,607,660	
	1,380,488		(1,273,953)		(3,391,583)		2,649,816		(2,087,309)		(556,242)	
	7,225,073		6,199,793		6,422,153		7,142,489		7,949,387		9,435,672	
	(10,028,509)		(6,199,793)		(6,332,153)		(7,142,489)		(7,949,387)		(9,345,672)	
	3,385,000		5,745,000		2,000,000		1,555,000		3,743,000		18,625,000	
	6,535,000		9,000,000		-		-		-		776,854	
	(6,550,142)		(8,866,373)		-		-		-		(19,205,032)	
	150,063		7,870		-		-		-		-	
	716,485		5,886,497		2,090,000		1,555,000		3,743,000		286,822	
	-		-		-		-		(16,366,000)		-	
	-		-		-		-		16,366,000		-	
	-		-		-		-		-		-	
\$	2,096,973	\$	4,612,544	\$	(1,301,583)	\$	4,204,816	\$	1,655,691	\$	(269,420)	
	7.4%		7.0%		6.4%		6.2%		5.8%		6.0%	

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
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
2007	53,728,711	8,179,172	5,764,603	67,672,486
2008	55,659,741	9,298,661	5,827,550	70,785,952
2009	59,125,526	10,709,068	5,641,311	75,475,905

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
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
2007	1,290,055,340	325,320,740	204,604,820	30,552,480	332,285,896	181,808,230
2008	1,307,015,550	344,197,987	220,992,873	31,809,820	366,594,174	184,853,593
2009	1,338,018,870	412,253,460	320,434,590	7,076,440	424,977,643	190,257,671

Source: Town Assessor's Records - Prior Board of Assessment appeals

Total Taxable Assessed Value	Percent Growth	Total Direct Tax Rate	Actual Taxable Value	Value as a Percentage of Actual Value
\$ 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%
2,364,627,506	1.42%	29.30	2,303,286,906	56.74%
2,455,463,997	4.27%	29.30	2,401,738,780	50.73%
2,693,018,674	9.67%	29.30	2,590,539,164	54.00%

TOWN OF WINDSOR, CONNECTICUT

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

Taxpayer	2009			Taxpayer	2000		
	Taxable Assessed Value	Rank	Percentage of Total Town Taxable Assessed Value		Taxable Assessed Value	Rank	Percentage of Total Town Taxable Assessed Value
Walgreens	\$ 113,459,740	1	4.38%	Aetna	\$ 64,145,990	1	3.14%
Griffin Land & Affiliates	50,310,970	2	1.94	ABB Combustion	57,313,630	2	2.80
IBM & Affiliates	41,733,079	3	1.61	Cigna	39,106,560	3	1.91
Cigna	38,418,037	4	1.48	Griffin Land & Affiliates	28,940,630	4	1.42
Northeast Utilities	38,021,937	5	1.47	Stanadyne Automotive	27,718,360	5	1.36
Ferraina & Affiliates	32,481,104	6	1.25	GPT-Windsor LLC	24,218,770	6	1.18
Advo, Inc	24,714,933	7	0.95	Crown Properties LP	19,345,900	7	0.95
ABB Combustion	20,750,086	8	0.80	Konica & Affiliates	16,401,790	8	0.80
Aetna Life Insurance	20,479,767	9	0.79	New Boston LP	14,443,730	9	0.71
Windsor Marriot	19,903,213	10	0.77	Emhart	12,643,060	10	0.62
Total	\$ 400,272,866		15.45%		\$ 304,278,420		14.88%

Source: Town Assessor's 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
2000	1998	\$ 46,572,130	\$ 46,053,666	98.89
2001	1999	49,308,632	48,683,768	98.73
2002	2000	53,896,626	53,183,017	98.68
2003	2001	58,464,014	57,588,217	98.50
2004	2002	62,034,181	61,264,110	98.76
2005	2003	65,083,579	64,366,789	98.90
2006	2004	66,125,430	65,358,104	98.83
2007	2005	68,003,799	67,097,273	98.67
2008	2006	70,937,721	70,073,117	98.78
2009	2007	76,374,720	75,475,905	98.82

