

TOWN OF WINDSOR, CONNECTICUT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
JUNE 30, 2017



For the Fiscal Year Ended June 30, 2017

The Town of Windsor, Connecticut

Comprehensive Annual Financial Report



Fiscal Year Ended June 30, 2017

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

**James Bourke
Finance Director**

**Linda Collins
Assistant Finance Director**

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Introductory Section



First in Connecticut. First for its citizens.

December 28, 2017

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

I am pleased to submit the Comprehensive Annual Financial Report (CAFR) of the Town of Windsor, Connecticut (the "Town") for the fiscal year ended June 30, 2017. The CAFR is presented in three sections: introductory, financial and statistical. This report follows the format for annual financial reports that the Government Accounting Standards Board suggests and the Government Finance Officers Association promotes through the Certificate of Achievement for Excellence in Financial Reporting program.

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, 2017.

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.

RSM US LLP, Certified Public Accountants, has issued an unmodified opinion on the Town of Windsor's financial statements for the year ended June 30, 2017. The independent auditor's report is located at the front of the financial statement section of this annual report.

The independent audit of the financial statements of the Town of Windsor 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 over financial reporting and compliance for each, major federal and state programs. These reports are available in the Town of Windsor's separately issued Federal and State Compliance Reports.

The 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.

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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, 2016. This was the 32nd 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.

Profile of the Town of Windsor

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 railway to New Haven 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 services, 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, with no or limited impact on taxpayer dollars, through the Town of Windsor's four enterprise funds. A Sanitary Landfill is operated in conjunction with the Town of Bloomfield; the Discovery Center provides early childhood education to Windsor residents and employees of local businesses; and the Caring Connection provides an alternative to institutional care for elderly and frail adults. The Landfill discontinued accepting municipal solid waste (MSW) June 30, 2014 but has converted to a recycling and transfer station facility for residents.

In addition to general government activities, the Town Council oversees the Town of Windsor Defined Benefit Retirement Plan and it is therefore included in this reporting entity. As part of the fiscal 2012 budget process, management took steps to reduce the town's cost of providing retirement benefits for future employees resulting in the Town Council amending the Personnel Rules requiring all non-affiliated full-time employees hired after July 1, 2011 to participate in a 401 (a) defined contribution plan. As of July 1, 2013 all new employees (except public safety officers) participate in the 401 (a) defined contribution plan. This plan is not included in the reporting entity as it does not meet the reporting criterion. In addition, 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.

Local Economic Condition and Outlook

Long-term planning for the efficient use of the Town's land resources began in 1924 and is guided by the town's Plan of Conservation and Development which is updated at regular intervals. 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. 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.

The Windsor Town Council has adopted formal, written economic development policies. These policies not only identify the incentives that are available to companies who may wish to locate or expand in Windsor, but also clearly outline the services that Town officials will provide to new and existing businesses. The Town is committed to working with new businesses through all phases of their preparations and ultimate move to Windsor. Town officials are also 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.

Windsor is an important regional employment center in New England's Knowledge Corridor. It is strategically located between Hartford, Connecticut and Springfield, Massachusetts on Interstate I-91 and adjoining Bradley International Airport. Windsor maintains a diversified economic base. Major industries include business and financial services, precision manufacturing, software development, regional distribution, data management and hospitality.

With a jobs base of more than 25,000, Windsor ranks fifth among Hartford area communities in total non-retail employment. Major private employers include Hartford Life, VOYA, GE, CIGNA, Eversource, Walgreen Co., Konica Minolta, Amazon and SS&C Technologies.

Since 2006 Windsor has experienced substantial economic growth. More than 5.9 million square feet of new commercial space was constructed during this period including 160,000 square feet of retail, one million square feet of office, 4.6 million square feet of industrial/distribution space, and 240,000 square feet of public /quasi-public space. In addition, more than 132 new hotel rooms and conference space were built to serve the growing business community. Most recently, Amazon has opened a 1.5 million square foot fulfillment center.

Looking forward, the Town of Windsor is taking steps to sustain its growth and the quality of its development. A variety of initiatives are underway to further improve highway access, manage transportation demand and enhance community livability. All approvals have been granted for a 600-acre mixed-use project in the Day Hill Road corporate area known as Great Pond Village. This project will add value to existing space and provide opportunities for new workforce housing. The Redevelopment Agency is pursuing redevelopment of key properties and planning for development to support and benefit from commuter rail service expansion in the town center beginning in 2018. A key redevelopment project in town center, Windsor Station Apartment Homes, were completed in April of 2017. This \$18.0 million transit-oriented development project contains 130 market-rate units directly across from the passenger rail station. This project will help to meet the need for more rental housing and it will enhance the market for retail and services in the center.

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, Town Improvements Committee of the Town Council, and the full Town Council. The proposed 2018-2023 CIP presented to town council on June 19, 2017 includes both town general government and Board of Education projects involving road improvements, building renovations, new building facilities, major equipment purchases, and other capital improvements totaling \$169,230,400.

As part of the capital planning improvements process, the Town evaluates funding requirements and prioritization for all projects by conducting a comprehensive finance and debt analysis. This analysis consists of a review of current debt and the impact of incurring future debt on the Town's mill rate, existing debt service, and future operating budgets. A review of the current interest rate environment and various debt structures is also conducted to determine the affordability of additional debt.

A multi-year financial forecast is prepared on an annual basis by the Town Manager and Finance Director for review and discussion with the Finance Committee and Town Council. This process allows the town to look at issues such as budget sustainability, and provides an opportunity to institute revenue and budgetary changes in a timely manner in anticipation of future events.

Relevant Financial Policies

Management adheres to the following policies to manage financial stability and strength of the Town. These policies have helped during budgetary challenges to meet increasing demands and taxpayer expectations with current economic trends and market influences.

- Budget process - The Town Manager is required by the Windsor Town Charter to present to the Town Council an annual proposed operating budget (including the Board of Education) at least thirty days before the date of the budget referendum. The proposed budget contains detailed allocation of projected revenues and expenditures for all of the town's various funds. During the month of April, the Town Council holds public hearings to hear town departments present their budgets, to solicit input from the community as to its priorities for the upcoming fiscal year, and to hear public opinion regarding the proposed budget. Once the Town Council approves a final budget, it is put up for a vote at an Adjourned Town Meeting Referendum. If voters don't approve the budget, town staff and the Board of Education, through the Town Manager, modify and resubmit their proposals to the Town Council and then once again, to the voters. Only after the voters have approved the budget can it become the income and spending plan for the town.

- Budgetary Control - Expenditures may not legally exceed budgeted appropriations at the service unit level. The Finance Director can authorize budget transfers when the amount is \$5,000 or less. Other transfers require Town Council approval. Quarterly expenditures are reviewed with the Finance Committee. At the end of fiscal year 2017, town council authorized a budget transfer of \$35,910 from Public Works to Community Development to fund its year-end deficit.
- Fund Balance Policy - The Town maintains an available balance in the General Fund as a cushion against potential revenue and expenditure volatility. The definition of what is available balance will be the unassigned fund balance as of the end of the preceding fiscal year. The measure used will be unassigned fund balance as a percentage of current year budgeted expenditures. The unassigned fund balance may be used for non-recurring or capital expenditures, unanticipated budget deficits or operating emergencies, to make debt service payments or reduce debt service, and property tax or revenue stabilization as part of an overall strategy. The Town Council has enacted a policy that the Town's unassigned General Fund Balance shall meet a minimum of 15% to 20% of the current year's General Funds budget. At June 30, 2017, in accordance with GASB 54, the Town's General Fund unassigned fund balance of \$20,330,482 represented 18.3% of the FY 18 adopted budget of \$110,862,990. If the unassigned fund balance falls below the minimum level, the Town Council will replenish the fund balance during the annual budget process by appropriating at least 25% of the difference between the policy level and the unassigned fund balance each year until the policy level is met.

The Town Council has also enacted a policy that the Town's Capital Project Fund assigned fund balance will be kept to no less than the sum of 20% of the 6 year average of the annual cash portion of the Capital Improvement Plan, plus \$350,000. On June 30, 2017 the required balance in accordance with the Town's policy was \$466,000. The June 30, 2017 Town's Capital Project assigned fund balance was \$713,700.

- Cash Management - The Town's Investment Policy applies to all financial assets of the Town, with the exception of the defined benefit retirement plan, Other Post Employment Benefit (OPEB) Trust, and state and federal grant funds. The primary purpose of the policy is to provide for the prudent and productive investment of funds. The Town authorizes the Finance Director to act as the investment officer. Investments are allowed in any financial institution in accordance with this policy, as well as the provisions of Connecticut General Statutes Sections 7-400-402, 3-24f, 3-27f and other applicable state statutes. Additional information on the Town's cash and investment policy can be found in the financial statements in Note 3.
- Purchase Orders - Upon award of a bid, proposal or quotation, a purchase order shall be initiated in accordance with Town policy. Purchase orders are required for all purchases greater than or equal to \$5,000. In cases where a vendor requests a purchase order for items under \$5,000, one shall be issued. Equipment repairs, utility bills, membership dues, advertising, grants and contributions do not require a purchase order. When a General Fund purchase order carries over into the following fiscal year for goods and services that are received and paid for in the next fiscal year, the Town Council must formally extend General Fund budgetary authority to encumber the funds into the next fiscal. There were six FY 17 General Fund open purchase orders as of June 15, 2017, totaling \$127,725 that were expected to be encumbered. The Town Council approved these encumbrances on June 19, 2017 through October 16, 2017 and subsequently extended 3 of the encumbrances to December 18, 2017.

- Procurement Policy - The fundamental objective of all service units in the purchasing function is to procure supplies, materials, equipment, or services required for departmental operations in the right quality and quantity, on a timely basis, as efficiently as possible, and at the lowest cost. In pursuit of this objective, we seek to establish practical and efficient purchasing procedures to obtain:
 - the most value for each tax dollar spent
 - proper commitment and expenditure of Town funds
 - compliance with State and local legal requirements
 - fair and equitable treatment of all vendors who deal with the purchasing system of the Town
 - public confidence in the procedures followed in public purchasing
 - increased economy in procurement activities by fostering effective competition
 - maintenance of a purchasing system of quality and integrity.

- Debt Policy – The primary objectives of the Town’s debt policy are to establish conditions for the use of debt, create procedures and policies that minimize the Town’s debt service and issuance costs for the bonds that are issued, retain the highest practical credit rating, maintain full and complete financial disclosure and reporting, and, maintain established levels of debt within certain measures of affordability.

In accordance with the policy the Town shall use an objective analytical approach to determine whether it can afford to assume new general-purpose debt beyond what it retires each year.

- The criteria, or measure, used shall be the ratio of Net Annual Debt Service expenditures to Total Budgeted Expenditures in the General Fund
- The Town will endeavor to limit this ratio to the range of 6% to 8%
- In preparing the Town’s Capital Improvement Plan the Town will limit the dollar amount of bonds that are planned to be issued each year. The limit will be that the annual debt service repayment schedule that results from the proposed bond issues will not exceed the above target.

This measure allows the capital financing to grow along with the level of the Town’s operations.

Outstanding general obligation bonds, including both General Purpose and Schools, at June 30, 2017 totaled \$38,340,000. Changes in bond indebtedness are detailed in Note 7 of this report. The FY 17 General Fund Net Annual Debt Service expenditures of \$6,768,060 as compared to the FY 17 Total Budgeted Expenditures in the General Fund of \$110,862,990, equals 6.1%. The Town is rated AAA by Standard & Poor’s. It is the policy of the Town to protect these ratings by adhering to sound financial policies and decisions.

- Defined Benefit Retirement Plan Policy - Investment of the Defined Benefit Retirement Plan Trust Fund assets shall be invested in accordance with sound investment practices that emphasize long-term investment fundamentals as stated in the Town’s Defined Benefit Retirement Plan Trust Fund Policy. The Defined Benefit Retirement Plan Board is charged with the responsibility of overseeing the assets of the Plan. The Defined Benefit Retirement Plan Board reviews the fund performance quarterly to monitor adherence to the policy’s investment guidelines. An actuarial analysis is performed annually.

- Other Post Employment Benefit (OPEB) Trust Fund Policy - Investment of the OPEB Trust Fund assets shall be invested in accordance with sound investment practices that emphasize long-term investment fundamentals as stated in the Town's OPEB Trust Fund Policy. The OPEB Board is charged with the responsibility of overseeing the assets of the Trust. The OPEB Board reviews the fund performance quarterly to monitor adherence to the policy's investment guidelines.

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 for spending to be managed within fixed 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, risk management, disbursement functions, debt management, retirement plan administration, purchasing, special financial analysis and benefits processing.

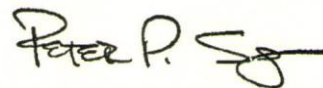
Independent Audit

State statutes require an annual audit be conducted by independent certified public accountants. In compliance with this requirement, the Town Council selected RSM US LLP to perform the audit for fiscal year 2017. 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 and the Board of Education staff. Their assistance was invaluable in the preparation of this report.

Sincerely,



Peter Souza
Town Manager



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

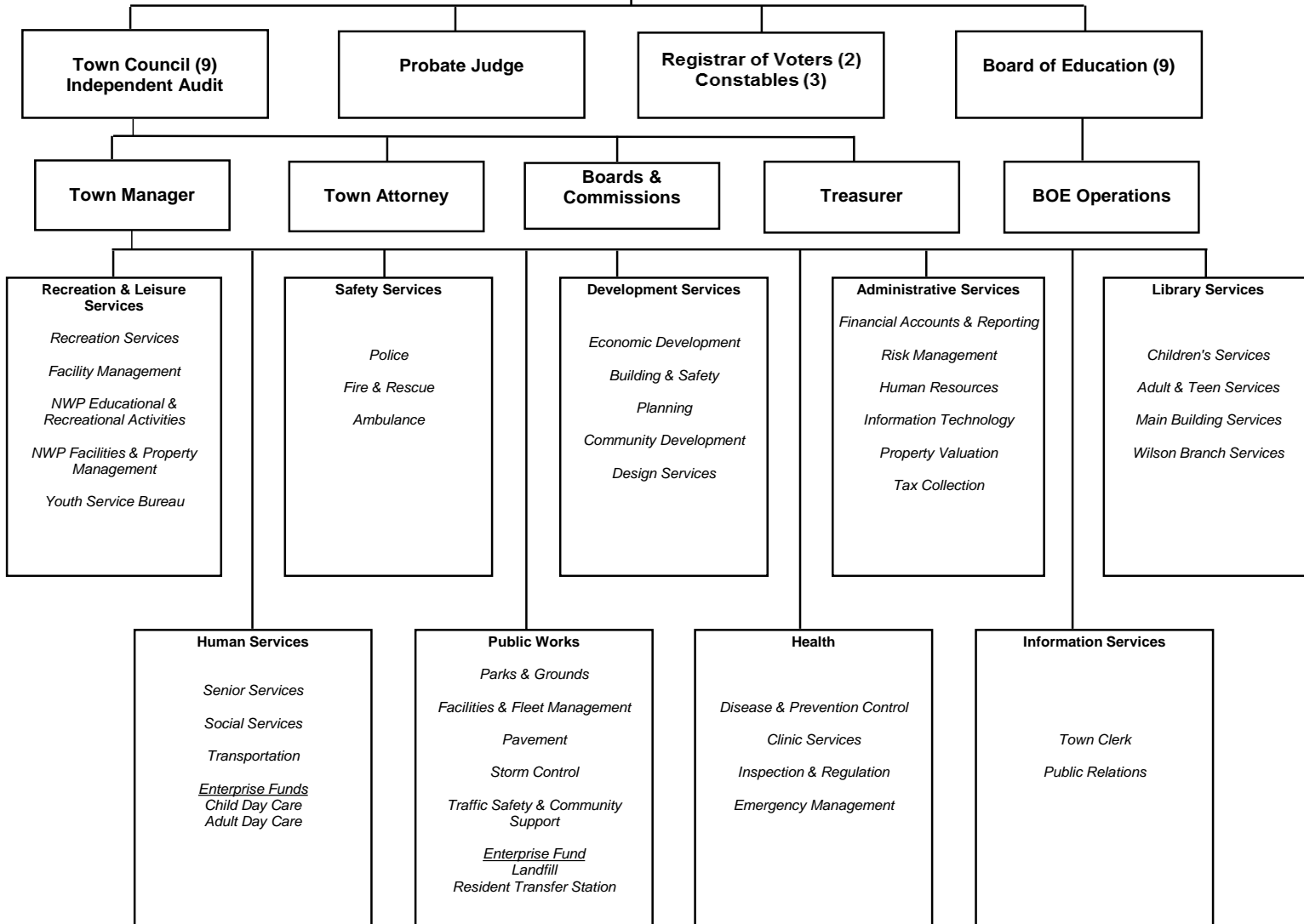
**Town of Windsor
Connecticut**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2016

Executive Director/CEO

Voters of Windsor



Principal Town Officials
As of June 30, 2017

Town Council

Donald S. Trinks, Mayor
Jody L. Terranova, Deputy Mayor
Alan J. Simon
James G. Govoni
Jill D. Jackson-Jenkins
Donald A. Jepsen, Jr.
Randy P. McKenney
Bernard S. Petkis
Kenneth M. Wilkos

Board of Education

Cristina R. Santos, President
Leonard O. Lockhart, Vice President
Richard T. O'Reilly, Secretary
Paul J. Panos, Minority Leader
Nuchette M. Black-Burke
Michaela I. Fissel
Yvette K. Ali
Brian D. Bosch
Melissa Rizzo-Holmes

Appointed Officials

Peter P. Souza, Town Manager
Dr. Craig A. Cooke, 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

Report on the Financial Statements

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 fiscal year ended June 30, 2017, and the related notes to the financial statements which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Windsor, Connecticut as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management Discussion and Analysis, the pension and OPEB related schedules on pages 69-77 as listed in the table of contents and the General Fund budgetary comparison information on pages 78-80 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The introductory section, combining and individual fund financial statements and other schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and other schedules are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and other schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections, as listed in the table of contents, have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued, under separate cover, our report dated December 28, 2017 on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

RSM US LLP

New Haven, Connecticut
December 28, 2017

**Town of Windsor, Connecticut
Management's Discussion and Analysis- unaudited
June 30, 2017**

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, 2017. 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 and deferred outflows of resources of the Town of Windsor exceeded its liabilities and deferred inflows of resources resulting in total net position at the close of the fiscal year of \$64.8 million. Total net position for Governmental Activities at fiscal year-end was \$73.8 million, which was an increase of \$2.6 million from the FY 16 net position. Total net position (deficits) for Business-Type Activities were (\$9.0 million), which was an increase of \$277 thousand from FY 16. The net deficit for Business-Type Activities is due to post-closure liability costs for the landfill.
- Government-wide expenses were \$136.3 million, which is an increase of \$6.8 million from FY 16. Government-wide revenues were \$138.6 million, which is an increase of \$12.8 million from FY 16.
- At the close of the year, the Town's governmental funds reported, on a current financial resource basis, combined ending fund balances of \$41.7 million, an increase of \$4.2 million from the prior fiscal year.
- At the end of the current fiscal year, the total fund balance for the General Fund was \$25.2 million, an increase of \$775 thousand from the prior fiscal year. Of the total General Fund balance as of June 30, 2017, \$20.3 million represents unassigned fund balance. Unassigned fund balance at year-end represents 16.3% of total FY 17 General Fund expenditures and transfers, and 18.3% of FY 18 adopted 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, and 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 position presents information on all of the Town's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference reported as net position. One can think of the Town's net position - the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources - as one way to measure the Town's financial health or financial position. Over time, increases or decreases in net position 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 position 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, Resident Transfer Station, Milo Peck Child Development center, and the Caring Connection Adult Day Care center. 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 position 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 ten (10) 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, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation as other Non-Major Governmental Funds. Non-Major Governmental Funds for the Town of Windsor include the Community Development Block Grant, Cafeteria Fund, Educational Grant Programs, J. Bartash Trust Fund, Treehouse Fund, Debt Service Fund, Other Special Revenue Funds and Open Space Fund. The report provides individual fund data for each of these non-major governmental funds in the combining balance sheets on pages 82-83 and in the combining statement of revenues, expenditures and changes in fund balance on pages 84-85.

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 74.

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, four 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 post-closure activities, Resident Transfer Station, Milo Peck Child Development Center, and the Caring Connection Adult Day Care Center.

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 and Retiree 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 Milo Peck Child Development Center and the Caring Connection Adult Day Care Center and Transfer Station 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 20-22 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 Defined Benefit Retirement trust fund, one Other Post-Employment Benefits 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 23-24 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 25 to 68 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information.

Government-wide Financial Analysis

As noted earlier, net position 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 and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$73.8 million on June 30, 2017, which was an increase of \$2.6 million from beginning net position of \$71.2 million.