Source: Town Tax Records

Collections in Subsequent Years	Total Collections to Date	
	Amount	Percentage of Levy
\$ 486,455	\$ 46,540,121	99.93
564,828	49,248,596	99.88
601,135	53,784,152	99.79
723,655	58,311,872	99.74
587,462	61,851,572	99.71
608,845	64,975,634	99.83
586,339	65,944,443	99.73
648,681	67,745,954	99.62
539,866	70,612,983	99.54
-	75,475,905	-

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	Percentage of Per Capita Income	Per Capita
	General Obligation Bonds	Less Amount Available in Debt Service	Net General Bonded Debt				
2000	\$ 29,070,000	\$ -	\$ 29,070,000	1.29%	\$ 942	N/A	N/A
2001	42,415,000	-	42,415,000	1.42%	1,059	N/A	N/A
2002	44,965,000	-	44,965,000	2.57%	1,502	N/A	N/A
2003	44,925,000	-	44,925,000	2.54%	1,592	N/A	N/A
2004	45,515,000	-	45,515,000	2.48%	1,596	N/A	N/A
2005	48,140,000	-	48,140,000	2.13%	1,688	N/A	N/A
2006	46,475,000	-	46,475,000	1.99%	1,620	N/A	N/A
2007	44,225,000	-	44,225,000	1.84%	1,536	N/A	N/A
2008	43,743,000	-	43,743,000	1.82%	1,510	N/A	N/A
2009	39,265,000	-	39,265,000	1.52%	1,355	N/A	N/A

Source: Town Records

N/A - Not Available.

TOWN OF WINDSOR, CONNECTICUT

Direct Governmental Activities Debt
For the Year Ended June 30, 2009
(Unaudited)

Governmental Unit	Debt Outstanding
General obligation debt	\$ 39,265,000
Less school construction grants receivable - principal portion only	<u>1,253,304</u>
Total direct debt	<u><u>\$ 38,011,696</u></u>

TOWN OF WINDSOR, CONNECTICUT

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

	2000	2001	2002	2003
Debt limit	\$ 327,299,000	\$ 345,989,000	\$ 346,000,000	\$ 378,732,515
Total net debt applicable to limit	44,175,000	46,975,000	44,240,900	62,306,576
Legal debt margin	283,124,000	299,014,000	301,759,100	316,425,939
Total net debt applicable to the limit as a percentage of debt limit	13.50%	13.58%	12.79%	16.45%

	2004	2005	2006	2007	2008	2009
\$	409,397,583	\$ 433,667,479	\$ 465,253,446	\$ 476,993,454	\$ 499,151,226	\$ 536,255,608
	67,890,707	52,836,789	54,756,185	45,410,454	44,834,962	42,111,696
	341,506,876	380,830,690	410,497,261	431,583,000	454,316,264	494,143,912
	16.58%	12.18%	11.77%	9.52%	8.98%	7.85%

TOWN OF WINDSOR, CONNECTICUT

SCHEDULE OF DEBT LIMITATION

June 30, 2009

Total tax collections (including interest and lien fees) for the year ended June 30, 2009 \$ 76,605,944

Reimbursement for revenue loss:

Tax relief for elderly 2,000

Base \$ 76,607,944

Debt limit \$ 536,255,608

Debt Limitation	General Purpose	Schools	Sewer	Urban Renewal	Unfunded Pension Benefit Obligation
2-1/4 times base	\$ 172,363,374	\$ -	\$ -	\$ -	\$ -
4-1/2 times base	-	344,726,748	-	-	-
3-3/4 times base	-	-	287,272,290	-	-
3-1/4 times base	-	-	-	248,969,318	-
3 times base	-	-	-	-	229,817,832
Total debt limitation	<u>172,363,374</u>	<u>344,726,748</u>	<u>287,272,290</u>	<u>248,969,318</u>	<u>229,817,832</u>
Debt as defined by statute:					
Bonds payable	20,323,120	18,941,880	-	-	-
Bond anticipation notes payable	3,535,000	-	-	-	-
School construction grants	-	(1,253,304)	-	-	-
Bonds authorized but not issued	565,000	-	-	-	-
Total indebtedness	<u>24,423,120</u>	<u>17,688,576</u>	<u>-</u>	<u>-</u>	<u>-</u>
Debt Limitation in excess of indebtedness	<u>\$ 147,940,254</u>	<u>\$ 327,038,172</u>	<u>\$ 287,272,290</u>	<u>\$ 248,969,318</u>	<u>\$ 229,817,832</u>

TOWN OF WINDSOR, CONNECTICUT

Calculation of Net Direct Debt and Current Debt Ratios

Last Ten Fiscal Years

(Unaudited)

Fiscal Year	Population	Governmental Activities					Total Overall net Debt (1)	Direct Debt Per Capita	Net Direct Debt Per Capita	Overall Net Debt Per Capita	Net Taxable Grand List (2)	Direct Debt to Net Taxable G/L	Net Direct Debt to Net Taxable G/L	Overall Net Debt to Net Taxable G/L
		General Obligation Bonds	Notes	Total Direct Debt	State Grants Receivable	Net Direct Debt								
2000	\$ 28,237	29,070,000	5,350,000	34,420,000	5,466,591	28,953,409	33,803,261	1,219	1,025	1,197	2,044,129,510	1.68%	1.42%	1.65%
2001	28,260	42,415,000	-	42,415,000	4,874,431	37,540,569	43,049,823	1,501	1,328	1,523	1,650,906,160	2.57%	2.27%	2.61%
2002	28,519	44,965,000	1,690,000	46,655,000	4,425,830	42,229,170	50,095,264	1,636	1,481	1,757	1,712,678,000	2.72%	2.47%	2.92%
2003	28,565	44,925,000	1,690,000	46,615,000	3,977,228	42,637,772	50,325,926	1,632	1,493	1,762	1,768,511,335	2.64%	2.41%	2.85%
2004	28,652	45,515,000	1,705,000	47,220,000	3,258,070	43,961,930	51,834,387	1,648	1,534	1,809	1,836,550,760	2.57%	2.39%	2.82%
2005	28,565	48,140,000	-	48,140,000	3,108,398	45,031,602	53,270,423	1,685	1,576	1,865	2,243,767,090	2.15%	2.01%	2.37%
2006	28,674	46,475,000	-	46,475,000	2,617,422	43,857,578	51,529,376	1,621	1,530	1,797	2,284,745,107	2.03%	1.92%	2.26%
2007	28,800	44,225,000	1,950,000	46,175,000	2,106,546	44,068,454	51,051,238	1,603	1,530	1,773	2,302,560,156	2.01%	1.91%	2.22%
2008	28,977	43,743,000	2,345,000	46,088,000	1,593,038	44,494,962	55,648,239	1,591	1,536	1,920	2,401,738,780	1.92%	1.85%	2.32%
2009	28,977	39,265,000	3,535,000	42,800,000	1,253,304	41,546,696	53,733,445	1,477	1,434	1,854	2,590,539,164	1.65%	1.60%	2.07%

(1) Includes net overlapping Debt and Underlying Debt

(2) Based on Board of Assessment Appeals - Gross taxable for FY2009 \$2,692,954,044

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
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%
2007	28,800	N/A	N/A	N/A	4,150	4.1%
2008	28,977	N/A	N/A	N/A	4,098	4.2%
2009	28,977	N/A	N/A	N/A	3,966	8.0%

Source: Town Clerk's Records, School Department Records

N/A - Not Available.