TOWN OF WINDSOR CONNECTICUT SUMMARY STATEMENT OF NET POSITION (DEFICIT) (\$000's) June 30, 2017 and 2016

	Governmental Activities		Business-Type Activities		Total		Total Percentage Change
	2017	2016	2017	2016	2017	2016	2016-17
Current and Other Assets	\$ 69,921	\$ 62,902	\$ 27,119	\$ 28,379	\$ 97,040	\$ 91,281	6.3%
Capital assets, net of accumulated depreciation	104,312	103,565	126	139	104,438	103,704	0.7%
Total Assets	174,233	166,467	27,245	28,518	201,478	194,985	3.3%
Deferred outflows of resources	7,403	9,421	-	-	7,403	9,421	-21.4%
Current liabilities	9,415	8,284	132	97	9,547	8,381	13.9%
Long-term liabilities outstanding	93,072	92,934	36,113	37,145	129,185	130,079	-0.7%
Total Liabilities	102,487	101,218	36,245	37,242	138,732	138,460	0.2%
Deferred Inflows of resources	5,322	3,443	-	-	5,322	3,443	54.6%
Net Position (Deficits):							
Net investment in capital assets	65,944	68,218	126	139	66,070	68,357	-3.3%
Restricted	6,012	7,081	-	-	6,012	7,081	-15.1%
Unrestricted	1,871	(4,072)	(9,126)	(8,863)	(7,255)	(12,935)	-43.9%
Total Net Position (Deficits)	\$ 73,827	\$ 71,227	\$ (9,000)	\$ (8,724)	\$ 64,827	\$ 62,503	3.7%

At the end of the current fiscal year, the Town of Windsor is able to report positive balances of \$64.8 million in net position for the government as a whole, but negative net position for its business type activities. The negative value is solely attributable to the cost of accruing a pro rata portion of the closure and post-closure costs for the town's landfill.

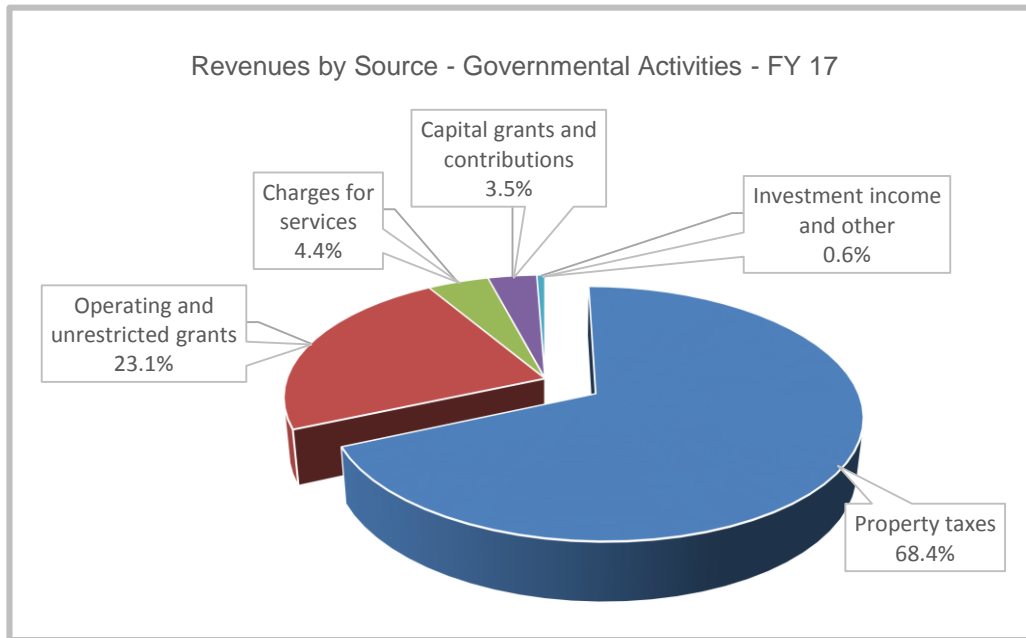
By far, the largest portion of the Town of Windsor's net position reflects its net investment in capital assets (e.g., land, buildings, infrastructure, machinery, and equipment), less any related debt that is still outstanding used to acquire those assets. The Town uses these capital assets to provide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

TOWN OF WINDSOR CONNECTICUT
SUMMARY STATEMENT OF ACTIVITIES (\$000's)
For the Years Ended June 30, 2017 and 2016

	Governmental Activities		Business-Type Activities		Total		Total Percentage Change
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2016-17</u>
Revenues							
Program revenues							
Charges for services	\$ 6,019	\$ 5,041	\$ 1,740	\$ 1,810	\$ 7,759	\$ 6,851	13.3%
Operating grants and contributions	31,489	26,735	210	175	31,699	26,910	17.8%
Capital grants and contributions	2,447	446	-	-	2,447	446	448.7%
General Revenues							
Property taxes	93,461	89,290	-	-	93,461	89,290	4.7%
Grants not restricted to specific programs	2,337	1,777	-	-	2,337	1,777	31.5%
Miscellaneous	472	205	-	-	472	205	130.2%
Unrestricted investment earnings	333	201	122	96	455	297	53.2%
Total revenues	136,558	123,695	2,072	2,081	138,630	125,776	10.2%
Expenses							
General government	15,847	14,170	-	-	15,847	14,170	11.8%
Culture & recreation	4,691	4,707	-	-	4,691	4,707	-0.3%
Human services	1,976	1,973	-	-	1,976	1,973	0.2%
Public works	7,471	7,282	-	-	7,471	7,282	2.6%
Education	92,217	85,834	-	-	92,217	85,834	7.4%
Public safety	10,902	11,517	-	-	10,902	11,517	-5.3%
Interest expense	817	790	-	-	817	790	3.4%
Landfill	-	-	619	1,505	619	1,505	-58.9%
Child development	-	-	1,102	1,053	1,102	1,053	4.7%
Adult caring connection	-	-	444	487	444	487	-8.8%
Resident Transfer Station	-	-	177	146	177	146	21.2%
Other	-	-	43	-	43	-	-
Total expenses	133,921	126,273	2,385	3,191	136,306	129,464	5.3%
Excess (deficit) of revenues over (under) expenses before transfers	2,637	(2,578)	(313)	(1,110)	2,324	(3,688)	-163.0%
Transfers	(37)	(69)	37	69	-	-	0.0%
Change in net position (deficit)	2,600	(2,647)	(276)	(1,041)	2,324	(3,688)	-163.0%
Net Position (deficits)- Beginning	71,227	73,874	(8,724)	(7,683)	62,503	66,191	-5.6%
Net position (deficits) Ending	\$ 73,827	\$ 71,227	\$ (9,000)	\$ (8,724)	\$ 64,827	\$ 62,503	3.7%

Governmental Activities

Approximately 68.4% of revenues and transfers in were derived from property taxes, followed by 24.8% from operating and unrestricted grants, 4.4% from charges for services, 1.8% from capital grants and contributions, and 0.6% from investment earnings and other miscellaneous revenue sources.



Major revenue factors included:

- Property tax revenues collected in FY 17 totaled \$93.4 million, which represents an increase of \$4.2 million or 4.7% over FY 17 tax revenues. The Town's FY 17 mill rate of 31.52 reflected an increase of 0.60 from FY 16. The Town's collection rate on the current adjusted levy, including the interim motor vehicle tax, was 98.98%, as compared to the prior year's rate of 98.77%.
- Capital grants and contributions increased by \$2.0 million mostly due to grants received for road projects as well as a grant for the Inter-Town Capital Equipment program.
- Charges for Services increased \$979 thousand from the prior year. This is largely due to a reclassification of revenue in non-major funds from Intergovernmental to the Charges for Services revenue line.
- Investment Income increased 66.2% versus FY 16 due to the improving interest rate environment.

For Governmental Activities in FY 17, approximately 68.9% of the Town's expenses relate to education (vs. 68.0% in FY 16), 11.8% (vs. 11.2% in FY 16) to general government, 8.1% (vs. 9.1% in FY 16) relate to public safety, 5.6% (vs. 5.8% in FY 16) relate to public works, 3.5% (vs. 3.7% in FY 16) to culture and recreation, 1.5% (vs. 1.6% in FY 16) to human services, and 0.6% (vs. 0.6% in FY 16) to interest on long-term debt. It is important to remember that these expenses include non-budgetary items such as depreciation and disposal of capital assets, the change in compensated absence accruals, as well as pension and OPEB (other post-employment benefits) costs.

Major expense factors included:

- Education costs increased \$6.4 million from FY 16. This is mostly due to the state teachers retirement payments made by the State Department of Education on behalf of the Town increasing to \$11.6 million from \$7.2 million, which was an increase of \$4.4 million. The State Teachers Retirement Board adopted GASB Statement No. 68 and as a result the calculation for the on-behalf payment changed from FY 16. In FY 16, the calculation was based on contributions. For FY 17, it was based on the Board of Education's share of the pension expense.
- General government expenditures increased \$1.7 million from FY 16 due to an increase in capital spending.

Business-Type Activities

- There was a \$277 increase to the Business Type Activities deficit. This was due primarily to expenditures for closure costs for the landfill that exceeded fund revenues. The Landfill discontinued accepting municipal solid waste (MSW) on June 30, 2014 and has since then converted to a transfer station facility for residents.
- The Landfill expenditures decreased \$886 thousand or 58.9% due to the lessening of the post-closure liability.
- The Resident Transfer Station expenditures increased \$31 thousand or 21.2% mostly due to a higher allocation of personnel and other costs from the Landfill fund.

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, unassigned fund balance may serve as a useful measure of a government's net resources available to provide flexibility and meet future obligations.

As of June 30, 2017 the Town of Windsor's governmental funds reported combined ending fund balances of \$41.7 million, an increase of \$4.2 million from \$37.4 million the previous year. This is primarily due to timing of receipts of revenues versus the timing of expenditures in the Capital Projects Fund for the Oliver Ellsworth School HVAC improvement project as well as for various pavement management projects. Bond proceeds, a state grant and transfers in for these projects were received in FY 17 but the expenditures occurred after the end of the fiscal year. The unassigned fund balance constitutes 48.8% of the total fund balance. The remainder of the fund balance is considered either nonspendable, restricted, committed, or assigned as defined by GASB 54 fund balance definitions. These fund balance definitions can be found in note 1 in the notes to the financial statements.

The General Fund is the chief operating fund of the Town of Windsor. As of June 30, 2017, unassigned fund balance of the General Fund was \$20.3 million, while total fund balance was \$25.2 million. As a measure of the General Fund's liquidity, it is useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 17.8% of total General Fund expenditures of \$114.2 million, while total fund balance represents 22.0% of that same amount.

The Capital Projects Fund had a total fund balance of \$10.1 million, which is an increase of 2.8 million from a balance of \$7.4 million in FY 16. This is primarily due to timing of receipts of revenues versus the timing of expenditures in the Capital Projects Fund for the Oliver Ellsworth School HVAC improvement project as well as for various pavement management projects. Bond proceeds, a state grant and transfers in for these projects were received in FY 17 but the expenditures occurred after the end of the fiscal year. The assigned fund balance of the Capital Projects fund was \$714 thousand on June 30, 2017.

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 position (deficits) of the Landfill Enterprise Fund at the end of the year was approximately \$(9.8) million with unrestricted net position (deficits) of approximately \$(9.9) million compared to \$(9.5) million and \$(9.6) million in the prior year. The Landfill Enterprise Fund had a net loss during the year of \$313 thousand as compared with a net loss of \$1.2 million in the prior year. As noted before, the Landfill discontinued accepting municipal solid waste (MSW) on June 30, 2014 and has since then converted to a transfer station facility for residents. The net loss is related to the continuation of the planned closure and capping construction activity.

General Fund Budgetary Highlights

Actual revenues on a budgetary basis were approximately \$112.1 million. This amount exceeded budgetary estimates by approximately \$2.1 million. The major revenue variances were:

- General property tax collections in excess of budget by \$1.4 million. The Town conducted a delinquent property tax sale in April of 2017 and approximately \$680 thousand was collected as a result of that effort. Also contributing to this was the supplemental motor vehicle billing which resulted in approximately \$323 thousand collected in excess of budget.
- Building permits exceeded budget by \$589 thousand and is due mostly to commercial renovations and improvements, such as for the Amazon fulfillment center and a Loomis Chaffee school building.
- Conveyance Fees exceeded budget by \$384 thousand and is attributable to unanticipated property sales such as Rivers Bend Condominiums, the Marriot Hotel and commercial property located on Addison Rd. and Pigeon Hill Rd.

Actual expenditures, including transfers but not use of fund balance, were \$110.9 million and kept under budget by \$1.1 million. Personnel savings from vacant positions, worker compensation and disability claims and military leave made up the majority of this variance.

The difference between the original budget and the final amended budget was for an additional appropriation of \$1.1 million from fund balance. Uses were as follows:

Teamsters Bargaining Unit Retroactive Wage Increases	\$ 101,735
Caring Connection Adult Day Care	106,838
Animal Shelter Construction	884,000
	<u>\$ 1,092,573</u>

These items combined (additional revenues, expenditure savings and use of fund balance) produced an increase of \$1.2 million to the General Fund budgetary fund balance. This takes into consideration that the \$900 thousand opening cash appropriation was not needed to balance the budget as actual revenues exceeded actual expenditures during the year.

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, 2017, amounted to \$104.3 million (net of accumulated depreciation) compared to \$103.7 million in the prior fiscal year. This investment in capital assets includes land, building and mechanical improvements, machinery and equipment, park facilities, roads, sewers and bridges.

**TOWN OF WINDSOR CONNECTICUT
CAPITAL ASSETS (net of depreciation)
June 30, 2017**

	Governmental Activities	Business- Type Activities	Total
Land	\$ 4,912,827	\$ -	\$ 4,912,827
Construction in progress	4,121,733	-	4,121,733
Buildings and improvements	61,811,471	102	61,811,573
Infrastructure	18,672,954	-	18,672,954
Machinery and equipment	14,792,989	24	14,793,013
Total	\$ 104,311,974	\$ 126	\$ 104,312,100

Major additions during the year included the following:

Clover Street School HVAC Improvements
Windsor High School Fire Alarm System and Door Replacements
Batchelder Road & Mechanic Street Improvements
L.P. Wilson Community Center Restrooms & Locker Room Upgrades
L.P. Wilson Community Center Athletic Field Improvements
Town Facility Energy Improvements
Town Hall Interior Renovations
Stone Road Rehabilitation Project
Town Pool Improvements (design phase)
Day Hill Road Pedestrian Circulation Enhancements

Additional information on the Town of Windsor's capital assets can be found in Note 4 of this report.

Debt Administration

At the end of the current fiscal year, the Town of Windsor had total bonded debt outstanding of \$38.3 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, 2017**

	Governmental Activities
General obligation bonds	<u>\$ 38,340,000</u>

The Town of Windsor's total bonded debt decreased by \$180 thousand or 0.47% during the current fiscal year as compared to a 3.13% decrease in FY 16.

The Town of Windsor's general obligation bond rating is AAA from Standard & Poor's. This rating was reaffirmed in the spring of 2017 when the Town issued general obligation bonds in the amount of \$5.9 million and refunding bonds in the amount of \$9.2 million.

The State of Connecticut limits the amount of general obligation debt that towns and cities can issue based on a formula determined under State Statutes and according to type of debt and the tax base. The Town's overall statutory debt limit is equal to seven times annual receipts from taxation or \$691.5 million, up from \$646.4 million in FY 16. As of June 30, 2017, the Town recorded long-term debt of \$38.3 million related to Governmental Activities, well below its statutory debt limits. The following is a summary as of June 30, 2017 of the future principal and interest requirements for the Town's general obligation bonds:

Fiscal Year Ending	Principal Payments	Interest Payments	Total Debt Service
2018	\$ 6,000,000	\$ 927,469	\$ 6,927,469
2019	5,565,000	835,475	6,400,475
2020	5,570,000	651,225	6,221,225
2021	4,640,000	495,700	5,135,700
2022	3,530,000	384,155	3,914,155
2023	3,485,000	295,855	3,780,855
2024	2,505,000	227,575	2,732,575
2025	1,525,000	175,625	1,700,625
2026	1,100,000	143,569	1,243,569
2027	1,070,000	118,581	1,188,581
2028	650,000	93,975	743,975
2029	300,000	79,500	379,500
2030	300,000	72,000	372,000
2031	300,000	63,000	363,000
2032	300,000	54,000	354,000
2033	300,000	45,000	345,000
2034	300,000	36,000	336,000
2035	300,000	27,000	327,000
2036	300,000	18,000	318,000
2037	300,000	9,000	309,000
	<u>\$ 38,340,000</u>	<u>\$ 4,752,704</u>	<u>\$ 43,092,704</u>

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

Economic Factors

As of October 2017, the unemployment rate for Windsor was 4.6%. The unemployment rate for the Hartford labor market area was 4.3% and for the State of Connecticut it stood at 4.3%. The overall national average was 3.9% for this same time period.

Overall, unemployment rates have improved since last year and the overall economy continues to improve as well. The Town's main source of revenue are property taxes, and this income stream has proven to be stable. State revenues make up a smaller portion of the Town's total revenue, and fortunately this revenue has seen only minor fluctuations in the current period. Even with an over-reliance on property taxes and no significant increases in state aid, the Town has been able to adjust expenditures accordingly and continues to provide high levels of service.

The Town has a high quality tax base which includes a diverse mix of commercial and business enterprises, and this lends even more stability to the Town's revenue. The Town has maintained an active economic development program that has attracted and retained firms, and prides itself on a fast development approval process. Windsor has positioned itself as a destination address for office and commercial development, and this increased development will lend itself to an increase in the tax base in coming years. Statistics on growth for the last ten years are available in the statistical section of this report.

Requests for Information

The Town of Windsor Comprehensive Annual Financial Report is designed to provide citizens, taxpayers, customers, investors and creditors with a general overview of the Town's finances, and to demonstrate transparency and the Town's accountability for the money it receives and expends. 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 Position (Deficits)
June 30, 2017**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and cash equivalents	\$ 47,946,648	\$ 19,921,934	\$ 67,868,582
Investments	14,465,359	7,139,257	21,604,616
Receivables:			
Property taxes, net of allowance for collection losses	1,150,539	-	1,150,539
Accounts receivable	912,853	-	912,853
Customer receivables	19,286	57,614	76,900
Community rehabilitation loans, net	2,189,072	-	2,189,072
Inventories	48,162	-	48,162
Restricted cash and cash equivalents - capital outlay	625,110	-	625,110
Prepays	633,620	-	633,620
Net pension asset	1,930,679	-	1,930,679
Capital assets, not being depreciated	9,034,560	-	9,034,560
Capital assets, being depreciated, net of depreciation	95,277,414	125,601	95,403,015
Total assets	174,233,302	27,244,406	201,477,708
Deferred outflows of resources:			
Deferred charge on refunding	327,319	-	327,319
Deferred pension expense	7,075,892	-	7,075,892
Total deferred outflows of resources	7,403,211	-	7,403,211
Liabilities			
Accounts payable and accruals	7,873,416	112,828	7,986,244
Accrued interest payable	186,187	-	186,187
Unearned revenues	1,355,620	18,743	1,374,363
Long-term liabilities:			
Due within one year	6,217,840	1,455,749	7,673,589
Due in more than one year	86,853,902	34,657,646	121,511,548
Total liabilities	102,486,965	36,244,966	138,731,931
Deferred inflows of resources:			
Advance property tax collections	5,107,301	-	5,107,301
Deferred pension credit	215,142	-	215,142
Total deferred inflows of resources	5,322,443	-	5,322,443
Net position (deficits):			
Net investment in capital assets	65,944,467	125,601	66,070,068
Restricted:			
Pension	1,930,679	-	1,930,679
Community rehabilitation program	2,189,072	-	2,189,072
Public works	1,095,434	-	1,095,434
Other	796,775	-	796,775
Unrestricted (deficit)	1,870,678	(9,126,161)	(7,255,483)
Total net position (deficits)	\$ 73,827,105	\$ (9,000,560)	\$ 64,826,545

See notes to financial statements.

Town of Windsor, Connecticut

Statement of Activities
Year Ended June 30, 2017

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Positions		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-type Activities	
Primary government:							
Governmental activities:							
General government	\$ (15,847,191)	\$ 1,840,678	\$ 280,513	\$ -	\$ (13,726,000)	\$ -	\$ (13,726,000)
Culture & recreation	(4,691,078)	1,822,448	36,210	-	(2,832,420)	-	(2,832,420)
Human services	(1,975,787)	136,157	124,629	-	(1,715,001)	-	(1,715,001)
Public works	(7,470,759)	179,225	406,033	2,447,040	(4,438,461)	-	(4,438,461)
Education	(92,216,846)	1,428,836	30,571,750	-	(60,216,260)	-	(60,216,260)
Public safety	(10,902,168)	612,130	69,463	-	(10,220,575)	-	(10,220,575)
Interest expense	(817,380)	-	-	-	(817,380)	-	(817,380)
Total governmental activities	(133,921,209)	6,019,474	31,488,598	2,447,040	(93,966,097)	-	(93,966,097)
Business-type activities:							
Landfill	(618,870)	20,001	209,629	-	-	(389,240)	(389,240)
Child development	(1,101,946)	1,094,802	-	-	-	(7,144)	(7,144)
Adult caring connection	(444,144)	385,543	-	-	-	(58,601)	(58,601)
Resident transfer station	(177,151)	239,210	-	-	-	62,059	62,059
Total business-type activities	(2,342,111)	1,739,556	209,629	-	-	(392,926)	(392,926)
Total primary government	\$ (136,263,320)	\$ 7,759,030	\$ 31,698,227	\$ 2,447,040	(93,966,097)	(392,926)	(94,359,023)
General revenues:							
Property taxes					93,461,020	-	93,461,020
Miscellaneous					471,937	-	471,937
Grants and contributions not restricted to specific programs					2,337,418	-	2,337,418
Unrestricted investment earnings					332,887	121,972	454,859
Loss on disposal of capital assets					-	(43,000)	(43,000)
Internal transfers					(36,748)	36,748	-
Total general revenues and internal transfers					96,566,514	115,720	96,682,234
Change in net position					2,600,417	(277,206)	2,323,211
Net position (deficits) - beginning (as restated), Note 1					71,226,688	(8,723,354)	62,503,334
Net position (deficits) - ending					\$ 73,827,105	\$ (9,000,560)	\$ 64,826,545

See notes to financial statements.

Town of Windsor, Connecticut

**Balance Sheet - Governmental Funds
June 30, 2017**

	Major Funds		Other	Total
	General	Capital Projects	Nonmajor Governmental Funds	Governmental Funds
Assets				
Cash and cash equivalents	\$ 23,846,184	\$ 7,689,154	\$ 4,343,637	\$ 35,878,975
Investments	8,432,046	2,979,461	1,002,512	12,414,019
Restricted cash and cash equivalents	-	625,110	-	625,110
Receivables (net of allowances for collection losses):				
Property taxes	1,150,539	-	-	1,150,539
Accounts receivable	394,222	145,842	372,789	912,853
Community rehabilitation loans, net	-	-	2,189,072	2,189,072
Due from other funds	475,536	-	-	475,536
Prepays	628,000	-	5,620	633,620
Inventories	33,842	-	14,320	48,162
Total assets	\$ 34,960,369	\$ 11,439,567	\$ 7,927,950	\$ 54,327,886
Liabilities				
Accounts payable and accrued liabilities	\$ 3,543,895	\$ 1,144,127	\$ 387,652	\$ 5,075,674
Bond anticipation notes	-	-	-	-
Unearned revenues	-	-	725,120	725,120
Due to other funds	55,196	-	475,536	530,732
Total liabilities	3,599,091	1,144,127	1,588,308	6,331,526
Deferred inflow of resources:				
Advance tax collections	\$ 5,107,301	\$ -	\$ -	\$ 5,107,301
Unavailable resources	1,087,015	145,842	-	1,232,857
Total deferred inflows of resources	6,194,316	145,842	-	6,340,158
Fund balances:				
Nonspendable	661,842	-	32,940	694,782
Restricted	-	625,110	4,081,281	4,706,391
Committed	-	8,810,788	1,856,714	10,667,502
Assigned	4,174,638	713,700	368,707	5,257,045
Unassigned	20,330,482	-	-	20,330,482
Total fund balances	25,166,962	10,149,598	6,339,642	41,656,202
Total liabilities, deferred inflows of resources and fund balances	\$ 34,960,369	\$ 11,439,567	\$ 7,927,950	

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

Capital assets, net of accumulated depreciation purchased in governmental funds are reported as expenditures, however, the statement of net position includes those capital assets and accumulated depreciation among the assets of the Town as a whole.	104,311,974
Other long-term assets are not available and therefore not recognized in the funds.	1,232,857
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(93,071,742)
Deferred charge on refunding	327,319
Net pension asset	1,930,679
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 position.	10,765,253
Deferred pension expense	7,075,892
Deferred pension credit	(215,142)
Accrued interest payable	(186,187)
Net position of governmental activities	\$ 73,827,105

See notes to financial statements.

Town of Windsor, Connecticut

Statement of Revenues, Expenditures and Changes in Fund Balances -
 Governmental Funds
 Year Ended June 30, 2017

	Major Funds		Other	Total
	General	Capital Projects	Nonmajor Governmental Funds	Governmental Funds
Revenues:				
Property taxes	\$ 93,636,439	\$ -	\$ -	\$ 93,636,439
State and Federal governments	27,038,627	2,627,960	6,787,389	36,453,976
Charges for services	4,344,703	-	1,674,771	6,019,474
Investment income	270,296	44,864	17,727	332,887
Other	-	86,162	174,428	260,590
Total revenues	125,290,065	2,758,986	8,654,315	136,703,366
Expenditures:				
Current:				
Education	79,509,544	-	7,326,590	86,836,134
General government	13,040,132	-	152,097	13,192,229
Culture and recreation	3,998,067	-	77,977	4,076,044
Human services	1,419,877	-	121,714	1,541,591
Public safety	10,251,732	-	127,587	10,379,319
Public works	5,977,374	-	451,680	6,429,054
Debt service:				
Principal retirements	-	-	5,850,000	5,850,000
Interest and other charges	-	-	1,134,205	1,134,205
Capital outlay	-	9,224,113	-	9,224,113
Total expenditures	114,196,726	9,224,113	15,241,850	138,662,689
Excess (deficiency) revenues over (under) expenditures	11,093,339	(6,465,127)	(6,587,535)	(1,959,323)
Other financing sources (uses):				
Transfers in	70,090	3,314,000	6,968,060	10,352,150
Transfers out	(10,388,898)	-	-	(10,388,898)
Issuance of bonds	-	5,945,000	-	5,945,000
Issuance of refunding bonds	-	-	9,225,000	9,225,000
Premium on bonds issued	-	-	706,514	706,514
Payments made to escrow	-	-	(9,633,360)	(9,633,360)
Total other financing sources (uses)	(10,318,808)	9,259,000	7,266,214	6,206,406
Change in fund balances	774,531	2,793,873	678,679	4,247,083
Fund balances, beginning	24,392,431	7,355,725	5,660,963	37,409,119
Fund balances, ending	\$ 25,166,962	\$ 10,149,598	\$ 6,339,642	\$ 41,656,202

See notes to financial statements.

Town of Windsor, Connecticut

Statement of Revenues, Expenditures and Changes in Fund Balances of
Governmental Funds to the Statement of Activities

Year Ended June 30, 2017

Net change in fund balances – total governmental funds	\$	4,247,083
Amounts reported for governmental activities in the statement of activities are different because:		
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 exceeded in the current period.		746,669
Changes in receivables that impact revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(144,992)
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 positions. Also, governmental funds report the effect of 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.		2,154,949
Change in net pension asset - CMERS		(1,402,033)
Change in deferred outflow - CMERS		2,477,099
Change in deferred outflow - Town Plan		(4,529,240)
Change in deferred inflow- Town Plan		(128,013)
Changes in some liabilities that impact expenses reported in the statement of do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		(2,112,693)
The net income of certain activities of internal service funds is reported with governmental activities		<u>1,291,588</u>
Change in net position of governmental activities	\$	<u><u>2,600,417</u></u>

See notes to financial statements.

Town of Windsor, Connecticut

Statement of Net Position (Deficits) - Proprietary Funds
June 30, 2017

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Landfill	Other Nonmajor Enterprise Funds	Total	Internal Service Fund
Assets				
Current assets:				
Cash and cash equivalents	\$ 19,294,698	\$ 627,236	\$ 19,921,934	\$ 12,067,673
Receivables				
Customer receivables, net	-	57,614	57,614	19,286
Due from other funds	-	-	-	55,196
Investments	6,914,360	224,897	7,139,257	2,051,340
Total current assets	26,209,058	909,747	27,118,805	14,193,495
Noncurrent assets:				
Capital assets (net of accumulated depreciation)	110,276	15,325	125,601	-
Total noncurrent assets	110,276	15,325	125,601	-
Total assets	26,319,334	925,072	27,244,406	14,193,495
Liabilities				
Current liabilities:				
Accounts payable and accrued liabilities	65,853	60,324	126,177	144,183
Unearned revenue	-	18,743	18,743	630,500
Accrued claims payable	-	-	-	1,453,559
Accrued post closure costs	1,442,400	-	1,442,400	-
Total current liabilities	1,508,253	79,067	1,587,320	2,228,242
Noncurrent liabilities:				
Accrued post closure costs	34,617,600	-	34,617,600	-
Compensated absences	12,437	27,609	40,046	-
Accrued claims payable	-	-	-	1,200,000
Total noncurrent liabilities	34,630,037	27,609	34,657,646	1,200,000
Total liabilities	36,138,290	106,676	36,244,966	3,428,242
Net position (deficits):				
Net investment in capital assets	110,276	15,325	125,601	-
Unrestricted net position (deficits)	(9,929,232)	803,071	(9,126,161)	10,765,253
Total net position (deficits)	\$ (9,818,956)	\$ 818,396	\$ (9,000,560)	\$ 10,765,253

See notes to financial statements.

Town of Windsor, Connecticut

Statement of Revenues, Expenses and Changes in Fund Net Position (Deficits) - Proprietary Funds
Year Ended June 30, 2017

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Landfill	Other Nonmajor Enterprise Funds	Total	Internal Service Fund
Operating revenues:				
User charges	\$ 20,001	\$ 1,719,555	\$ 1,739,556	\$ 17,320,612
Total operating revenues	20,001	1,719,555	1,739,556	17,320,612
Operating expenses:				
Operations and maintenance	592,193	1,720,042	2,312,235	-
Claims	-	-	-	16,057,007
Depreciation	26,677	3,199	29,876	-
Total operating expenses	618,870	1,723,241	2,342,111	16,057,007
Operating income (loss)	(598,869)	(3,686)	(602,555)	1,263,605
Nonoperating revenues (expenses):				
Interest income	119,144	2,828	121,972	27,983
Loss on disposal of capital assets	(43,000)	-	(43,000)	-
Total nonoperating revenues (expenses)	76,144	2,828	78,972	27,983
Income (loss) before transfers	(522,725)	(858)	(523,583)	1,291,588
Transfers in	-	106,838	106,838	-
Transfers out	-	(70,090)	(70,090)	-
State grants	209,629	-	209,629	-
Change in net position (deficit)	(313,096)	35,890	(277,206)	1,291,588
Net position (deficits), beginning	(9,505,860)	782,506	(8,723,354)	9,473,665
Net position (deficits), ending	\$ (9,818,956)	\$ 818,396	\$ (9,000,560)	\$ 10,765,253

See notes to financial statements

Town of Windsor, Connecticut

Statement of Cash Flows - Proprietary Funds
Year Ended June 30, 2017

	Business-Type Activities - Enterprise Funds			Governmental
	Other Nonmajor		Total	Activities
	Landfill	Enterprise Funds		Internal Service Fund
Cash flows from operating activities:				
Receipts from customers and users	\$ 28,258	\$ 1,737,139	\$ 1,765,397	\$ 17,959,826
Payments to suppliers	(1,182,924)	(476,441)	(1,659,365)	(15,945,159)
Payments to employees	(410,427)	(1,245,307)	(1,655,734)	-
Net cash (used in) provided by operating activities	(1,565,093)	15,391	(1,549,702)	2,014,667
Cash flows from capital financing activities:				
Purchase of capital assets	(76,175)	-	-	-
Proceeds from sale of assets	17,000	-	-	-
Net cash provided by capital financing activities	(59,175)	-	-	-
Cash flows from noncapital financing activities:				
Transfers in	-	106,838	106,838	51,282
Transfers out	-	(70,090)	(70,090)	-
Operating grants	209,629	-	209,629	-
Net cash provided by noncapital financing activities	209,629	36,748	36,748	51,282
Cash flows from investing activities:				
Interest received	119,144	2,828	121,972	27,983
Sale of investments	142,860	-	142,860	-
(Purchase) of investments	-	(20,358)	(20,358)	(200,712)
Net cash provided by (used in) investing activities	262,004	(17,530)	244,474	(172,729)
Net increase (decrease) in cash and cash equivalents	(1,152,635)	34,609	(1,268,480)	1,893,220
Cash and cash equivalents:				
Beginning	20,447,333	592,627	21,039,960	10,174,453
Ending	\$ 19,294,698	\$ 627,236	\$ 19,921,934	\$ 12,067,673
Reconciliation of operating income (loss) to net cash (used in) provided by operating activities:				
Operating income (loss)	\$ (598,869)	\$ (3,686)	\$ (602,555)	\$ 1,263,605
Adjustments to reconcile operating income (loss) to net cash (used in) provided by operating activities:				
Depreciation	26,677	3,199	29,876	-
Changes in assets and liabilities:				
Decrease in accounts receivable	8,257	11,180	19,437	8,714
Increase (decrease) in accounts payable	16,187	(1,706)	14,481	37,236
Increase in unearned revenue	-	6,404	6,404	630,500
Increase (decrease) in accrued liabilities	(1,017,345)	-	(1,017,345)	74,612
Net cash (used in) provided by operating activities	\$ (1,565,093)	\$ 15,391	\$ (1,549,702)	\$ 2,014,667

See notes to financial statements.

Town of Windsor, Connecticut

Statement of Fiduciary Net Position - Fiduciary Funds
June 30, 2017

	Pension Trust Fund	OPEB Trust Fund	Agency Funds
Assets			
Cash and cash equivalents	\$ 234,170	\$ 20,730	\$ 805,825
Investments:			
Equity mutual funds	44,423,490	894,434	-
Fixed income mutual funds	18,224,538	422,662	-
Other Investments - real estate	3,703,822	-	-
Total investments	66,351,850	1,317,096	-
Contributions receivable	552,361	-	-
Other receivables	250,095	891	-
Total assets	67,388,476	1,338,717	805,825
Liabilities			
Accounts payable	-	878	805,825
Net position restricted for pensions and other benefits	\$ 67,388,476	\$ 1,337,839	\$ -

See notes to financial statements.

Town of Windsor, Connecticut

**Statement of Changes in Fiduciary Net Position - Pension and OPEB Trust Funds
Year Ended June 30, 2017**

	Pension Trust Fund	OPEB Trust Fund
Additions:		
Contributions:		
Employer	\$ 1,054,742	\$ 450,000
Plan members	599,123	-
Total contributions	<u>1,653,865</u>	<u>450,000</u>
Investment income:		
Net appreciation in fair value of investments	6,807,930	91,597
Interest and dividends	1,338,482	30,872
	<u>8,146,412</u>	<u>122,469</u>
Less investment expenses:		
Investment management fees	37,599	989
Net investment income	<u>8,108,813</u>	<u>121,480</u>
Total additions	<u>9,762,678</u>	<u>571,480</u>
Deductions:		
Benefits	3,622,844	-
Change in plan net position	6,139,834	571,480
Net position restricted for pensions and other benefits:		
Beginning of year	61,248,642	766,359
End of year	<u>\$ 67,388,476</u>	<u>\$ 1,337,839</u>

See notes to financial statements.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies

Reporting entity: The Town of Windsor, Connecticut (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 position and the statement of activities) report information on all of the non-fiduciary balances and 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.

Accounting standards adopted in the current year: GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, addresses reporting by OPEB plans that administer benefits on behalf of governments. Statement 74 addresses the financial reports of defined benefit OPEB plans that are administered through trusts that meet specified criteria. The Statement follows the framework for financial reporting of defined benefit OPEB plans in Statement 45 by requiring a statement of fiduciary net position and a statement of changes in fiduciary net position. The Statement requires more extensive note disclosures and RSI related to the measurement of the OPEB liabilities for which assets have been accumulated, including information about the annual money-weighted rates of return on plan investments. Statement 74 also sets forth note disclosure requirements for defined contribution OPEB plans. The implementation of this statement resulted in additional disclosures (see Note 9). See Note 16 for the impact the adoption of GASB 75 will have on the OPEB liability in the next fiscal year.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

GASB Statement No. 77, *Tax Abatement Disclosures*. Financial statements prepared by state and local governments in conformity with generally accepted accounting principles provide citizens and taxpayers, legislative and oversight bodies, municipal bond analysts, and others with information they need to evaluate the financial health of governments, make decisions, and assess accountability. This information is intended, among other things, to assist these users of financial statements in assessing (1) whether a government's current-year revenues were sufficient to pay for current-year services (known as interperiod equity), (2) whether a government complied with finance-related legal and contractual obligations, (3) where a government's financial resources come from and how it uses them, and (4) a government's financial position and economic condition and how they have changed over time. See Note 15 for the disclosure related to tax abatements.

GASB Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*. This standard narrows the scope and applicability of GASB Statement No. 68, Accounting and Financial Reporting for Pensions, to exclude pensions provided to employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plan meeting specific criteria; establishes new guidance for these employers, including separate requirements for recognition and measurement of pension expense or expenditures and liabilities, note disclosures and required supplementary information (RSI). The implementation of this statement had no impact on the Town's financial statements.

GASB Statement No. 80, *Blending Requirements for Certain Component Units – An Amendment of GASB Statement No. 14*. The objective of this Statement is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. This Statement amends the blending requirements established in paragraph 53 of Statement No. 14, The Financial Reporting Entity, as amended. This Statement amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, Determining Whether Certain Organizations Are Component Units. The implementation of this statement had no impact on the Town's financial statements.

GASB Statement No. 82, *Pension Issues-an amendment of GASB Statements No. 67, No. 68, and No. 73*. The requirements of this Statement are effective for reporting periods beginning after June 15, 2016, except for the requirements of paragraph 7 in a circumstance in which an employer's pension liability is measured as of a date other than the employer's most recent fiscal year-end. In that circumstance, the requirements of paragraph 7 are effective for that employer in the first reporting period in which the measurement date of the pension liability is on or after June 15, 2017.

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.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

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.

Governmental funds: Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the Town's major governmental funds:

The **General Fund** is the Town's primary operating fund. The General Fund is used to account for and report all financial resources not accounted for and reported in another fund.

The **Capital Project Fund** is used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlay other than reported in proprietary funds.

The other governmental funds of the Town are considered nonmajor and are as follows:

The **Special Revenue Funds** are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

The **Debt Service Fund** is used to account for and report financial resources that are restricted, committed or assigned to expenditure for principal and interest.

Proprietary funds: Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows.

The Town reports the following major proprietary fund:

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

The other proprietary funds of the Town are considered nonmajor and are as follows:

The **Milo Peck Child Development Center Fund** and the **Caring Connection Adult Day Care Center Fund** and the **Resident Transfer Station Fund**.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Additionally, the Town reports the following proprietary fund:

The **Internal Service Fund** accounts for all general health, auto, fire, heart and hypertension, and workers' compensation insurance activity, including premiums and claims.

Fiduciary funds:

The **Pension Trust Fund**, a fiduciary fund, accounts for the activities of the Town's defined benefit pension plan which accumulates resources for pension benefit payments to qualified employees upon retirement.

The **OPEB Trust Fund**, a fiduciary fund, accounts for the activities of the Town's other post-employment benefit plan which accumulates resources for medical 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 and scholarships.

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 non-operating 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.

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 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.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Cash and cash equivalents: The Town classifies money market funds, Short-Term Investment Fund (STIF) investments, treasury bills and certificates of deposit having original maturities of three months or less when purchased as cash equivalents.

Restricted cash and cash equivalents: Certain assets are classified as restricted because their use is limited. Restricted cash and cash equivalents in the Capital Projects Fund are to be used for construction purposes.

Allowance for doubtful accounts: Accounts, notes receivable and community development loans 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.

Valuation of investments: Investments are reported at fair value. Fair values of securities held directly are based on quotations from national securities exchanges, except for pooled funds for which fair values are estimated as detailed below.

Pooled Funds: The fair value of shares in managed investment pools is based on unit values reported by the funds.

Fair value: The Town uses fair value measurements to record fair value adjustments to certain assets and to determine fair value disclosures. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is best determined based upon quoted market prices. However, in certain instances, there are no quoted market prices for certain assets or liabilities. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the asset or liability.

Fair value measurements focus on exit prices in an orderly transaction (that is, not a forced liquidation or distressed sale) between market participants at the measurement date under current market conditions. If there has been a significant decrease in the volume and level of activity for the asset or liability, a change in valuation technique or the use of multiple valuation techniques may be appropriate. In such instances, determining the price at which willing market participants would transact at the measurement date under current market conditions depends on the facts and circumstances and requires the use of significant judgment.

The Town's fair value measurements are classified into a fair value hierarchy based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

The three categories within the hierarchy are as follows:

Level 1: Quoted prices in active markets for identical assets and liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, including quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, interest rates and yield curves observable at commonly quoted intervals, implied volatilities, credit spreads, and market-corroborated inputs.