TOWN OF WINDSOR, CONNECTICUT

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

Employer	2009			Employer	2000		
	Employees	Rank	Percentage of Total Town Employment		Employees	Rank	Percentage of Total Town Employment
ING	1,850	1	7.82%	Asea Brown Boveri	2,400	1	12.69%
Hartford Life	1,400	2	5.92%	Stanadyne, Inc.	1,200	2	6.35%
Alstom Power Systems	1,350	3	5.71%	Aetna	1,200	3	6.35%
Town of Windsor	864	4	3.65%	UTC/Pratt Whitney	1,100	4	5.82%
Northeast Utilities	600	5	2.54%	Town of Windsor	866	5	4.58%
Konica Minolta	450	6	1.90%	Hartford Life	800	6	4.23%
Permasteelisa	400	7	1.69%	AMS Services	550	7	2.91%
Cigna	400	8	1.69%	Konica, Inc.	525	8	2.78%
Westinghouse Electric Co.	380	9	1.61%	ADVO, Inc.	450	9	2.38%
Valassis	350	10	1.48%	Moore Business Forms	450	10	2.38%
Sunlife Financial Services	350	11	1.48%	CIGNA	400	11	2.12%
SS&C	350	12	1.48%	Barnes Group	350	12	1.85%
Bank America	300	13	1.27%	Unisource	350	13	1.85%
Aetna	300	14	1.27%	Xerox	350	14	1.85%
Stanadyne, Inc	300	15	1.27%	SS&C	350	15	1.85%

Sources: Town Records

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				
	2000	2001	2002	2003	2004
<u>Police</u>					
Administration	6.00	7.00	7.25	6.50	6.00
Support Services	13.00	10.00	10.00	13.00	15.00
Uniformed Patrol	47.30	50.30	50.30	48.30	48.80
Animal Control	1.00	1.00	1.00	1.00	1.00
<u>Fire</u>					
Fire and Rescue Services	1.00	1.00	1.00	1.00	1.00
<u>Parks and Recreation</u>					
Recreation		28.50	28.65	29.85	29.15
Northwest Park Education/Recreation	6.90	6.25	6.25	6.75	6.25
Northwest Park Facility/Property Mgt.	2.60	2.50	2.50	2.50	2.50
<u>Human Services</u>					
Senior Services	9.90	4.90	4.25	5.25	4.80
Transportation					
Youth Services Bureau					
Healthy People Program			0.50	2.50	2.50
Social Services		5.00	5.33	5.66	5.00
<u>Health Services</u>					
Inspection and Regulation	2.10	2.00	2.15	2.15	2.01
Disease prevention and Control	1.30	2.40	2.48	2.48	2.35
Clinic Services	0.60	0.60	0.71	0.71	0.64
Emergency Management					
<u>Library Services</u>					
Adult and Teen Services	11.00	11.00	11.00	11.00	10.50
Main Library	0.75	0.75	0.75	0.75	0.75
Children's Services	4.15	4.15	4.15	3.85	3.85
Wilson Services	3.05	3.35	3.45	3.45	3.45
<u>Development Services</u>					
Building Safety	5.00	5.00	6.00	6.00	6.25
Economic Development	1.00	1.00	1.00	1.00	1.00
Planning	3.00	3.00	3.40	3.40	3.50
Design Services	2.00	6.15	6.15	6.15	5.15
<u>Public Works</u>					
Parks and Grounds	12.20	13.20	13.80	12.20	11.45
Facilities Management	3.50	3.50	3.75	4.20	4.20
Pavement	12.00	10.50	8.00	8.00	7.00
Stormwater Drainage	4.00	4.00	3.00	3.00	3.00
Traffic Safety and Community Support	8.00	8.00	8.00	7.50	8.00
Equipment Repair			3.50	3.40	3.40
Storm Control					
<u>Information Services</u>					
Town Clerk	3.75	3.75	3.25	3.25	3.20
Public Relations	1.75	1.00	1.00	1.00	1.20
<u>Administrative Services</u>					
Financial Accounting and Reporting	8.00	8.00	8.00	8.00	6.12
Human Services	3.00	3.00	3.00	3.00	2.75
Information Technology	3.00	3.00	3.00	3.00	2.50
Risk Management	1.00	1.00	1.00	1.00	1.00
Property Valuation	3.00	3.00	3.00	3.00	3.00
Tax Collection	2.20	2.20	2.20	2.30	2.30
<u>General Government</u>					
Town Manager	3.50	3.50	4.00	4.00	3.50
Town Treasurer	0.25	0.25	0.25	0.25	0.25