Level 3: Unobservable inputs shall be used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flows methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgement.

See Note 3 for additional information regarding fair value.

Inventories and prepaids: Inventories are stated at cost, determined on the first-in, first-out basis. Inventories of governmental funds are recorded as expenditures/expenses when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Deferred outflows/inflows of resources: In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period or periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town reports a deferred charge on refunding and deferred outflows related to pension in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. A deferred outflow of resources related to pension results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees).

Town of Windsor, Connecticut

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports a deferred inflow of resources related to pensions in the government-wide statement of net position. A deferred inflow of resources related to pension results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees). Also, for governmental funds, the Town reports unavailable revenue, which arises only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from property taxes, interest on property taxes, and charges for services. These amounts are deferred and recognized as an inflow of resources (revenue) in the period during which the amounts become available. The Town reports advance property tax collections in the government-wide statement of net position and in the governmental balance sheet. Advance tax collections represent taxes inherently associated with a future period. The amount is recognized in the period in which the revenue is associated.

Capital assets: Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and proprietary fund financial statements. Capital assets are defined by the Town as assets with an initial, individual cost greater than \$5,000 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 acquisition 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 costs are capitalized on business-type activity capital assets.

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

<u>Capital Assets Categories</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 expenditure and no depreciation expense is reported.

Loans receivable: The Town records its loans receivable for the Community Rehabilitation Program 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

Note 1. Summary of Significant Accounting Policies (Continued)

Net pension liability: The net pension liability is measured as the portion of the actuarial present value of projected benefits that is attributed to past periods of employee service (total pension liability), net of the pension plan's fiduciary net position. The pension plan's fiduciary net position is determined using the same valuation methods that are used by the pension plan for purposes of preparing its statement of fiduciary net position. The net pension liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period.

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.

Vacation leave expenditures are recognized in the governmental fund financial statements in the current year to the extent they are paid or due (matured). 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 position. Bond principal premiums and discount 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. Bond issuance costs are expensed as incurred.

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. The fund accounts 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. The Landfill discontinued accepting municipal solid waste (MSW) as of June 30, 2014 and has converted to a transfer station facility for residents.

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.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Net other post-employment benefit obligations:

Governmental funds and governmental activities: In governmental funds, expenditures are recognized when they are paid or are expected to be paid with current available resources. In governmental activities, expense is recognized based on actuarially required contributions. The net OPEB obligation (asset), the cumulative differences between annual OPEB cost and the Town's contributions to the plan since July 1, 2008, are calculated on an actuarial basis consistent with the requirements of Government Accounting Standards Board Statement No. 45. The OPEB obligation (asset) is recorded in the government-wide financial statements.

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 assigned fund balance as they do not constitute either expenditures or liabilities.

All other General Fund appropriations lapse at year-end.

Net position: In the Government-Wide and Proprietary Fund Financial Statements, net position is classified in the following categories:

Net investment in capital assets: The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, notes, or other borrowings that are attributable to the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.

Restricted net position: These amounts are restricted to specific purposes when constraints placed on the use of resources are either (a) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislations.

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

Fund balance: In the government fund financial statements, the Town classified fund balances as follows:

Nonspendable fund balance: Amounts which cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted fund balance: These amounts are restricted to specific purposes when constraints placed on the use of resources are either (a) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislations.

Committed fund balance: This represents amounts constrained prior to year-end for a specific purpose by a government using its highest level of decision-making authority (Town of Windsor Town Council) in the form of a Resolution. Once adopted, the limitation, imposed by the resolution remains in place until a similar action is taken to remove or revise the limitation.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Assigned fund balance: Amounts constrained for the intent to be used for a specific purpose by a governing board or a body or official that has been delegated authority to assign amounts. Under the Town's adopted policy, the Town Manager or the Finance Director has the authority to assign amounts for a specific purpose as delegated by the Town Council.

Unassigned fund balance (deficit): The residual amount not allocated to any other fund balance category in the General Fund and any residual deficit balance of any other governmental funds.

When both restricted and unrestricted amounts are available for use, it is the Town's practice to use restricted resources first. Additionally, the Town would first use committed, then assigned, and lastly unassigned.

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 position: The governmental fund balance sheet includes reconciliation between fund balance – total governmental funds, and net position – governmental activities as reported in the government-wide statement of net position. 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 difference are as follows:

Bonds payable	\$ 38,340,000
Premiums, net of amortization	965,551
Compensated absences	871,350
Net pension liability	12,997,691
Net OPEB obligation	<u>39,897,150</u>
Net adjustment to reduce fund balance – total governmental funds to arrive at net positions – governmental activities	<u>\$ 93,071,742</u>

Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities: The governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between net changes in fund balances – total governmental funds, and changes in net position 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 difference are as follows:

Capital outlay	\$ 7,361,717
Depreciation expense	<u>(6,615,048)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 746,669</u>

Town of Windsor, Connecticut

Notes to Financial Statements

Note 2. Reconciliation of Government-wide and Fund Financial Statements (Continued)

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 position. 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 difference are as follows:

Debt issued or incurred:	
Issuance of general obligation bonds	\$ 5,945,000
Issuance of general obligation refunding bonds	9,225,000
Loss on refundings	99,159
Principal repayments:	
General obligation debt	(5,850,000)
Payment to escrow	(9,633,360)
Amortization of premiums:	
Bond premium	436,818
Net pension liability	<u>(2,377,566)</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at change in net position of governmental activities	<u>\$ (2,154,949)</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 difference are as follows:

Change in:	
Compensated absences	\$ 10,026
OPEB obligation	2,248,955
Accrued interest	<u>(146,288)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 2,112,693</u>

Note 3. Cash, Cash Equivalents and Investments

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

Town of Windsor, Connecticut

Notes to Financial Statements

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

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. Other provisions of the Statutes cover specific municipal funds with particular investment authority. The provisions of the Statutes regarding the investment of municipal pension funds do not specify permitted investments. Therefore, investment of such funds is generally controlled by laws applicable to fiduciaries and the provisions of the applicable plan.

The Town has an investment policy for its pension and other post-employment benefit funds providing a target asset allocation of 51 percent equities (or equivalents), 29 percent fixed income, 15 percent asset allocation funds and 5 percent real estate.

With respect to mutual /co-mingled funds, the Pension Board will consider the following to insure proper diversification and function of each of the funds:

- a. The mutual fund/co-mingled pool organizations selected should demonstrate:
(a) a clearly defined investment philosophy; (b) a consistent investment process; (c) an experienced and stable organization; and (d) cost-effectiveness.
- b. The mutual fund/co-mingled pool used will generally have at least a full three- year track record, or its equivalent, and the individual fund/pool must have at least \$25 million under management (or, as an organization, \$100 million in the same strategy) at the time of selection.
- c. Each mutual fund/co-mingled pool will be regularly evaluated for proper diversity and each will provide material information on a timely basis.
- d. With respect to hedge fund-of-funds, in addition to meeting each of the three above-specified criteria, each fund-of-funds will include an appropriate number of hedge fund managers to be considered well diversified. Investment strategies in hedge fund-of-funds may generally include: long/short U.S. equity, global equity, derivatives, distressed debt and other fixed income strategies, currency exposure, arbitrage and event driven strategies, and additional strategies with low correlation to traditional asset classes.

Interest rate risk: The Town's policy, which includes the Pension Trust Fund and the Other Post-Employment Benefit 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.

Town of Windsor, Connecticut

Notes to Financial Statements

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

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, 2017, approximately \$79,381,000 of the Town's bank balance of approximately \$89,989,000 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.

Cash, restricted cash and investments of the Town consist of the following at June 30, 2017:

Cash, restricted cash and equivalents:	
Deposits with financial institutions	\$ 87,617,714
State short-term investment fund	3,541,319
Total cash, restricted cash and equivalents	<u>91,159,033</u>
Less certificates of deposits classified as investments	<u>(21,604,616)</u>
	<u>69,554,417</u>
Pension and OPEB trust funds:	
Equity mutual funds	45,317,924
Fixed income mutual funds	18,647,200
Other investments - real estate	3,703,822
Total pension and OPEB investments	<u>67,668,946</u>
Total cash, cash equivalents and investments	<u>\$ 158,827,979</u>

* These investments are uninsured and unregistered, with securities held by the counterparty, in the Town's or Pension or OPEB Trust's name.

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

Statement of net position:	
Cash and cash equivalents	\$ 67,868,582
Restricted cash and cash equivalents	625,110
Investments	21,604,616
	<u>90,098,308</u>
Fiduciary funds:	
Cash and cash equivalents	1,060,725
Investments	67,668,946
	<u>68,729,671</u>
Total cash, cash equivalents and investments	<u>\$ 158,827,979</u>

Town of Windsor, Connecticut

Notes to Financial Statements

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

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	Over 10 Years
Pooled fixed income	\$ 3,541,319	\$ 3,541,319	\$ -	\$ -	\$ -
Fixed income mutual funds	18,647,200	1,838,256	4,638,666	6,417,116	5,803,535
Total	<u>\$ 22,188,519</u>	<u>\$ 5,379,575</u>	<u>\$ 4,638,666</u>	<u>\$ 6,417,116</u>	<u>\$ 5,803,535</u>

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 credit risk. Presented below is the minimum rating as required for each debt-type investment.

<u>Average rating</u>	<u>Pooled Fixed Income</u>	<u>Fixed Income Mutual Funds</u>
AAA	\$ -	\$ 7,628,017
AAAm	3,541,319	-
AA	-	1,355,614
A	-	2,965,232
BBB	-	2,757,996
BB	-	1,396,857
B	-	666,909
Below B	-	564,919
Unrated	-	1,311,656
Total	<u>\$ 3,541,319</u>	<u>\$ 18,647,200</u>

Town of Windsor, Connecticut

Notes to Financial Statements

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

Fair value: The Plan categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The Plan has the following recurring fair value measurements as of June 30, 2017:

	Fair Value Measurements Using		
	Quoted Prices in Active Markets for Identical Assets June 30, 2017 (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Observable Inputs (Level 3)
Investments by fair value level:			
Mutual funds	\$ 63,965,124	\$ 63,965,124	\$ -
Total investments by fair value level	<u>63,965,124</u>	<u>\$ 63,965,124</u>	<u>\$ -</u>
Investments measured at the net asset level (NAV):			
Real estate fund	<u>3,703,822</u>		
Total investments measured at the NAV	<u>3,703,822</u>		
Total investments measured at fair value	<u>\$ 67,668,946</u>		

Real estate fund: This type includes real estate investments in U.S. residential, hotel, industrial office, retail, land and development properties. In addition, this fund invests in mezzanine loans. The fair value of this investment has been determined using NAV per share (or its equivalent) of the Plan's ownership interest in partners' capital. The values are based upon independent appraisals, estimated sales proceeds or the Manager's opinion of value. The fair values do not reflect transaction sale costs or prepayment costs, which may be incurred upon disposition of the investment or instrument.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 4. Capital Assets

Capital asset activity for the year ended June 30, 2017, was as follows:

	Beginning Balance	Increases/ Transfers	Decreases / Transfers	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 4,912,827	\$ -	\$ -	\$ 4,912,827
Construction in progress	6,518,592	7,863,520	10,260,379	4,121,733
Total capital assets not being depreciated	11,431,419	7,863,520	10,260,379	9,034,560
Capital assets being depreciated:				
Buildings and improvements	132,988,124	2,332,015	-	135,320,139
Machinery and equipment	30,152,506	6,647,571	148,736	36,651,341
Infrastructure	97,738,971	778,990	-	98,517,961
Total capital assets being depreciated	260,879,601	9,758,576	148,736	270,489,441
Less accumulated depreciation for:				
Buildings and improvements	70,210,562	3,298,106	-	73,508,668
Machinery and equipment	20,177,387	1,829,701	148,736	21,858,352
Infrastructure	78,357,766	1,487,241	-	79,845,007
Total accumulated depreciation	168,745,715	6,615,048	148,736	175,212,027
Total capital assets being depreciated, net	92,133,886	3,143,528	-	95,277,414
Governmental activities capital assets, net	\$ 103,565,305	\$ 11,007,048	\$ 10,260,379	\$ 104,311,974
	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets being depreciated:				
Buildings and improvements	\$ 410,406	\$ -	\$ -	\$ 410,406
Machinery and equipment	3,169,588	76,175	149,387	3,096,376
Total capital assets being depreciated	3,579,994	76,175	149,387	3,506,782
Less accumulated depreciation for:				
Buildings and improvements	300,389	8,023	-	308,412
Machinery and equipment	3,140,307	21,853	89,391	3,072,769
Total accumulated depreciation	3,440,696	29,876	89,391	3,381,181
Total business-type capital assets, net	\$ 139,298	\$ 46,299	\$ 59,996	\$ 125,601

Town of Windsor, Connecticut

Notes to Financial Statements

Note 4. Capital Assets (Continued)

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

Governmental activities:	
Education	\$ 3,599,897
General government	488,643
Culture and recreation	514,388
Human services	154,701
Public works	697,989
Public safety	1,159,430
Total depreciation expense – governmental activities	<u>\$ 6,615,048</u>
Business-type activities:	
Landfill	\$ 26,677
Child development	1,000
Adult caring connection	2,199
Total depreciation expense – business-type activities	<u>\$ 29,876</u>

Note 5. 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, 2017 is presented below:

	Due From Other Funds	Due To Other Funds
General fund	\$ 475,536	\$ 55,196
Internal service fund	55,196	-
Nonmajor governmental funds	-	475,536
	<u>\$ 530,732</u>	<u>\$ 530,732</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.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 5. Interfund Receivables, Payables and Transfers (Continued)

Interfund transfers during the year ended June 30, 2017, were as follows:

	Transfers In					Total Transfers Out
	General Fund	Capital Projects Fund	Nonmajor Governmental Fund - Open Space	Nonmajor Governmental Fund - Debt Service Fund	Adult Caring Connection Nonmajor Enterprise Fund	
General Fund	\$ -	\$ 3,314,000	\$ 200,000	\$ 6,768,060	\$ 106,838	\$ 10,388,898
Adult Caring Connection nonmajor enterprise fund	70,090	-	-	-	-	70,090
Total transfers in	<u>\$ 70,090</u>	<u>\$ 3,314,000</u>	<u>\$ 200,000</u>	<u>\$ 6,768,060</u>	<u>\$ 106,838</u>	<u>\$ 10,458,988</u>

Transfers from the General Fund to the Debt Service Fund represent the Town's payment toward debt service on bonds outstanding. The remaining transfers primarily consisted of financing by the General Fund of programs accounted for in other funds in accordance with budgetary authorizations. The Capital Projects Fund received \$2,380,000 from the General Fund General Services Capital Projects budget, \$884,000 from the General Fund Unassigned Fund Balance to fund the Animal Shelter Relocation Project with the State ultimately reimbursing 75 percent of eligible costs, and \$50,000 from the Police Private Duty Fund for the Public Safety Radio System study.

Note 6. Unearned Revenue/Deferred Inflows of Resources

Governmental funds report deferred inflows of resources 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 unavailable revenues reported in the governmental funds such as prepaid program fees:

	Unavailable Resources	Unearned Revenues
General Fund:		
Property taxes	\$ 1,014,077	\$ -
Advance tax collections	5,107,301	-
Other receivables	72,938	-
	<u>6,194,316</u>	<u>-</u>
Educational Grant Programs Fund:		
Other receivables	-	-
Capital Improvement fund:		
Other receivables	145,842	-
Other nonmajor governmental funds:		
Prepaid program fees	-	725,120
	<u>-</u>	<u>725,120</u>
Total	<u>\$ 6,340,158</u>	<u>\$ 725,120</u>

Town of Windsor, Connecticut

Notes to Financial Statements

Note 7. Long-Term Liabilities

A summary of changes in outstanding long-term obligations during the year ended June 30, 2017 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 38,520,000	\$ 15,170,000	\$ 15,350,000	38,340,000	6,000,000
Unamortized premiums	528,733	706,514	269,696	965,551	-
	<u>39,048,733</u>	<u>15,876,514</u>	<u>15,619,696</u>	<u>39,305,551</u>	<u>6,000,000</u>
Other long-term liabilities:					
Compensated absences	861,324	886,984	876,958	871,350	217,840
Net pension liability	15,375,257	-	2,377,566	12,997,691	-
Other post-employment benefits	37,648,195	2,248,955	-	39,897,150	-
	<u>53,884,776</u>	<u>3,135,939</u>	<u>3,254,524</u>	<u>53,766,191</u>	<u>217,840</u>
Governmental activity long-term liabilities	<u>\$ 92,933,509</u>	<u>\$ 19,012,453</u>	<u>\$ 18,874,220</u>	<u>93,071,742</u>	<u>6,217,840</u>
Business-type activities:					
Other long-term liabilities:					
Compensated absences	\$ 64,704	\$ 71,927	\$ 83,236	53,395	13,349
Landfill post closure costs	37,080,000	-	1,020,000	36,060,000	1,442,400
Total other long-term liabilities	<u>37,144,704</u>	<u>71,927</u>	<u>1,103,236</u>	<u>36,113,395</u>	<u>1,455,749</u>
Business-type activity long-term liabilities	<u>\$ 37,144,704</u>	<u>\$ 71,927</u>	<u>\$ 1,103,236</u>	<u>36,113,395</u>	<u>1,455,749</u>

All long-term liabilities for governmental activities are liquidated by the General Fund.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 7. Long-Term Liabilities (Continued)

General obligation bonds: As of June 30, 2017, the outstanding general obligation bonds of the Town were as follows:

Town of Windsor Debt Outstanding Purpose	Maturity Ranges	Issued	Interest Rate	Original Amount	Balance 06/30/2017
General Purpose:					
Public Refunding	\$190,000 - \$1,330,000	2009	2.00-4.00	\$ 8,806,000	\$ 797,000
Public General Obligation	\$225,000 - \$425,000	2010	3.00-4.00	3,980,000	-
Public Refunding	\$130,000 - \$1,580,000	2010	3.00-5.00	6,096,000	500,000
Public General Obligation	\$232,000 - \$350,000	2011	2.50-3.50	3,450,000	-
Public General Obligation	\$365,000 - \$375,000	2012	2.0	4,490,000	740,000
Public General Obligation	\$410,000 - \$425,000	2013	1.25-2.0	4,085,000	2,731,000
Public General Obligation	\$500,000- \$520,000	2014	2.0-3.0	3,690,000	2,580,000
Public Refunding	\$45,000 - \$1,415,000	2014	2.0-4.0	3,355,000	3,320,000
Public General Obligation	\$235,000-\$270,000	2015	2.0-2.5	3,165,000	2,630,000
Public General Obligation	\$310,000-\$315,000	2016	2.0	3,755,000	3,445,000
Public General Obligation	\$213,000	2017	2.0-4.0	4,260,000	4,260,000
Public Refunding	\$53,000-\$1,573,000	2017	2.0-4.0	5,657,000	5,657,000
Total general purpose				<u>54,789,000</u>	<u>26,660,000</u>
Schools:					
School Refunding	\$190,000 - \$1,330,000	2009	2.00-4.00	9,819,000	913,000
School General Obligation	\$225,000 - \$425,000	2010	3.00-4.00	700,000	-
School Refunding	\$130,000 - \$1,580,000	2010	3.00-5.00	6,209,000	715,000
School General Obligation	\$232,000 - \$350,000	2011	2.50-3.50	1,040,000	-
School General Obligation	\$410,000 - \$425,000	2013	1.25-2.0	950,000	634,000
School General Obligation	\$500,000-\$520,000	2014	2.0-3.0	1,330,000	940,000
School General Obligation Refunding	\$45,000-\$1,415,000	2014	2.0-4.0	915,000	905,000
School General Obligation	\$180,000-\$190,000	2015	2.0-2.5	2,205,000	1,840,000
School General Obligation	\$40,000-\$50,000	2016	2.0	530,000	480,000
School General Obligation	\$82,000-\$87,000	2017	2.0-4.0	1,685,000	1,685,000
School Refunding	\$47,000-\$1,297,000	2017	2.0-4.0	3,568,000	3,568,000
Total schools				<u>28,951,000</u>	<u>11,680,000</u>
Grand total				<u>\$ 83,740,000</u>	<u>\$ 38,340,000</u>

The following is a summary as of June 30, 2017, of the future principal and interest requirements for the Town's general obligation bonds:

Fiscal year ending June 30:	Principal	Interest	Total
2018	\$ 6,000,000	\$ 927,469	\$ 6,927,469
2019	5,565,000	835,475	6,400,475
2020	5,570,000	651,225	6,221,225
2021	4,640,000	495,700	5,135,700
2022	3,530,000	384,155	3,914,155
2023-2027	9,685,000	961,205	10,646,205
2028-2037	3,350,000	497,475	3,847,475
Total	<u>\$ 38,340,000</u>	<u>\$ 4,752,704</u>	<u>\$ 43,092,704</u>

Town of Windsor, Connecticut

Notes to Financial Statements

Note 7. Long-Term Liabilities (Continued)

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

Category	Debt Limit	Indebtedness	Balance
General purpose	\$ 222,279,962	\$ 26,660,000	\$ 195,619,962
Unfunded pension benefit obligation	296,373,282	-	296,373,282
Schools	444,559,923	11,680,000	432,879,923
Sewers	370,466,603	-	370,466,603
Urban renewal	321,071,056	-	321,071,056

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation, or approximately \$691,537,658.

Bonds authorized but unissued: The Town had no bonds authorized but unissued at June 30, 2017.

Bond anticipation notes: The Town did not issue any bond anticipation notes during FY 17.

Bond anticipation note transactions for the year ended June 30, 2017 were as follows:

Outstanding, July 1, 2016	\$ 450,000
New borrowings	-
Repayments	(450,000)
Outstanding, June 30, 2017	<u>\$ -</u>

Note 8. Employee Retirement Plans

Employee pension plans: The Town maintains the Town of Windsor Retirement Plan, a single-employer, 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, hired before July 1, 2011 (before November 1, 2011 for the Teamster Local 671 bargaining unit and before November 1, 2012 for the United Public Service Employee Union Local 424). The PERS plan does not issue a separate stand-alone financial report.

Plan administration: The general administration and management of the Town pension plan and the responsibility for carrying out the provision of the plan shall be placed in the Town Retirement Plan Committee. The Town Retirement Plan Committee shall consist of the Town Manager, Finance Director, Superintendent of Schools and an employee of the Board of Education designated by the Superintendent of Schools.

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.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 8. Employee Retirement Plans (Continued)

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.

The membership in the PERS at July 1, 2016, the date of the actuarial valuation, is comprised of the following:

Retirees and beneficiaries currently receiving benefits	201
Vested terminated employees	51
Active members	259
Total	<u>511</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. Non-affiliated administrative employees and public safety dispatchers are required to contribute 4.50 percent of their earnings. Public works/clerical employees collective bargaining group contribute 4.00 percent. 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 7.25 percent 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.

Investments:

Investment policy: The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the Retirement Plan Committee. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the pension plan. The following was the adopted allocation policy as of June 30, 2017.

Asset Class	Index	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equities	Russell 3000 Index	34.25%	2.66%
International Equities	MSCI ACWI ex US	30.00%	5.15%
Fixed Income	Barclays Aggregate Bond Index	9.75%	5.51%
Asset Allocation Funds	GMO Constructed Index	21.00%	6.34%
Real Estate	NCREIF Index	5.00%	3.85%

The long-term expected rate of return on the Town Plan's investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Town Plan's target asset allocation as of June 30, 2017 are summarized in the table above.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 8. Employee Retirement Plans (Continued)

Rate of return: For the year ended June 30, 2017, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 13.56 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discount rate: The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from the Town will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Net pension liability of the Town: The components of the net pension liability of the Town at June 30, 2017 were as follows:

<u>Net Pension Liability</u>	<u>June 30, 2017</u>
Total pension liability	\$ 80,386,167
Fiduciary net position	67,388,476
Net pension liability	12,997,691
Fiduciary net position as a percentage of total pension liability	83.83%
Covered payroll	14,057,983
Net pension liability as a percentage of covered payroll	92.46%

Actuarial assumptions: The total pension liability was determined by an actuarial valuation as of July 1, 2015, calculated based on the discount rate and actuarial assumptions below, and then was projected forward to the measurement date June 30, 2017. There have been no significant changes between the valuation date and the fiscal year end.

Discount rate:

Discount rate	7.25%
Long-term expected rate of return, net of investment expense	7.25%
Municipal bond rate	N/A

Town of Windsor, Connecticut

Notes to Financial Statements

Note 8. Employee Retirement Plans (Continued)

Net pension liability of the Town: The components of the net pension liability of the Town at June 30, 2017 were as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balances at 6/30/16:	\$ 76,623,899	\$ 61,248,642	\$ 15,375,257
Changes for the year:			
Service cost	1,042,455	-	1,042,455
Interest on total pension liability	5,596,678	-	5,596,678
Effect of plan changes	(59,415)	-	(59,415)
Effect of economic/demographic gains or losses	(252,904)	-	(252,904)
Effect of assumptions changes or inputs	1,058,298	-	1,058,298
Benefit payments	(3,622,844)	(3,622,844)	-
Employer contributions	-	1,054,742	(1,054,742)
Member contributions	-	599,123	(599,123)
Net investment income	-	8,123,992	(8,123,992)
Administrative expense	-	(15,179)	15,179
Net changes	3,762,268	6,139,834	(2,377,566)
Balances at 6/30/17	<u>\$ 80,386,167</u>	<u>\$ 67,388,476</u>	<u>\$ 12,997,691</u>

Other key actuarial assumptions:

Valuation date	July 1, 2016
Measurement date	June 30, 2017
Inflation	2.75%
Salary increases including inflation	3.50%
Mortality	RP-2000 Combined Healthy Mortality with generational projection per Scale AA
Actuarial cost method	Entry Age Normal

Sensitivity analysis: The following table presents the net pension liability of the Town, calculated using the discount rate of 7.25 percent, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.25 percent) or 1 percentage point higher (8.25 percent) than the current rate.

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Net pension liability	<u>\$ 22,360,175</u>	<u>\$ 12,997,691</u>	<u>\$ 5,141,207</u>

Town of Windsor, Connecticut

Notes to Financial Statements

Note 8. Employee Retirement Plans (Continued)

For the year ended June 30, 2017, the Town recognized pension expense of \$3,334,429 for the Town pension. At June 30, 2017, the Town reported deferred outflows of resources and deferred inflows of resources related to the Town pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 9,097	\$ 215,142
Change of assumptions	1,175,328	-
Net Difference between expected and actual earnings	2,122,372	-
Contributions made subsequent to measurement date	-	-
Total	<u>\$ 3,306,797</u>	<u>\$ 215,142</u>

Amounts reported in deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2018	\$ 1,712,600
2019	1,639,664
2020	490,317
2021	(750,926)
Thereafter	-

	Net Pension Liability	Net Pension (Asset)	Pension Expense	Deferred Inflows	Deferred Outflows
Defined Benefit Plan (PERS)	\$ 12,997,691	\$ -	\$ 3,334,429	\$ 215,142	\$ 3,306,797
Connecticut Municipal Retirement System (CMERS)	-	1,930,679	1,128,688	-	3,769,095
Total	<u>\$ 12,997,691</u>	<u>\$ 1,930,679</u>	<u>\$ 4,463,117</u>	<u>\$ 215,142</u>	<u>\$ 7,075,892</u>

The Defined Contribution Plan requires the Town to contribute 5 percent of each participant's salary. Employees are also required to contribute 5 percent of their salary and may make additional contributions subject to IRS regulations.

The assets for the Plan are held by ICMA Retirement Corporation. The balance of the Plan amounted to approximately \$867,629 at June 30, 2017 and is not reflected in the accompanying financial statements of the Town, as the Town's role in the administration of the Plan is limited.

Connecticut Municipal Employees' Retirement Fund B: All uniformed police officers of the Town of Windsor participate in the Connecticut Municipal Employees Retirement System (CMERS), a defined benefit cost sharing multiple-employer public employee retirement system (PERS) established by the State of Connecticut and administered by the State Retirement Commission to provide retirement and disability benefits, annual cost-of-living adjustments, and death benefits to the employees and beneficiaries of participating municipalities. Chapter 113 Part II of the General Statutes of Connecticut, which can be amended by legislative action, establishes PERS benefits, member contribution rates, and other plan provisions. CMERS 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 at www.ct.gov.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 8. Employee Retirement Plans (Continued)

Funding policy: Town of Windsor plan members are required by State statute to contribute 5 percent of earnings (based on earnings not being covered by Social Security). Each participating municipality is required to contribute at an actuarially determined rate. The rate for fiscal year 2017 is 14.98 percent 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 CMERS for the years ended June 30, 2017, 2016 and 2015 were \$846,628, \$839,857 and \$914,805, respectively, equal to the required contributions for each year.

Benefit provisions: Plan provisions are set by Statute of the State of Connecticut. CMERS provides retirement benefits, as well as death and disability benefits. Membership is mandatory for all regular full time employees of participating departments except Police and Fire hired after age 60.

Average final compensation: Average of the three highest paid years of service.

Normal form of benefit: Life annuity.

Year's breakpoint: With respect to the calendar year in which a member terminates service, \$10,700 increased by 6.0 percent each year after 1982, rounded to the nearest multiple of \$100. For 2016, the breakpoint is \$77,600.

Service retirement allowance:

Condition for allowance: Age 55 and 5 years of continuous service, or 15 years of active aggregate service, or 25 years of aggregate service. Compulsory retirement at age 65 for police and fire members.

Amount of allowance: For members not covered by Social Security: 2 percent of average final compensation times years of service. For members covered by Social Security: 1-1/2 percent of the average final compensation not in excess of the year's breakpoint plus 2 percent of average final compensation in excess of the year's breakpoint, times years of service. The maximum benefit is 100 percent of average final compensation and the minimum benefit is \$1,000 annually. Both the minimum and the maximum include workers compensation and social security benefits. If any member covered by social security retires before age 62, his/her benefit until he/she reaches age 62 or receives a social security disability award is computed as if he/she were not under social security.

Disability retirement allowance:

Condition for allowance: 10 years of service and permanently and totally disabled from engaging in any gainful employment in the service of the municipality.

Amount of allowance: Calculated as a service retirement allowance based on compensation and service to the date of the disability.

Service connected disability:

Condition for allowance: Totally and permanently disabled from engaging in any gainful employment in the service of the municipality provided such disability has arisen out of and in the course of his/her employment with the municipality. Disability due to hypertension or heart disease, in the case of firemen and policemen, is presumed to have been suffered in the line of duty.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 8. Employee Retirement Plans (Continued)

Amount of allowance: Calculated as a service retirement allowance based on compensation and service to the date of the disability with a minimum benefit (including worker's compensation benefits) of 50 percent of compensation at the time of the disability.

Vesting retirement allowance:

Condition for allowance: 5 years of continuous or 15 years of active aggregate service.

Amount of allowance: Calculated as a service retirement allowance on the basis of average final compensation and service to the date of termination. Deferred to normal retirement age, or an actuarially reduced allowance may begin at the time of separation.

Death benefit:

Condition for benefit: Eligible for service, disability retirement, or vested allowance, and married for at least 12 months preceding death.

Amount of benefit: Computed on the basis of the member's average final compensation and creditable service at date of death, payable to the spouse. Benefit is equal to 50 percent of the average of the life annuity allowance and the reduced 50 percent joint and survivor allowance.

Return to deductions: Upon the withdrawal of a member, the amount of his accumulated deductions is payable to him/her on demand, with 5 percent interest from July 1, 1983.

Optional benefits: Prior to the retirement, a member may elect to convert his retirement allowance into a benefit of equivalent actuarial value in accordance with one of the options forms described below: 1. A reduced retirement allowance payable during his life with the provision that after his death the beneficiary designated by him at the time of this retirement; or 2. A reduced retirement allowance payable during his life with the provision that after his death, an allowance of one-half of his reduced allowance will be continued for life to the beneficiary designated by him at the time of his retirement; 3. A reduced retirement allowance payable during his life with a guarantee of 120 or 240 monthly payments to the member or his designated beneficiary.

Cost-of-living-adjustment: For those retired prior to January 1, 2002: (i) the benefits of disabled retirees, service retirees who have reached age 65, and beneficiaries of deceased retirees who would have reached age 65 are adjusted each July 1. The difference between the actual annual yield of the actuarial value of assets on a calendar year basis to a 6 percent yield is calculated. This difference is the adjustment applied the following July 1. The minimum adjustment is 3 percent and the maximum is 5 percent. (ii) The benefits for all others on the roll are adjusted on January 1, 2002 and on each subsequent July 1. The amount of each adjustment is 2.5 percent. For those retiring in or after January 1, 2002, benefits are adjusted each July 1. The adjustment is 60 percent of the annual increase in the CPI up to 6 percent. The minimum annual COLA is 2.5 percent; the maximum is 6 percent.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 8. Employee Retirement Plans (Continued)

Assumptions: The total pension liability was determined using the following actuarial assumptions applied to all periods included in the measurement:

Valuation date	7/1/2016
Actuarial cost method	Entry age normal
Amortization method	Level dollar, closed
Remaining amortization period	23 years
Asset valuation method	5-year smoothed market with 20% recognition of investment gains and losses
Investment rate return*	8.00%, net of investment related expense
Projected salary increases*	4.25-11.00%
Social Security wage base	3.50%
* includes inflation at 3.25%	
Mortality	The RP2000 Mortality Table for Annuitants and Non-Annuitants (set forward one year for males and set back one year for females).

The long-term expected rate of return: the long-term expected rate of return on pension plan investments was determined using a lognormal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and most recent best estimates of arithmetic real rates of return for each major asset class are to be provided by the Fiduciary of the Plan.

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Large Cap U.S. Equities	16%	5.8%
Developed Non-U.S. Equities	14%	6.6%
Emerging Markets (non-U.S)	7%	8.3%
Core Fixed Income	8%	1.3%
Inflation Linked Bonds	5%	1.0%
Emerging Market Bonds	8%	3.7%
High Yield Bonds	14%	3.9%
Real Estate	7%	5.1%
Private Equity	10%	7.6%
Alternative Investments	8%	4.1%
Liquidity Fund	3%	0.4%
	100%	

Town of Windsor, Connecticut

Notes to Financial Statements

Note 8. Employee Retirement Plans (Continued)

Discount rate: the discount rate used to measure the total pension liability was 8.00 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at the actuarially determined rates in future years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,484,576	\$ -
Change of assumptions	-	-
Net Difference between expected and actual earnings	1,437,891	-
Contributions made subsequent to measurement date	846,628	-
Total	<u>\$ 3,769,095</u>	<u>\$ -</u>

Sensitivity of the net pension liability to changes in the discount rate: The following presents the net pension asset of the System, calculated using the discount rate of 8.00 percent, as well as what the System's net pension asset would be if it were calculated using a discount rate that is 1-percentage-point lower (7.00 percent) or 1-percentage-point higher (9.00 percent) than the current rate:

	1% Decrease 7.00%	Current Discount Rate 8.00%	1% Increase 9.00%
Town's share of net pension (asset) liability associated with the Plan	<u>\$ 2,096,010</u>	<u>\$ (1,930,679)</u>	<u>\$ (5,278,998)</u>

Pension asset, pension expense, and deferred outflows of resources and deferred inflows of resources: At June 30, 2017, the Town reported an asset of \$1,930,679 for its proportionate share of the net pension (asset) liability related to its participation in CMERS. The net pension (asset) liability was measured as of June 30, 2016 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liability was based on its share of contributions to the CMERS for fiscal year 2016 relative to the total contributions of all participating employers for that fiscal year. At June 30, 2016, the Town's proportion was 0.58 percent.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 8. Employee Retirement Plans (Continued)

For the year ended June 30, 2017, the Town recognized pension expense of \$1,128,688 related to the CMERS plan. At June 30, 2017, the Town reported deferred outflows of resources related to pensions from the following sources:

\$846,628 reported as deferred outflows of resources related to pensions resulting from the Town's contributions in fiscal year 2017 subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2018	\$ 712,337
2019	712,338
2020	867,933
2021	629,859
2022	-
Thereafter	-

Connecticut State Teachers' Retirement System: All certified personnel participate in the State of Connecticut Teachers' Retirement System under Section 10.183 of the General Statutes of the State of Connecticut. A teacher is eligible to receive a normal retirement benefit if he or she has 1) attained age 60 and has accumulated 20 years of credited service in the public schools of Connecticut, or 2) attained any age and has accumulated 35 years of credited service, at least 25 years of which are serviced in the public schools of Connecticut.

Description of system: Teachers within the Town's school system participate in a retirement system administered by the Connecticut State Teachers' Retirement Board. This Connecticut State Teachers' Retirement System (the System) is a cost sharing multiple employer defined benefit pension system with a special funding situation.

The System is considered 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 at www.ct.gov.

The System is administered under the provisions of Chapter 167a of the Connecticut General Statutes (CGS). Participation in the System is restricted to certified staff employed in the public schools of Connecticut and members of the professional staff of the State Department of Education or the board of Governors of Higher Education and their constituent units. Participation in the System is mandatory for certified personnel of local boards of education who are employed for an average of at least one-half of a school day. Members of the professional staff of the State Department of Education or the Board of Governors of Higher Education and their constituent units may elect to participate in this system, the State Employees' Retirement System, or the Alternate Retirement System (TIAA-CREF).

Town of Windsor, Connecticut

Notes to Financial Statements

Note 8. Employee Retirement Plans (Continued)

Summary of significant accounting policies: For purposes of measuring the liability, deferred outflows of resources and deferred inflows of resources, and expense associated with the State's requirement to contribute to the System, information about System's fiduciary net position and additions to/deductions from the System's fiduciary net position have been determined on the same basis as they are reported by the System. For this purpose, benefit payments (including refunds of contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The Town has recorded, in the General Fund, intergovernmental revenue and education expenditures in the amount of \$11,590,000 as payments made by the State of Connecticut on-behalf of the Town. The Town does not have any liability for teacher pensions.

Benefits provided: The benefits provided to participants by the System are as follows:

Normal benefit: A member at age 60 with 20 years of credited service in Connecticut, or 35 years of credited service including at least 25 years of service in Connecticut is eligible for vested benefits of 2 percent of average annual salary times years of credited service (maximum benefit is 75 percent of average annual salary).

Prorated benefit: A member who completes 10 years of Connecticut public school service is eligible for a vested benefit commencing at age 60. The benefit is 2 percent less 0.1 percent for each year less than 20 years of average annual salary times years of credited service.

Minimum benefit: Effective January 1, 1999, Public Act 98-251 provides a minimum monthly retirement benefit of \$1,200 to teachers who retire under the Normal Benefit provisions and who have completed at least 25 years of full time Connecticut service at retirement.

Contribution requirements: The pension contributions made by the State to the System are determined on an actuarial reserve basis as described in CGS Sections 10-1831 and 10-183z.

Participants are required to contribute 6.0 percent of their annual salary rate to the System as required by CGS Section 10-183b (7). For the 2016/2017 school year, \$2,138,229 mandatory contributions were deducted from the salaries of eligible employees who were participants of the System during that school year. The estimated covered payroll for the Town is \$30,775,321.

The Town has no obligation to contribute to the plan; as such, a schedule of contributions is not presented.

Actuarial assumptions: The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2010 – Jun 30, 2015. The total pension liability was determined by an actuarial valuation as of June 30, 2016, using the following key actuarial assumptions:

Inflation	2.75%
Salary increases, including inflation	3.25-6.50%
Long-term investment rate of return, net of pension investment expense, including inflation	8.00 percent

For healthy retirees and beneficiaries, the RPH-2014 White Collar table with employee and annuitant rates blended from the ages 50 to 80 projected to the year 2020 using the BB improvement scale and further adjusted to grade in increases (5% for females and 8% for males) to rates over age 80. For disabled retirees, the RPH-2014 Disabled Mortality table projected to 2017 using BB improvement scale.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 8. Employee Retirement Plans (Continued)

The long-term expected rate of return on pension investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Large cap U.S. equities	21.00%	5.80%
Developed non-U.S. equities	18.00%	6.60%
Emerging Markets (non-U.S)	9.00%	8.30%
Real Estate	7.00%	5.10%
Private equity	11.00%	7.60%
Alternative investments	8.00%	4.10%
Core fixed income	7.00%	1.30%
High yield bonds	5.00%	3.90%
Emerging market bond	5.00%	3.70%
Inflation Linked Bond fund	3.00%	1.00%
Cash	6.00%	0.40%
	100.00%	

Discount rate: The discount rate used to measure the total pension liability was 8.0 percent. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that State contributions will be made at the actuarially determined rates in future years. Based on those assumptions, the pension's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return on pension investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the proportionate share of the net pension liability to changes in the discount rate:

The following presents the State's proportionate share of the net pension liability associated with the Town, calculated using the discount rate of 8.0 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.00 percent) or 1-percentage-point higher (9.00 percent) than the current rate.

	1% Decrease 7.00%	Current Discount Rate 8.00%	1% Increase 9.00%
State's share of net pension liability associated with the Town	\$ 131,114,939	\$ 106,276,198	\$ 85,278,812

Town of Windsor, Connecticut

Notes to Financial Statements

Note 8. Employee Retirement Plans (Continued)

Pension liabilities, pension expense, and deferred inflows/outflows of resources: The State makes all contributions to the System on behalf of employees of the participating districts. Therefore, participating employers are considered to be in a special funding situation as defined by Governmental Accounting Standards Board No. 68 and the State is treated as a non-employer contributing entity in the System. Since the districts do not contribute directly to the System, there is no net pension liability or deferred inflows or outflows to report in the financial statements of the Town. The portion of the net pension liability that was associated with the Town was \$106,276,198 and 100 percent of the collective net pension liability is allocated to the State. The Town has no proportionate share of net pension liability.