Full-Time Equivalent Employees as of June 30				
2005	2006	2007	2008	2009
6.00	6.00	6.00	6.00	6.00
15.00	15.00	11.00	11.00	12.00
45.80	43.80	46.30	46.30	45.30
1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00
27.19	27.58	27.04	27.85	27.70
6.25	6.14	5.63	5.23	5.20
2.50	2.50	2.47	1.97	2.00
5.48	5.48	5.48	6.37	7.02
2.30	2.00	2.00	1.85	2.23
4.12	3.37	1.45		
6.25	6.25	6.70	6.17	6.84
2.38	2.09	2.12	2.66	2.89
1.53	1.43	1.42	1.46	1.47
0.72	0.63	0.58	0.65	0.62
0.08	0.45	0.38	0.00	0.00
10.50	9.90	10.67	11.17	11.17
0.75	0.75	1.25	0.60	0.60
3.85	3.85	3.57	3.75	3.75
3.45	3.45	3.45	3.45	3.45
6.25	6.25	6.25	6.25	6.25
1.00	1.00	1.00	1.00	1.00
3.50	3.50	4.00	4.00	4.00
6.94	6.15	5.90	5.90	5.90
13.75	11.95	11.50	11.50	12.75
4.25	4.25	4.05	4.40	4.30
7.50	7.92	8.00	8.00	8.10
4.00	2.92	3.00	3.00	3.00
7.00	8.00	7.00	7.00	7.00
3.40	3.40	3.40	3.40	3.40
		0.00	0.00	0.00
3.20	3.20	3.20	3.20	3.20
1.00	1.00	1.00	1.00	1.00
6.62	7.12	7.12	6.75	6.75
3.00	3.00	3.00	3.00	3.00
3.00	3.00	3.00	3.00	3.00
1.00	1.00	1.00	1.00	1.00
3.23	3.23	3.00	3.00	3.00
2.65	2.54	2.54	2.54	2.54
3.50	3.50	3.40	3.40	3.40
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				
	2000	2001	2002	2003	2004
<u>Landfill Enterprise Fund</u>					
Landfill Operations	4.30	7.80	8.50	8.60	8.60
Landfill Recycling & Composting	2.70	2.70			
<u>Adult Daycare Enterprise Fund</u>					
Administration	1.00	1.00	1.00	1.00	1.00
Nursing	1.50	2.25	1.50	3.00	4.00
Social Work	1.00	1.00	1.00	1.00	1.00
Therapeutic Recreation	1.00	1.00	1.00	1.00	2.50
Transportation	2.00	2.00	4.50	2.50	3.25
<u>Child Development Enterprise Fund</u>					
Infant/Toddler Programs	5.25	5.82	5.82	5.64	5.64
Preschool/Kindergarten Programs	9.21	10.04	9.78	9.51	9.51
Elementary Programs	4.44	3.47	3.97	4.35	4.35
<u>Community Development</u>					
Community Development (CDBG)	2.70	2.00	2.00	2.00	2.00
<u>Grants</u>					
	-	-	-	-	-
Total	225.90	262.83	266.09	268.95	266.17

Source: Town Payroll Records
 N/A - Not Available.