June 30, 2016 is the actuarial valuation date upon which the total pension liability is based. Since the prior valuation, the State adopted new assumptions based on the 2015 Experience Study. The changes in assumptions are summarized below:

Economic assumptions:

1. Reduce the inflation assumption from 3.00% to 2.75%.
2. Reduce the real rate of return assumption from 5.50% to 5.25% which, when combined with the inflation assumption change results in a decrease in the investment rate of return assumption from 8.50% to 8.00%.
3. Reduce the annual rate of wage increase assumption from 0.75% to 0.50%.
4. Slightly modify the merit portion of the salary scale.
5. Reduce the payroll growth assumption from 3.75% to 3.25%.

Demographic assumptions:

6. Update mortality tables to projected versions of the RPH-2014 mortality tables.
7. Increase normal retirement rates for females at most ages and pro-ratable retirement rates for males at most ages. Decrease early retirement rates for both males and females.
8. Increase rates of withdrawal.
9. Decrease rates of disability for males.

The Town recognized the total pension expense associated with the Town as well as revenue in an amount equal to the non-employer contributing entities' total proportionate share of the collective pension expense associated with the Town. For the fiscal year ended June 30, 2017, the Town recognized \$11,590,000 as the amount expended by the State on behalf of the Town to meet the State's funding requirements.

Town of Windsor retirement plan – defined contribution pension plan: As part of the FY 2012 budget process, management took steps to reduce the town's cost of providing retirement benefits for future employees. To help mitigate future increases in retirement costs, the Town Council voted to amend the Personnel Rules requiring all non-affiliated full-time employees hired after July 1, 2011 to participate in a 401(a) defined contribution plan. This Plan is not reported as a fiduciary fund by the Town as it does not meet the reporting criterion. All members of the Teamsters Local 671 collective bargaining unit hired after November 1, 2011 are required to participate in a 401(a) defined contribution plan. All members of the United Public Service Employees Union Local 424 (Public Safety Dispatchers collective bargaining unit) hired on or after November 1, 2012 are required to participate in a 401(a) defined contribution plan. As of July 1, 2013, all new hires of the Board of Education (excluding teachers), regardless of affiliation, participate in a 401(a) defined contribution plan.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 9. Other Post-Employment Benefits

In addition to providing pension benefits, the Town instituted a policy providing 50 percent to 75 percent 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, 2015. 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.

Membership in the plan consisted of the following at July 1, 2015:

Retirees and beneficiaries receiving benefits	216
Active plan members	<u>685</u>
Total	<u><u>901</u></u>

The Town's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual determined contribution of the employer (ADC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ADC 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 Town's contributions represent payments made for premiums for insured individuals on a pay-as-you-go method. In FY2015 the Town established a trust fund for the purpose of prefunding Other Post-Employment Benefits.

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 Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/15	\$ 6,227,743	\$ 2,595,904	41.68%	\$ 33,617,183
6/30/16	\$ 6,624,331	\$ 2,593,319	39.15%	\$ 37,648,195
6/30/17	\$ 4,659,894	\$ 2,410,939	51.74%	\$ 39,897,150

Town of Windsor, Connecticut

Notes to Financial Statements

Note 9. Other Post-Employment Benefits (Continued)

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll
7/1/15	\$ 407,000	\$ 52,676,000	\$ (52,269,000)	0.8%	\$ 45,661,000

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.

OPEB obligation:

Annual required contribution	\$ 4,883,931
Interest on net pension obligation	1,882,410
Adjustment to annual required contribution	<u>(2,106,447)</u>
Annual OPEB cost	4,659,894
Contributions made	<u>2,410,939</u>
Increase in net OPEB liability	2,248,955
Net OPEB obligation, beginning of year	<u>37,648,195</u>
Net OPEB obligation, end of year	<u><u>\$ 39,897,150</u></u>

Actuarial assumptions are as follows:

Valuation date	July 1, 2015
Actuarial cost method	Projected Unit Credit
Asset funding method	N/A
Amortization method	Level Percent (closed)
Remaining amortization period	30 Years Decreasing (non-police), 20 years
Valuation type	Decreasing(Police)
Actuarial assumptions	Closed Group
Discount rate	5.00%
Inflation rate	2.70%
Amortization growth rate	3.00%

Town of Windsor, Connecticut

Notes to Financial Statements

Note 9. Other Post-Employment Benefits (Continued)

Health cost trend rates	Annual increases in premium for retired medical and prescription drug benefits are assumed to be as follows:
	Initial inflation rate: 5.6%
	Ultimate inflation rate: 4.6%
	Years until ultimate inflation rate 69 years for pre-65; 84 years for post-65

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.

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 Town performed an actuarial valuation as of July 1, 2015, which will be used to determine the June 30, 2017 and 2018 annual contribution. The July 1, 2015 valuation shows an actuarial accrued liability of \$52,676,000.

Investments:

Investment policy: The OPEB plan's policy in regard to the allocation of invested assets is established and may be amended by the Board. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the OPEB plan.

Rate of return: For the year ended June 30, 2017, the annual money-weighted rate of return on OPEB plan investments, net of OPEB plan investment expense, was as follows. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

	<u>OPEB Plan</u>
Rate of return	10.39%

Town of Windsor, Connecticut

Notes to Financial Statements

Note 9. Other Post-Employment Benefits (Continued)

Net OPEB liability of the Town: The components of the net OPEB liability of the Town at June 30, 2017 were as follows:

	Net OPEB Liability as of June 30, 2017	OPEB Plan
Total OPEB liability		\$ 76,073,699
Plan fiduciary net position		1,337,839
Net OPEB liability		74,735,860
Plan fiduciary net position as a percentage of total OPEB liability		1.76%

Assumed rate of return: The long-term expected rate of return on OPEB plan investments was determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. Best estimates of the real rates of returns for each major asset class are included in the OPEB plan's target asset allocation. Best estimates of arithmetic real rates of return for each major asset class included in the OPEB plan's target asset allocation as of July 1, 2015, and the final vestment return assumption, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US Core Fixed Income	35.00%	2.52%
US Large Caps	36.00%	3.61%
Non-US Equity	24.00%	4.59%
US REITS	5.00%	3.28%
	<u>100.00%</u>	
Long-Term Inflation Expectation		
Long-term expected nominal return		

The Town's net OPEB liability will be required to be recorded on the government-wide financial statement of net position at July 1, 2017.

Discount rate: The discount rate used to measure the total OPEB liability was 3.58%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Also, based on the net position of the plans and contribution policies, it was assumed the plan's projected fiduciary net position would be sufficient to cover projected benefit payments and administrative expenses indefinitely. Therefore, the long-term expected rates of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 9. Other Post-Employment Benefits (Continued)

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates: The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (4.6% decreasing to 3.6%) or 1 percentage point higher (6.6% decreasing to 5.6%) than the current healthcare cost trend rates:

Net OPEB Liability	Healthcare Cost Trend Rates (4.6% decreasing to 3.6%)	1.0% Decrease (5.6% decreasing to 4.6%)	1.0% Increase (6.6% increasing to 5.6%)
OPEB Plan	\$ 62,134,176	\$ 74,735,860	\$ 90,847,218

Sensitivity of estimates used in calculating the net OPEB liability: The following presents the net OPEB liability of the City, calculated using the discount rate of 3.58%, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the rate utilized.

Net OPEB Liability	1% Decrease 2.58%	Current Discount Rate 3.58%	1% Increase 4.58%
OPEB Plan	\$ 87,870,624	\$ 74,735,860	\$ 64,243,798

Note 10. Risk Management

The Town self-insures its liability for workers' compensation claims to a limit of \$600,000 per 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. USI/FutureComp, a fully qualified, third-party administrator, is the current administrator of the program and assists management in determining 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.

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 self-funded through Anthem Blue Cross/Blue Shield of Connecticut and Express Scripts. Funds are transferred into the Insurance Internal Service Fund from other funds and are available to pay the health/medical premium costs.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 10. Risk Management (Continued)

The Town is self-insured for health benefits. Claim activity and service fees are accounted for in a self-insurance reserve fund. The Town has Individual Stop Loss (ISL) coverage that limits the Town's liability to \$175,000 annually. On an aggregate basis, the Town's liability is limited to 125 percent of expected claims (approximately \$3,200,000). Claims exceeding the Town's maximum liability are fully insured through stop loss coverage (Aggregate and ISL). Anthem, the provider, administers the payment of claims and calculates and provides the accrued liability at year-end based on prior claims experience and the amount of unsettled claims outstanding on an actuarial basis. Arthur J. Gallagher & Co., the Town's consultant, analyzes claims and advises the Town on all health insurance related issues. Conservatively, through the budget process and available reserves, the Town will project to have at a minimum, the Town's maximum liability available to process expected claims.

The BOE records its liability for health benefits in a self-insurance reserve fund and accounts for claim activity and service fees on a self-insured basis. The BOE has Individual Stop Loss (ISL) coverage that limits the BOE's liability to \$150,000 annually. On an aggregate basis, the BOE's liability is limited to 110 percent of expected claims (approximately \$11,300,000). Claims exceeding the BOE's maximum liability are fully insured through stop loss coverage (Aggregate and ISL). Anthem, the provider, administers the payment of claims. Lockton Companies, the BOE's consultant, analyzes claims and advises the BOE on all health insurance related issues as well as calculating and providing the accrued liability at year-end based on prior claims experience and the amount of unsettled claims outstanding on an actuarial basis. Conservatively, through the budget process and available reserves, the BOE will project to have at a minimum, the BOE's maximum liability available to process expected claims.

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

Workers' Compensation / Heart and Hypertension / Liability	Liability July 1,	Current Year Claims and Changes in Estimates	Claim Payments	Liability June 30,
2015-16	\$ 1,645,468	\$ 1,968,514	\$ 1,680,313	\$ 1,933,669
2016-17	1,933,669	1,729,340	1,712,373	1,950,636

Town - Health / Medical	Liability July 1,	Current Year Claims and Changes in Estimates	Claim Payments	Liability June 30,
2015-16	\$ 200,724	\$ 3,973,410	\$ 4,011,555	\$ 162,579
2016-17	162,579	4,397,983	4,342,831	217,731

BOE - Health / Medical	Liability July 1,	Current Year Claims and Changes in Estimates	Claim Payments	Liability June 30,
2015-16	\$ 452,748	\$ 9,691,990	\$ 9,662,039	\$ 482,699
2016-17	482,699	10,108,140	10,105,647	485,192

Town of Windsor, Connecticut

Notes to Financial Statements

Note 10. Risk Management (Continued)

The Town has commercial general liability and auto liability with levels of coverage of \$3,000,000 and \$1,000,000, respectively, with umbrella coverage up to \$15,000,000. There have 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 11. Contingencies

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 \$83,328,020 or 8.78% of the debt of the District.

Law suits: 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 does not believe any potential claims against the Town would have a material adverse effect on the financial position of the Town.

Note 12. 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 at least thirty years after closure. Under these regulations, the landfill has established a horizontal footprint of 55 acres which is now the basis of maximum horizontal expansion without providing a liner system. The results of a July 2014 capacity analysis show that the landfill has reached its overall capacity as of June 30, 2014. The landfill stopped accepting commercial waste on July 1, 2014, and has since converted to a transfer facility for residents.

The \$36,060,000 reported as landfill closure and post-closure care liability at June 30, 2017, is \$1,020,000 less than the liability reported on June 30, 2016. This decrease, or adjustment in estimated closure costs accrued to date, directly decreases the operating income for the Landfill Enterprise Fund in fiscal year 2017. These amounts are based on what it would cost to perform all closure and post-closure care at 2017 prices with a third party performing all closure work. Actual costs may also change based on inflation, compliance with the State of Connecticut stewardship permit, changes in technology, changes in the regulations, or if some or most of the work is performed by staff. The engineering analysis assumes that numerous engineering and construction procedures will be required.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 12. Landfill Closure and Post-closure Care Costs (Continued)

The landfill served the Towns of Bloomfield and Windsor. An agreement (dated November 19, 1993) exists between the two communities. This agreement establishes the terms and conditions of operating the landfill. For closure costs, the agreement states: "the two towns shall contribute equally, on an annual basis, for said purposes and shall be equally responsible for closure, post-closure, and monitoring expenses until all federal and state requirements are met." The Town of Windsor is responsible for the funding, accounting and financial reporting for the landfill on behalf of both towns. The post-closure cost will be covered by the landfill's funds. If those funds run out, and only if they do, then the Town of Windsor and the Town of Bloomfield will split the costs. It is anticipated that no additional amount will be required from the Towns for closure of the landfill.

The landfill is currently operating under the State of Connecticut stewardship permit issued by the Department of Energy and Environmental Protection (DEEP) that addresses the requirements of the regulations, including the control and monitoring of leachate and landfill generated gases.

Note 13. Fund Deficit

The following fund had a net fund deficit as of June 30, 2017:

Landfill Fund	<u>\$9,818,956</u>
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The fund deficit will be funded using the Landfill Fund cash and investments and if needed by the General Fund once the Landfill Fund cash and investments are exhausted.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 14. Fund Balances

The Town classifies fund balances under the provisions of GASB Statement No. 54, *Fund Balance Reporting and Government Fund Type Definitions*. The details for the Town's fund balance are the following:

	General Fund	Capital Projects	Nonmajor Governmental Funds
Fund balances:			
Non-spendable:			
Inventories	\$ 33,842	\$ -	\$ 14,320
Prepaid expenses	628,000	-	5,620
Scholarship fund principal	-	-	13,000
Total nonspendable	661,842	-	32,940
Restricted:			
Scholarship funding	-	-	2,220
Library operations & recreation	-	-	71,612
Human services programs	-	-	226,997
Public safety programs	-	-	106,109
Road construction and maintenance	-	-	1,095,434
Community development block grant loans	-	-	2,189,072
Education	-	-	331,734
Road and sidewalk construction and maintenance	-	438,992	-
School capital improvements	-	35,729	-
Other capital projects	-	150,389	-
Other programs	-	-	58,103
Total restricted	-	625,110	4,081,281
Committed:			
Open space program	-	-	728,394
School capital improvements	-	2,348,854	-
Road and sidewalk construction and maintenance	-	3,710,134	-
Other capital projects	-	2,751,800	-
Debt Service	-	-	1,128,320
Total committed	-	8,810,788	1,856,714
Assigned:			
Subsequent year expenditures	900,000	-	-
Education	411,260	-	77,557
General government activities	354,328	-	-
Recreation programs	1,086,200	-	-
Clinic services	68,128	-	-
Public safety and police private duty	856,156	-	-
Building maintenance	498,566	-	-
Community development	-	-	291,150
Other capital projects	-	713,700	-
Total assigned	4,174,638	713,700	368,707
Unassigned	20,330,482	-	-
Total fund balance	\$ 25,166,962	\$ 10,149,598	\$ 6,339,642

Encumbrances contained in the above table are as follows: \$529,688 in the General Fund, \$4,971,797 in the Capital Projects Fund, and \$20,000 in Nonmajor Governmental Funds.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 15. Tax Abatements

The Town of Windsor has the authority to offer economic development incentives in the form of local tax abatements to eligible applicants for both real property and manufacturing machinery and equipment. The statutory authority for these abatements are in accordance with Connecticut General Statutes Sec. 2-65(b). The Town had tax abatement agreements with four entities as of June 30, 2017:

Company Name	Description	Percentage of Taxes Abated in FY17	Amount of Taxes Abated in FY17
Windsor Station	Apartment Complex	0%	\$ -
Amazon.com Inc.	Fulfillment Center	0%	-
Dollar Tree inc.	Distribution Center	35%	440,674.19
Leipold Inc.	Precision Manufacturer	0%	-

Note 16. Governmental Accounting Standards Board (GASB) Statements

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, except for GASB 75, which will most likely have a material impact, though the amount has not yet been determined:

- In June 2015, the GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*. This statement establishes new accounting and financial reporting requirements for OPEB plans. The requirements of this statement are effective for the Town's reporting period beginning July 1, 2017.
- In November 2016, the GASB issued Statement No. 83, *Certain Asset Retirement Obligations*. This Statement addresses accounting and financial reporting for certain asset retirement obligations. (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement which (1) establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for AROs, (2) requires the measurement of an ARO to be based on the best estimate of the current value of outlays expected to be incurred, and (3) requires the current value of a government's AROs to be adjusted for the effects of general inflation or deflation at least annually. The requirements of this statement are effective for the Town's reporting period beginning July 1, 2018.

Town of Windsor, Connecticut

Notes to Financial Statements

Note 16. Governmental Accounting Standards Board (GASB) Statements (Continued)

- In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The requirements of this statement are effective for the Town's reporting period beginning July 1, 2019.
- In March 2017, the GASB issued Statement No. 85, *Omnibus*. The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits). The requirements of this statement are effective for the Town's reporting period beginning July 1, 2017.
- In May 2017, the GASB issued Statement No. 86, *Certain Debt Extinguishment Issues*. The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. The requirements of this statement are effective for the Town's reporting period beginning July 1, 2017.
- In June 2017, the GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this statement are effective for the Town's reporting period beginning July 1, 2020.

**Required Supplementary
Information - Unaudited**

Town of Windsor, Connecticut

**Required Supplementary Information - unaudited
Schedule of Investment Returns - Defined Benefit Plan
Last Four Fiscal Years**

	2017	2016	2015	2014
Annual money-weighted rate of return, net of investment income*	13.56%	-2.01%	1.45%	16.25%

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Town will present information for those years for which information is available.

Town of Windsor, Connecticut

**Required Supplementary Information - unaudited
Schedule of Employer Contributions - Defined Benefit Plan
Last Ten Fiscal Years**

	Schedule of Contributions - Pension									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Actuarially determined contribution	\$ 1,054,742	\$ 1,026,539	\$ 998,378	\$ 1,311,760	\$ 1,367,561	\$ 1,334,389	\$ 1,273,290	\$ 843,833	\$ 834,453	\$ 827,855
Contributions in relation to the actuarially determined contribution	1,054,742	1,026,539	998,378	1,311,760	1,367,561	1,334,389	1,273,290	843,833	834,453	827,855
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	14,057,983	14,982,909	15,744,000	15,947,000	15,895,000	15,782,000	15,875,000	15,672,000	15,265,000	14,776,000
Contributions as a percentage of covered-employee payroll	7.50%	6.85%	6.34%	8.23%	8.60%	8.46%	8.02%	5.38%	5.47%	5.60%

Town of Windsor, Connecticut

**Required Supplementary Information – unaudited
Schedule of Changes in Net Pension Liability (NPL) and Related Ratios – Defined Benefit Plan
Last Four Fiscal Years
(in 000s)**

Changes in Net Pension Liability	2017	2016	2015	2014
Total pension liability:				
Service cost	\$ 1,042	\$ 1,090	\$ 1,145	\$ 1,206
Interest on total pension liability	5,597	5,385	5,193	4,973
Effect of plan changes	(59)	-	-	-
Effect of economic/demographic gains or (losses)	(253)	20	(179)	(41)
Effect of assumption changes or inputs	1,058	1,007	-	-
Benefit payments	(3,623)	(3,481)	(3,211)	(3,112)
Net change in total pension liability	3,762	4,021	2,948	3,026
Total pension liability, beginning	76,624	72,603	69,655	66,629
Total pension liability, ending (a)	80,386	76,624	72,603	69,655
Fiduciary net position:				
Employer contributions	\$ 1,055	\$ 1,027	\$ 998	\$ 1,312
Member contributions	599	509	613	618
Investment income net of investment expenses	8,124	(1,271)	931	9,135
Benefit payments	(3,623)	(3,481)	(3,211)	(3,112)
Administrative expenses	(15)	(19)	(13)	(58)
Net change in plan fiduciary net position	6,140	(3,235)	(682)	7,895
Fiduciary net position, beginning	61,249	64,485	65,167	57,272
Fiduciary net position, ending (b)	67,389	61,249	64,485	65,167
Net pension liability, ending = (a) - (b)	\$ 12,997	\$ 15,375	\$ 8,118	\$ 4,488
Fiduciary net position as a % of total pension liability	83.83%	79.93%	88.82%	93.56%
Covered payroll	\$ 14,057	\$ 14,983	\$ 15,744	\$ 15,947
Net pension liability as a % of covered payroll	92.46%	102.62%	51.56%	28.14%

NOTE: As 2014 is the implementation year, only 2014, 2015, 2016 and 2017 information is available. Ten year information will be presented as each year becomes available

Town of Windsor, Connecticut

**Schedule of Contributions - Connecticut Municipal Employees' Retirement System (CMERS)
 Required Supplementary Information - unaudited
 Last Three Fiscal Years**

Measurement Period Ended June 30,	2017	2016	2015
Actuarially determined contribution	\$ 846,628	\$ 839,857	\$ 914,805
Contribution in relation to the actuarially determined contribution	846,628	839,857	914,805
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 5,533,389	\$ 5,759,928	\$ 5,528,217
Contributions as a percentage of covered- employee payroll	15.30%	14.58%	16.55%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Town will present information for those years for which information is available.