Full-Time Equivalent Employees as of June 30

2005	2006	2007	2008	2009
10.00	9.00	8.60	8.60	8.60
		0.00	0.00	0.00
1.00	1.00	1.00	1.00	1.00
4.00	3.50	4.00	3.75	4.00
1.00	1.00	1.00	1.00	1.00
1.50	2.00	1.50	1.50	1.50
3.50	3.00	3.75	3.75	3.75
5.64	5.69	5.64	5.69	5.70
9.51	9.61	9.76	9.56	9.95
4.35	4.45	4.35	3.75	3.35
2.00	2.00	2.00	2.00	2.00
-	-			
273.69	267.10	262.72	260.67	263.93

TOWN OF WINDSOR, CONNECTICUT

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

Function/Program	Calendar Year			
	2000	2001	2002	2003
Police:				
Calls for service	47,325	48,826	49,185	45,992
Adult arrest	N/A	1,964	N/A	1,560
Juvenile arrest	N/A	N/A	N/A	147
Speeding citations only	644	824	836	401
Traffic citations	2,733	2,750	3,064	3,698
Fire:				
Total fire runs	825	786	756	685
Total rescue runs	250	306	312	181
Building safety:				
CRE Griffin LLC	1,823	1,961	876	2,021
Total construction value all permits	\$ 42,732,361	\$ 107,335,416	\$ 31,735,965	\$ 47,340,144
Library, volumes in collection	128,987	136,992	N/A	N/A
Parks and Recreation:				
Recreation program attendance	N/A	8,500	11,000	14,850
Aquatics program attendance	4,000	4,250	4,500	4,500

Source: Town Records

N/A - Not Available.

Calendar Year						
2004	2005	2006	2007	2008	2009	
38,073	39,883	44,966	48,751	47,869	52,451	
1,792	1,775	1,776	2,094	1,946	1,653	
169	175	104	114	95	77	
314	431	237	254	N/A	N/A	
3,698	5,290	6,288	5,768	4,018	4,339	
807	879	925	899	1,108	1,150	
233	244	275	322	350	325	
2,445	2,156	1,892	2,002	1,662	1,595	
\$ 54,206,020	\$ 69,732,092	\$ 76,327,630	\$ 270,879,957	\$ 154,596,155	75,615,985	
N/A	N/A	132,041	132,289	136,905	124,029	
14,850	15,000	15,000	8,272	9,948	9,000	
4,500	3,500	3,500	2,000	2,000	2,100	

TOWN OF WINDSOR, CONNECTICUT

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

Function/Program	2000	2001	2002	2003
Police:				
Stations	1	1	1	1
Zone Offices	1	1	1	1
Fire, Fire Stations	4	5	5	5
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
CRE Griffin LLC	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	128,987	136,992	N/A	142,555
Water:				
Storage Capacity (MGPD)	105	105	105	105
Average Daily Consumption (MGPD)	55.52	59.52	57.18	55.10
Peak Consumption (MGPD)	87.45	98.09	90.85	76.74
Wastewater:				
Sanitary Sewers (miles)	1037.63	1044.27	1048.19	1054.60
Storm Sewers (miles)	53.63	67.90	69.03	69.07
Combination Sanitary and Storm (miles)	158.58	159.00	159.70	160.35

Source: Town Records & Metropolitan District Commission (MDC)

N/A - Not Available.

2004	2005	2006	2007	2008	2009
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	2	2
2	2	2	2	2	2
N/A	N/A	132,041	132,289	136,905	124,029
105	105	105	N/A	N/A	N/A
54.71	55.43	52.56	N/A	N/A	N/A
76.19	87.79	80.49	N/A	N/A	N/A
1059.36	1062.94	1067.87	N/A	N/A	N/A
69.30	69.78	69.78	N/A	N/A	N/A
160.35	160.17	160.17	N/A	N/A	N/A

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