Town of Windsor, Connecticut

**Schedule of the Town's Proportionate Share of the Net Pension Liability -
Connecticut Municipal Employees' Retirement System (CMERS)
Required Supplementary Information - unaudited
Last Three Fiscal Years**

	2017	2016	2015
Town's proportion of the net pension liability	0.000000%	0.000000%	0.000000%
Town's proportionate share of the net pension (asset) liability	\$ (1,930,679)	\$ (3,332,712)	\$ (3,947,859)
Town's covered-employee payroll	<u>\$ 5,533,389</u>	<u>\$ 5,759,928</u>	<u>\$ 5,528,217</u>
Town's proportionate share of the net pension liability as a percentage of its covered payroll	<u>-34.89%</u>	<u>-57.86%</u>	<u>-71.41%</u>
System fiduciary net position as a percentage of the total pension liability	<u>88.29%</u>	<u>92.72%</u>	<u>90.48%</u>

Town of Windsor, Connecticut

**Schedule of the Town's Proportionate Share of the Net Pension Liability -
Teachers' Retirement System
Required Supplementary Information - unaudited
Last Three Fiscal Years**

	2017	2016	2015
Town's proportion of the net pension liability	0.0%	0.0%	0.0%
Town's proportionate share of the net pension liability	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the Town	<u>\$ 106,276,198</u>	<u>\$ 81,836,695</u>	<u>\$ 75,641,625</u>
Total	<u>\$ 106,276,198</u>	<u>\$ 81,836,695</u>	<u>\$ 75,641,625</u>
Town's covered-employee payroll	<u>\$ 30,775,321</u>	<u>\$ 30,419,140</u>	<u>\$ 29,228,000</u>
Town's proportionate share of the net pension liability as a percentage of its covered payroll	<u>0%</u>	<u>0%</u>	<u>0%</u>
System fiduciary net position as a percentage of the total pension liability	<u>52.26%</u>	<u>59.50%</u>	<u>61.51%</u>

Notes to Schedule

Change in benefit terms	None
Changes of assumptions	During 2016, rates of inflation, real rate of return, retirement and assumed rates of salary increases were adjusted to reflect actual and anticipated experience. These assumptions were recommended as part of the Experience Study for the System for the five-year period ended June 30, 2015.
Actuarial cost method	Entry age
Amortization method	Level percent of salary, closed
Remaining amortization period	20.4 years
Asset valuation method	4-year smoothed market

Town of Windsor, Connecticut

**Required Supplementary Information - unaudited
 Schedule of Funding Progress and Schedule of Employer Contributions –
 Other Post-Employment Benefits
 Last Eight Fiscal Years**

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (a-b)	Funded Ratio (a/b)
July 1, 2007	\$ -	\$ 66,013,000	\$ (66,013,000)	0.0%
July 1, 2009	\$ -	\$ 72,896,000	\$ (72,896,000)	0.0%
July 1, 2011	\$ -	\$ 74,028,000	\$ (74,028,000)	0.0%
July 1, 2013	\$ -	\$ 71,595,000	\$ (71,595,000)	0.0%
July 1, 2015	\$ 407,000	\$ 52,676,000	\$ (52,676,000)	0.8%

Schedule of Employer Contributions

Year ended June 30,	Annual Required Contribution	Percentage Contributed
2010	\$ 7,185,000	29.02%
2011	7,118,000	29.04%
2012	7,681,000	29.72%
2013	7,258,000	28.20%
2014	7,831,000	28.60%
2015	6,299,617	41.20%
2016	6,762,112	38.40%
2017	4,883,931	49.36%

Town of Windsor, Connecticut

**Required Supplementary Information - unaudited
Schedule of Contributions - OPEB Plan
Last Ten Fiscal Years***

	Schedule of Contributions - OPEB Plan									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	
Actuarially determined contribution	\$ 4,883,931	\$ 6,762,112	\$ 6,299,617	\$ 7,831,000	\$ 7,258,000	\$ 7,681,000	\$ 7,118,000	\$ 7,185,000	\$ 6,389,000	
Contributions in relation to the actuarially determined contribution	2,410,939	2,593,319	2,595,904	2,240,000	2,047,000	2,283,000	2,067,000	2,085,000	1,898,000	
Contribution deficiency (excess)	\$ 2,472,992	\$ 4,168,793	\$ 3,703,713	\$ 5,591,000	\$ 5,211,000	\$ 5,398,000	\$ 5,051,000	\$ 5,100,000	\$ 4,491,000	
Covered-employee payroll	\$ 45,660,809	\$ 44,515,553	\$ 44,515,553	N/A	N/A	N/A	N/A	N/A	N/A	
Contributions as a percentage of covered-employee payroll	5.28%	5.83%	5.83%	N/A	N/A	N/A	N/A	N/A	N/A	

*Note: This schedule is intended to show ten years of information. Additional information will be added as it becomes available.

Town of Windsor, Connecticut

**Required Supplementary Information - unaudited
Schedule of Changes in the Town's OPEB Liability and Related Ratios (in 1,000s)
Last Fiscal Year***

	OPEB Plan 2017
Changes in Net OPEB Liability	
Total pension liability:	
Service cost	\$ 3,121
Interest	2,393
Differences between expected and actual experience	-
Changes in assumptions	(9,284)
Benefit payments, including refunds of member contributions	(1,961)
Net change in total OPEB liability	<u>(5,731)</u>
Total pension liability, beginning	<u>81,805</u>
Total OPEB liability, ending (a)	<u>76,074</u>
Fiduciary net position:	
Employer contributions	2,411
Member contributions	-
Investment (loss) income net of investment expenses	122
Benefit payments, including refunds of member contributions	(1,961)
Administrative expenses	(1)
Other	-
Net change in plan fiduciary net position	<u>571</u>
Fiduciary net position, beginning	<u>766</u>
Fiduciary net position, ending (b)	<u>1,337</u>
Net OPEB liability, ending = (a) - (b)	<u><u>\$ 74,737</u></u>
Fiduciary net position as a % of total OPEB liability	1.76%
Covered payroll	\$ 45,661
Net OPEB liability as a % of covered payroll	163.68%

*Note: This schedule is intended to show ten years of information. Additional information will be added as it becomes available.

Town of Windsor, Connecticut

Required Supplementary Information - Unaudited
Statement of Revenues, Expenditures and Changes in Budgetary Fund Balance - Budgetary Basis
Budget and Actual - General Fund
For the Year Ended June 30, 2017

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget
	Original	Final		
Revenues:				
Property taxes	\$ 92,250,720	\$ 92,250,720	\$ 93,636,439	\$ 1,385,719
Licenses and permits	628,560	628,560	1,228,078	599,518
Fines, forfeitures and penalties	38,000	38,000	38,990	990
Other agencies	111,830	111,830	126,280	14,450
Intergovernmental	15,624,550	15,624,550	15,344,798	(279,752)
Revenues from use of assets	548,830	548,830	655,363	106,533
Charges for services	760,500	760,500	1,073,207	312,707
Total revenues	109,962,990	109,962,990	112,103,155	2,140,165
Expenditures:				
Current:				
General government	991,110	991,110	933,959	57,151
Safety service	9,965,720	9,965,720	9,617,229	348,491
Public works	5,346,700	5,244,030	5,116,458	127,572
Health services	471,410	471,410	462,413	8,997
Human services	883,670	883,670	874,053	9,617
Recreation and leisure services	1,450,120	1,106,510	1,105,160	1,350
Education	67,471,330	67,347,730	67,238,680	109,050
Town support for education	4,825,360	2,262,360	2,231,036	31,324
Library services	1,612,660	1,612,660	1,609,488	3,172
Development services	1,800,720	1,800,720	1,742,351	58,369
Information services	447,510	447,510	441,400	6,110
Administrative services	2,224,840	2,224,840	2,164,790	60,050
Community development	93,860	129,770	129,770	-
General services	13,351,070	6,443,070	6,182,777	260,293
Total expenditures	110,936,080	100,931,110	99,849,564	1,081,546
Revenues over (under) expenditures	(973,090)	9,031,880	12,253,591	3,221,711
Other financing sources (uses):				
Transfers in	73,090	73,090	70,090	(3,000)
Transfers out	-	(10,004,970)	(10,004,970)	-
Use of fund balance	-	(1,092,573)	(1,092,573)	-
Total other financing sources (uses)	73,090	(11,024,453)	(11,027,453)	(3,000)
Net change in budgetary fund balance	\$ (900,000)	\$ (1,992,573)	1,226,138	\$ 3,218,711
Budgetary fund balance, beginning			20,666,186	
Budgetary fund balance, ending			21,892,324	
Less:				
Inventory			(33,842)	
Prepaid expenses			(628,000)	
FY 18 appropriation of fund balance			(900,000)	
Unassigned fund balance, ending			20,330,482	
Unassigned, beginning			19,642,852	
Net change in unassigned fund balance			\$ 687,630	

See notes to required supplementary information.

Town of Windsor, Connecticut

Note to Required Supplementary Information (Unaudited)

Note 1. 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. The level at which expenditures may not legally exceed appropriations is at the service unit level, i.e., safety services, public works, etc.
- D. The original budget for expenditures, encumbrances and other financing uses was increased by approximately \$1,092,573 as a result of fund balance and revenue appropriations during the year ended June 30, 2017. The additional appropriations were approved in accordance with the Town Charter.
- 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	\$ 125,360,155	\$ 124,585,624
State teachers retirement payments made by State Department of Education on behalf of the Town, not recognized for budgetary purposes	(11,590,000)	(11,590,000)
Reclassified to General Fund, as funds were previously reported as special revenue funds, and no longer meet the definition in accordance with GASB 54.	(1,596,910)	(1,594,791)
Encumbrances:		
June 30, 2016	-	(983,414)
June 30, 2017	-	529,688
Balance, budgetary basis	\$ 112,173,245	\$ 110,947,107

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

Town of Windsor, Connecticut

Note to Required Supplementary Information (Unaudited)

Note 1. Budgets and Budgetary Accounting (Continued)

Special Revenue Funds: The town includes special revenue funds within the adopted annual operating budget. 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.

**Combining and Individual Fund
Financial Statements and Other Schedules**

Nonmajor Governmental Funds

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special revenue funds are used to account for and report specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects.

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.

J. Bartash Expendable Trust Fund: Accounts 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.

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

Capital Project - Open Space: Accounts for funds received through donations and appropriations from the General Fund for the acquisition and improvement of open space.

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, 2017

	Special Revenue		
	Educational Grant Programs	Cafeteria	Community Rehabilitation Program
Assets			
Cash and cash equivalents	\$ 1,229,275	\$ 251,458	\$ 238,075
Investments	-	-	85,315
Community rehabilitation loans, net	-	-	2,189,072
Accounts receivable	59,802	257,883	-
Prepays	-	-	-
Inventories	-	14,320	-
Total assets	1,289,077	523,661	\$ 2,512,462
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ 264,240	\$ 62,602	\$ 32,240
Unearned revenue	717,614	-	-
Due to other funds	307,223	115,005	-
Total liabilities	1,289,077	177,607	32,240
Fund balances:			
Nonspendable	-	14,320	-
Restricted	-	331,734	2,189,072
Committed	-	-	-
Assigned	-	-	291,150
Total fund balances	-	346,054	2,480,222
Total liabilities and fund balances	\$ 1,289,077	\$ 523,661	\$ 2,512,462

J. Bartash Expendable Trust Fund	Special Revenue		Capital Project	Debt Service		Totals
	Treehouse Fund	Other Special Revenue Funds	Open Space	Debt Service Fund		
\$ 15,220	\$ 135,762	\$ 1,112,147	\$ 531,048	\$ 830,652	\$ 4,343,637	
-	-	422,183	197,346	297,668	1,002,512	
-	-	-	-	-	2,189,072	
-	9,228	45,876	-	-	372,789	
-	5,620	-	-	-	5,620	
-	-	-	-	-	14,320	
<u>\$ 15,220</u>	<u>\$ 150,610</u>	<u>\$ 1,580,206</u>	<u>\$ 728,394</u>	<u>\$ 1,128,320</u>	<u>\$ 7,927,950</u>	

\$ -	\$ 6,619	\$ 21,951	\$ -	\$ -	\$ 387,652
-	7,506	-	-	-	725,120
-	53,308	-	-	-	475,536
-	67,433	21,951	-	-	1,588,308

13,000	5,620	-	-	-	32,940
2,220	-	1,558,255	-	-	4,081,281
-	-	-	728,394	1,128,320	1,856,714
-	77,557	-	-	-	368,707
<u>15,220</u>	<u>83,177</u>	<u>1,558,255</u>	<u>728,394</u>	<u>1,128,320</u>	<u>6,339,642</u>

<u>\$ 15,220</u>	<u>\$ 150,610</u>	<u>\$ 1,580,206</u>	<u>\$ 728,394</u>	<u>\$ 1,128,320</u>	<u>\$ 7,927,950</u>
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Town of Windsor, Connecticut

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Governmental Funds
 For the Year Ended June 30, 2017

	Special Revenue		
	Educational Grant Programs	Cafeteria	Community Rehabilitation Program
Revenues:			
Intergovernmental	\$ 4,351,404	\$ 1,519,137	\$ 275,513
Sale of food	-	1,141,736	-
Income from investments	-	-	6,795
Charges for services	-	-	-
Other	-	747	414
Total revenues	4,351,404	2,661,620	282,722
Expenditures:			
General government	-	-	45,838
Culture and recreation	-	-	-
Human services	-	-	-
Education	4,351,404	2,481,881	-
Public works	-	-	-
Public safety	-	-	-
Debt service	-	-	-
Total expenditures	4,351,404	2,481,881	45,838
Revenues over (under) expenditures	-	179,739	236,884
Other financing sources (uses):			
Transfers in	-	-	-
Issuance of refunding bonds	-	-	-
Premium on bonds issued	-	-	-
Payments made to escrow	-	-	-
Total other financing sources (uses)	-	-	-
Change in fund balances	-	179,739	236,884
Fund balances, beginning	-	166,315	2,243,338
Fund balances, ending	\$ -	\$ 346,054	\$ 2,480,222

J. Bartash Expendable Trust Fund	Special Revenue		Other Special Revenue Funds	Capital Projects	Debt Service	Totals
	Treehouse Fund			Open Space	Debt Service Fund	
\$ -	\$ -	\$ 641,335	\$ -	\$ -	\$ 6,787,389	
-	-	-	-	-	1,141,736	
83	-	6,662	4,187	-	17,727	
-	514,253	16,782	2,000	-	533,035	
-	-	173,267	-	-	174,428	
83	514,253	838,046	6,187	-	8,654,315	
-	-	101,659	4,600	-	152,097	
-	-	77,977	-	-	77,977	
-	-	121,714	-	-	121,714	
300	493,005	-	-	-	7,326,590	
-	-	451,680	-	-	451,680	
-	-	127,587	-	-	127,587	
-	-	-	-	6,984,205	6,984,205	
300	493,005	880,617	4,600	6,984,205	15,241,850	
(217)	21,248	(42,571)	1,587	(6,984,205)	(6,587,535)	
-	-	-	200,000	6,768,060	6,968,060	
-	-	-	-	9,225,000	9,225,000	
-	-	-	-	706,514	706,514	
-	-	-	-	(9,633,360)	(9,633,360)	
-	-	-	200,000	7,066,214	7,266,214	
(217)	21,248	(42,571)	201,587	82,009	678,679	
15,437	61,929	1,600,826	526,807	1,046,311	5,660,963	
\$ 15,220	\$ 83,177	\$ 1,558,255	\$ 728,394	\$ 1,128,320	\$ 6,339,642	

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Nonmajor Enterprise Funds

Nonmajor 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 three 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.

Resident Transfer Station – Accounts for the operations of the Resident Transfer Station on Huckleberry Road, adjacent to the Landfill. This facility is for residents who choose to bring their solid waste and recyclables to this site versus putting it at the curb for removal.

Town of Windsor, Connecticut

Combining Statement of Net Positions
 Nonmajor Enterprise Funds
 June 30, 2017

	Child Development	Adult Caring Connection	Resident Transfer Station	Total
Assets				
Current assets:				
Cash and cash equivalents	\$ 320,630	\$ 67,850	\$ 238,756	\$ 627,236
Investments	114,900	24,437	85,560	224,897
Customer receivable, net	19,689	34,420	3,505	57,614
Total current assets	455,219	126,707	327,821	909,747
Noncurrent assets:				
Capital assets (net of accumulated depreciation)	9,000	6,325	-	15,325
Total assets	464,219	133,032	327,821	925,072
Liabilities				
Current liabilities:				
Accounts payable and accrued liabilities	31,361	18,411	10,552	60,324
Unearned revenue	18,531	-	212	18,743
Total current liabilities	49,892	18,411	10,764	79,067
Noncurrent liabilities:				
Compensated absences	26,273	1,336	-	27,609
Total noncurrent liabilities	26,273	1,336	-	27,609
Total liabilities	76,165	19,747	10,764	106,676
Net position:				
Net investment in capital assets	9,000	6,325	-	15,325
Unrestricted	379,054	106,960	317,057	803,071
Total net position	\$ 388,054	\$ 113,285	\$ 317,057	\$ 818,396

Town of Windsor, Connecticut

**Combining Statement of Revenues, Expenses and Changes in Fund Net Positions -
Nonmajor Enterprise Funds
For the Year Ended June 30, 2017**

	Child Development	Adult Caring Connection	Resident Transfer Station	Total
Operating revenues:				
Charges for services	\$ 1,094,802	\$ 385,543	\$ 239,210	\$ 1,719,555
Operating expenses:				
Salaries and benefits	873,126	310,752	61,290	1,245,168
Depreciation	1,000	2,199	-	3,199
Administrative expenses	38,752	23,420	5,716	67,888
Repairs and maintenance	14,589	-	-	14,589
Fuel and utilities	16,986	3,194	13,662	33,842
Outside services	38,663	32,869	96,483	168,015
Rent expense	118,830	71,710	-	190,540
Total operating expenses	1,101,946	444,144	177,151	1,723,241
Operating income (loss)	(7,144)	(58,601)	62,059	(3,686)
Nonoperating revenues:				
Interest income	1,211	178	1,439	2,828
Income (loss) before transfers	(5,933)	(58,423)	63,498	(858)
Transfers in	-	106,838	-	106,838
Transfers out	-	(70,090)	-	(70,090)
Change in net position	(5,933)	(21,675)	63,498	35,890
Net position, beginning of year	393,987	134,960	253,559	782,506
Net position, end of year	\$ 388,054	\$ 113,285	\$ 317,057	\$ 818,396

Town of Windsor, Connecticut

**Combining Statement of Cash Flows - Nonmajor Enterprise Funds
For the Year Ended June 30, 2017**

	Child Development	Adult Caring Connection	Resident Transfer Station	Totals
Cash flows from operating activities:				
Receipts from customers and users	\$ 1,097,604	\$ 399,284	\$ 240,251	\$ 1,737,139
Payments to suppliers	(233,264)	(126,947)	(116,230)	(476,441)
Payments to employees	(866,698)	(317,475)	(61,134)	(1,245,307)
Net cash (used in) provided by operating activities	(2,358)	(45,138)	62,887	15,391
Cash flows from noncapital financing activities:				
Transfers in	-	106,838	-	106,838
Transfers out	-	(70,090)	-	(70,090)
Net cash provided by financing activities	-	36,748	-	36,748
Cash flows from investing activities:				
Interest received	1,211	178	1,439	2,828
Purchase/Sale of investments	(2,856)	1,349	(18,851)	(20,358)
Net cash provided by (used in) investing activities	(1,645)	1,527	(17,412)	(17,530)
Net increase (decrease) in cash and cash equivalents	(4,003)	(6,863)	45,475	34,609
Cash and cash equivalents:				
Beginning	324,633	74,713	193,281	592,627
Ending	\$ 320,630	\$ 67,850	\$ 238,756	\$ 627,236
Reconciliation of operating income (loss) to net cash (used in) provided by operating activities:				
Operating income (loss)	\$ (7,144)	\$ (58,601)	\$ 62,059	\$ (3,686)
Adjustments to reconcile operating income (loss) to net cash (used in) provided by operating activities:				
Depreciation	1,000	2,199	-	3,199
Changes in assets and liabilities:				
(Increase) Decrease in accounts receivable	(3,532)	13,741	971	11,180
(Decrease) increase in accounts payable and accrued liabilities	984	(2,477)	(213)	(1,706)
(Decrease) Increase in unearned revenue	6,334	-	70	6,404
Net cash (used in) provided by operating activities	\$ (2,358)	\$ (45,138)	\$ 62,887	\$ 15,391

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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:

- 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, 2017**

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017
Student activity funds:				
Assets:				
Cash and cash equivalents	\$ 187,990	\$ 620,038	\$ 561,915	\$ 246,113
Liabilities:				
Accounts payable	\$ 187,990	\$ 620,038	\$ 561,915	\$ 246,113
Adult education:				
Assets:				
Cash and cash equivalents	\$ 8,264	\$ 32,391	\$ 20,274	\$ 20,381
Liabilities:				
Accounts payable	\$ 8,264	\$ 32,391	\$ 20,274	\$ 20,381
Performance bonds:				
Assets:				
Cash and cash equivalents	\$ 686,309	\$ 324,308	\$ 590,230	\$ 420,387
Liabilities:				
Accounts payable	\$ 686,309	\$ 324,308	\$ 590,230	\$ 420,387
Town escrow:				
Assets:				
Cash and cash equivalents	\$ 32,336	\$ 30,843	\$ 19,855	\$ 43,324
Liabilities:				
Accounts payable	\$ 32,336	\$ 30,843	\$ 19,855	\$ 43,324
Scholarship funds:				
Assets:				
Cash and cash equivalents	\$ 75,913	\$ 7	\$ 300	\$ 75,620
Liabilities:				
Accounts payable	\$ 75,913	\$ 7	\$ 300	\$ 75,620
Total agency funds:				
Assets:				
Cash and cash equivalents	\$ 990,812	\$ 1,007,587	\$ 1,192,574	\$ 805,825
Liabilities:				
Accounts payable	\$ 990,812	\$ 1,007,587	\$ 1,192,574	\$ 805,825

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Capital Asset Schedule

Town of Windsor, Connecticut

**Capital Assets Used in the Operation of Governmental Funds - Net of Depreciation
June 30, 2017**

	Land	Buildings	Machinery and Equipment	Construction in Progress	Infrastructure	Totals
General government	\$ 773,062	\$ 1,524,958	\$ 2,383,694	\$ -	\$ -	\$ 4,681,714
Education	324,612	42,229,496	4,385,156	-	-	46,939,264
Culture and recreation	1,795,390	6,778,182	2,944,806	-	-	11,518,378
Human services	300,544	692,888	229,841	-	-	1,223,273
Public safety	312,078	7,461,639	3,523,856	-	-	11,297,573
Public works	1,407,141	3,116,736	1,333,208	4,121,733	18,672,954	28,651,772
Total	\$ 4,912,827	\$ 61,803,899	\$ 14,800,561	\$ 4,121,733	\$ 18,672,954	\$ 104,311,974

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Other Schedules

Town of Windsor, Connecticut

**Balance Sheet - By Account - General Fund
June 30, 2017**

	General Fund	Other Programs	Totals
Assets			
Cash and cash equivalents	\$ 21,624,387	\$ 2,221,797	\$ 23,846,184
Investments	7,749,217	682,829	8,432,046
Receivables (net of allowances for collection losses):			
Property taxes	1,150,539	-	1,150,539
Accounts receivable	238,843	155,379	394,222
Prepays	628,000	-	628,000
Due from other funds	475,536	-	475,536
Inventories	33,842	-	33,842
	<hr/>	<hr/>	<hr/>
Total assets	\$ 31,900,364	3,060,005	\$ 34,960,369
Liabilities, Deferred Inflows of Resources and Fund Balances			
Liabilities:			
Accounts payable and accrued liabilities	\$ 3,301,778	\$ 242,117	\$ 3,543,895
Due to other funds	55,196	-	\$ 55,196
Total liabilities	<hr/>	<hr/>	<hr/>
	3,356,974	242,117	3,599,091
Deferred inflows of resources:			
Advance tax collections	5,107,301	-	5,107,301
Unavailable resources	1,014,077	72,938	1,087,015
Total deferred inflows of resources	<hr/>	<hr/>	<hr/>
	6,121,378	72,938	6,194,316
Fund balances:			
Nonspendable	661,842	-	661,842
Assigned	1,429,688	2,744,950	4,174,638
Unassigned	20,330,482	-	20,330,482
Total fund balances	<hr/>	<hr/>	<hr/>
	22,422,012	2,744,950	25,166,962
Total liabilities, deferred inflows of resources and fund balances	<hr/>	<hr/>	<hr/>
	\$ 31,900,364	\$ 3,060,005	\$ 34,960,369

Town of Windsor, Connecticut

Schedule of Revenues, Expenditures and Changes in Fund Balance - By Account - General Fund
For the Year Ended June 30, 2017

	General Fund	Other Programs	Eliminate Interfund Receivables	Totals
Revenues:				
Property taxes	\$ 93,636,439	\$ -	\$ -	\$ 93,636,439
State and Federal governments	27,038,627	-	-	27,038,627
Charges for services	2,759,164	1,585,539	-	4,344,703
Investment income	258,925	11,371	-	270,296
Total revenues	123,693,155	1,596,910	-	125,290,065
Expenditures:				
Current:				
Education	79,474,470	35,074	-	79,509,544
General government	12,982,710	57,422	-	13,040,132
Culture and recreation	2,781,328	1,216,739	-	3,998,067
Human services	1,326,466	93,411	-	1,419,877
Public safety	9,692,112	559,620	-	10,251,732
Public works	5,737,939	239,435	-	5,977,374
Total expenditures	111,995,025	2,201,701	-	114,196,726
Revenues over (under) expenditures	11,698,130	(604,791)	-	11,093,339
Other financing sources (uses):				
Transfers in	70,090	656,910	(656,910)	70,090
Transfers out	(10,995,808)	(50,000)	656,910	(10,388,898)
Net other financing sources (uses)	(10,925,718)	606,910	-	(10,318,808)
Net change in fund balances	772,412	2,119	-	774,531
Fund balances, beginning	21,649,600	2,742,831	-	24,392,431
Fund balances, ending	\$ 22,422,012	\$ 2,744,950	\$ -	\$ 25,166,962

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Town of Windsor, Connecticut

**Schedule of Property Taxes Levied, Collected and Outstanding
For the Year Ended June 30, 2017**

Grand List Year	Balance Uncollected July 1, 2016	Current Levy	Lawful Corrections		Transfers to Suspense	Balance to be Collected
			Additions	Deletions		
2015	\$ -	\$ 92,778,070	\$ 509,834	\$ (256,071)	\$ -	\$ 93,031,833
2014	1,091,021	-	14,568	(25,218)	-	1,080,371
2013	432,630	-	5,751	(2,642)	(190,311)	245,428
2012	52,950	-	984	-	(883)	53,051
2011	14,774	-	-	-	-	14,774
2010	5,115	-	-	-	-	5,115
2009	2,002	-	206	-	-	2,208
2008	2,225	-	-	-	-	2,225
2007	1,934	-	-	-	-	1,934
2006	1,589	-	65	(65)	-	1,589
2005	996	-	-	-	-	996
2004	877	-	-	-	-	877
2003	844	-	-	-	-	844
2002	736	-	-	-	-	736
2001	715	-	-	-	-	715
	<u>\$ 1,608,408</u>	<u>\$ 92,778,070</u>	<u>\$ 531,408</u>	<u>\$ (283,996)</u>	<u>\$ (191,194)</u>	<u>\$ 94,442,696</u>

Less allowance for doubtful accounts

Suspense collections

Total collections

Collections					Balance Uncollected June 30, 2017
Taxes	Interest	Fees	Total		
\$ 92,085,688	\$ 314,296	\$ 780	\$ 92,400,764	\$	946,145
677,375	158,384	2,718	838,477		402,995
208,995	77,051	960	287,006		36,433
31,914	16,475	384	48,773		21,137
8,147	5,129	96	13,372		6,627
-	-	-	-		5,115
206	-	-	206		2,002
-	-	-	-		2,225
-	-	-	-		1,934
-	-	-	-		1,589
-	-	-	-		996
-	-	-	-		877
-	-	-	-		844
-	-	-	-		736
-	-	-	-		715
93,012,325	571,335	4,938	93,588,598		1,430,370
					565,069
				\$	865,301
51,037	44,158	-	95,195		
\$ 93,063,362	\$ 615,493	\$ 4,938	\$ 93,683,793		

Town of Windsor, Connecticut

**Schedule of Changes in Bond Indebtedness
For the Year Ended June 30, 2017**

Description	Interest Rate (%)	Year	Maturity	Amount
Bonded debt:				
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
Public improvements	2.0/4.0	2010	4/15/25	3,980,000
School general obligation bond	2.0/4.0	2010	4/15/25	700,000
Public improvements refunding	3.0/5.0	2010	7/15/23	6,096,000
School refunding	3.0/5.0	2010	7/15/23	6,209,000
Public improvements	2.25/3.5	2011	4/1/24	3,450,000
School general obligation bond	2.25/3.5	2011	4/1/24	1,040,000
Public improvements	2.00	2012	5/1/24	4,490,000
Public improvements	1.25/2.0	2013	5/1/25	4,085,000
School general obligation bond	1.25/2.0	2013	5/1/25	950,000
Public improvements	2.0/3.0	2014	4/15/24	3,690,000
School general obligation bond	2.0/3.0	2014	4/15/24	1,330,000
Public improvements refunding	2.0/4.0	2014	8/15/22	3,355,000
School refunding	2.0/4.0	2014	8/15/22	915,000
Public improvements	2.0/2.5	2015	6/15/2027	3,165,000
School general obligation bond	2.0/2.5	2015	6/15/2027	2,205,000
Public improvements	2.00	2016	6/15/2028	3,755,000
School general obligation bond	2.00	2016	6/15/2028	530,000
Public improvements	2.0/4.0	2017	6/1/2037	4,260,000
School general obligation bond	2.0/4.0	2017	6/1/2037	1,685,000
Public improvements Refunding	2.0/4.0	2017	7/15/2023	5,657,000
School Refunding	2.0/4.0	2017	7/15/2023	3,568,000
Total				

Balance July 1, 2016	Additions	Retirements	Balance June 30, 2017
\$ 3,158,000	\$ -	\$ 2,361,000	\$ 797,000
3,377,000	-	2,464,000	913,000
255,000	-	255,000	-
45,000	-	45,000	-
3,172,000	-	2,672,000	500,000
3,238,000	-	2,523,000	715,000
774,000	-	774,000	-
276,000	-	276,000	-
2,990,000	-	2,250,000	740,000
3,072,000	-	341,000	2,731,000
713,000	-	79,000	634,000
2,950,000	-	370,000	2,580,000
1,070,000	-	130,000	940,000
3,320,000	-	-	3,320,000
905,000	-	-	905,000
2,900,000	-	270,000	2,630,000
2,020,000	-	180,000	1,840,000
3,755,000	-	310,000	3,445,000
530,000	-	50,000	480,000
-	4,260,000	-	4,260,000
-	1,685,000	-	1,685,000
-	5,657,000	-	5,657,000
-	3,568,000	-	3,568,000
<u>\$ 38,520,000</u>	<u>\$ 15,170,000</u>	<u>\$ 15,350,000</u>	<u>\$ 38,340,000</u>

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Statistical Section

Statistical Section - unaudited

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.

Revenue Capacity

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

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.

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.

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.

The accompanying tables are presented in the above order. Refer to the Table of Contents for applicable page number locations.

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Town of Windsor, Connecticut

**Net Position By Component
Last Ten Fiscal Years
(accrual basis of accounting)
(unaudited)**

	Fiscal Year			
	2008	2009	2010	2011
Governmental activities:				
Net investment in capital assets	\$ 59,634,623	\$ 63,449,890	\$ 64,077,359	\$ 64,665,367
Restricted	1,552,616	1,635,090	1,733,293	3,130,557
Unrestricted	27,877,242	22,327,156	19,347,287	16,317,739
Total governmental activities net position	\$ 89,064,481	\$ 87,412,136	\$ 85,157,939	\$ 84,113,663
Business-type activities:				
Net investment in capital assets	\$ 221,335	\$ 185,621	\$ 176,810	\$ 185,613
Unrestricted	(8,148,396)	(7,053,081)	(7,294,876)	(6,924,285)
Total business-type activities net position	\$ (7,927,061)	\$ (6,867,460)	\$ (7,118,066)	\$ (6,738,672)
Primary government:				
Net investment in capital assets	\$ 59,855,958	\$ 63,635,511	\$ 64,254,169	\$ 64,850,980
Restricted	1,552,616	1,635,090	1,733,293	3,130,557
Unrestricted	19,728,846	15,274,075	12,052,411	9,393,454
Total primary government net position	\$ 81,137,420	\$ 80,544,676	\$ 78,039,873	\$ 77,374,991

*Restated due to GASB Statement No. 68 implementation.

**Restated due to MERS Plan restatement

Fiscal Year					
2012	2013	2014*	2015**	2016	2017
\$ 64,624,458	\$ 65,895,067	\$ 66,129,757	\$ 70,911,291	\$ 68,217,968	\$ 65,944,467
3,089,246	3,417,624	3,569,440	3,744,430	7,080,625	4,081,281
10,227,152	7,068,714	(1,528,250)	(781,806)	(4,071,905)	1,870,678
<u>\$ 77,940,856</u>	<u>\$ 76,381,405</u>	<u>\$ 68,170,947</u>	<u>\$ 73,873,915</u>	<u>\$ 71,226,688</u>	<u>\$ 71,896,426</u>
\$ 210,947	\$ 191,295	\$ 168,583	\$ 147,456	\$ 139,298	\$ 125,601
(6,207,178)	(5,735,536)	(6,546,422)	(7,830,016)	(8,862,652)	(9,126,161)
<u>\$ (5,996,231)</u>	<u>\$ (5,544,241)</u>	<u>\$ (6,377,839)</u>	<u>\$ (7,682,560)</u>	<u>\$ (8,723,354)</u>	<u>\$ (9,000,560)</u>
\$ 64,835,405	\$ 66,086,362	\$ 66,298,340	\$ 71,058,747	\$ 68,357,266	\$ 66,070,068
3,089,246	3,417,624	3,569,440	3,744,430	7,080,625	4,081,281
4,019,974	1,333,178	(8,074,672)	(8,611,822)	(12,934,557)	(7,255,483)
<u>\$ 71,944,625</u>	<u>\$ 70,837,164</u>	<u>\$ 61,793,108</u>	<u>\$ 66,191,355</u>	<u>\$ 62,503,334</u>	<u>\$ 62,895,866</u>

Town of Windsor, Connecticut

**Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(unaudited)**

	Fiscal Year			
	2008	2009	2010	2011
Expenses:				
Governmental activities:				
General government	\$ 12,368,532	\$ 10,226,562	\$ 10,039,998	\$ 11,524,755
Culture & recreation	3,932,257	4,329,481	4,008,350	4,109,577
Human services	1,475,799	1,545,945	1,614,335	1,508,514
Public works	7,900,922	6,420,709	6,635,927	7,056,984
Education	68,566,869	75,436,627	77,319,195	77,130,965
Public safety	9,157,357	10,161,628	9,653,396	10,150,274
Interest expense	1,759,337	2,424,721	1,255,397	1,146,445
Total governmental activities expenses	105,161,073	110,545,673	110,526,598	112,627,514
Business-type activities:				
Landfill	2,048,943	1,542,767	3,112,891	2,322,740
Child development	1,197,174	1,234,799	1,233,772	1,295,539
Adult caring connection	610,401	662,319	567,145	542,844
Resident transfer station	-	-	-	-
Total business-type activities	3,856,518	3,439,885	4,913,808	4,161,123
Total primary government expenses	109,017,591	113,985,558	115,440,406	116,788,637
Program revenue:				
Governmental activities:				
Charges for services:				
General government	2,960,987	1,860,882	2,020,464	1,640,657
Culture & recreation	852,132	791,531	629,783	715,831
Human services	106,330	190,175	121,849	150,042
Public works	66,075	122,262	38,486	225,617
Education	1,797,684	1,685,284	1,625,059	1,446,583
Public safety	588,112	239,645	267,033	135,567
Operating grants and contributions:				
General government	3,484,538	584,945	192,777	374,059
Culture & recreation	77,013	469,411	357,582	238,632
Human services	174,974	83,513	86,126	136,100
Public works	205,717	50,620	21,880	221,571
Education	19,477,942	21,514,592	21,675,907	22,139,906
Public safety	65,236	280,373	171,307	169,971
Capital grants and contributions:				
General government	-	16,920	576,881	212,479
Public works	-	-	128,936	262,473
Education	54,135	172,744	679,628	-
Total governmental activities program revenue	29,910,875	28,062,897	28,593,698	28,069,488

Fiscal Year					
2012	2013	2014	2015	2016	2017
\$ 14,012,409	\$ 12,509,058	\$ 12,404,563	\$ 13,781,510	\$ 14,169,618	\$ 15,847,191
4,274,494	4,334,836	4,241,754	4,361,987	4,707,146	4,691,078
2,430,368	1,722,063	1,540,362	1,766,951	1,972,768	1,975,787
6,807,050	6,989,982	7,181,146	7,451,758	7,282,125	7,470,759
79,446,961	80,084,866	83,699,815	82,801,054	85,834,050	92,216,846
10,603,500	11,087,007	11,443,091	11,300,247	11,516,901	10,902,168
1,075,256	989,601	1,081,963	1,150,460	790,090	817,380
118,650,038	117,717,413	121,592,694	122,613,967	126,272,698	133,921,209
1,821,531	1,593,477	2,203,146	1,602,390	1,505,063	618,870
1,303,193	1,276,546	1,240,443	1,188,261	1,052,599	1,101,946
513,605	494,153	505,725	494,255	487,210	444,144
-	-	-	117,647	145,921	177,151
3,638,329	3,364,176	3,949,314	3,402,553	3,190,793	2,342,111
122,288,367	121,081,589	125,542,008	126,016,520	129,463,491	136,263,320
1,322,126	2,426,776	2,342,563	1,492,815	1,488,200	1,840,678
836,456	826,727	1,001,011	1,353,217	1,375,165	1,822,448
114,084	149,199	101,367	122,366	122,016	136,157
146,472	154,782	227,409	774,638	164,682	179,225
1,509,314	1,424,881	1,300,935	1,324,733	1,368,739	1,428,836
694,937	528,477	1,025,507	845,582	522,184	612,130
506,112	662,643	103,481	122,252	167,257	280,513
36,281	64,936	35,568	35,524	38,316	36,210
948,437	440,029	144,508	217,837	198,672	124,629
206,719	205,209	406,698	407,134	407,465	406,033
23,131,847	23,071,655	25,296,510	25,687,542	25,846,211	30,571,750
130,439	107,447	89,448	18,875	77,300	69,463
66,299	58,423	-	-	-	-
329,573	250,847	1,691,839	1,153,113	446,223	2,447,040
-	-	-	-	-	-
29,979,096	30,372,031	33,766,844	33,555,628	32,222,430	39,955,112

(Continued)

Town of Windsor, Connecticut

**Changes in Net Position, Continued
Last Ten Fiscal Years
(accrual basis of accounting)
(unaudited)**

	Fiscal Year			
	2008	2009	2010	2011
Business-type activities:				
Charges for services:				
Landfill	\$ 3,645,534	\$ 2,064,217	\$ 2,544,966	\$ 2,595,208
Child development	1,168,468	1,242,989	1,236,607	1,324,437
Adult caring connection	645,399	744,902	743,707	635,673
Resident transfer station	-	-	-	-
Operating grants and contributions:				
Landfill	-	-	-	-
Total business-type activities program revenues	5,459,401	4,052,108	4,525,280	4,555,318
Total primary government program revenues	35,370,276	32,115,005	33,118,978	32,624,806
Net (expense) revenue:				
Governmental activities	(75,250,198)	(82,482,776)	(81,932,900)	(84,558,026)
Business-type activities	1,602,883	612,223	(388,528)	394,195
Total primary government net expense	(73,647,315)	(81,870,553)	(82,321,428)	(84,163,831)
General revenues and other changes in net positions:				
Governmental activities:				
Property taxes	71,318,509	76,625,138	75,411,646	78,391,639
Grants and contributions not restricted to specific programs	2,587,585	2,710,019	2,572,815	1,997,469
Unrestricted investment earnings	2,141,587	974,090	271,212	290,418
Miscellaneous	-	431,184	1,280,440	2,278,004
Insurance recovery	-	-	-	413,000
Transfers	-	90,000	142,590	143,220
Total governmental activities	76,047,681	80,830,431	79,678,703	83,513,750
Business-type activities:				
Unrestricted investment earnings	1,084,475	537,378	280,512	128,419
Transfers	-	(90,000)	(142,590)	(143,220)
Total business-type activities	1,084,475	447,378	137,922	(14,801)
Total primary government	77,132,156	81,277,809	79,816,625	83,498,949
Extraordinary				
State Teachers' on-behalf payments	-	(16,366,000)	-	-
State Teachers' on-behalf revenue	-	16,366,000	-	-
	-	-	-	-
Changes in net positions:				
Governmental activities	797,483	(1,652,345)	(2,254,197)	(1,044,276)
Business-type activities	2,687,358	1,059,601	(250,606)	379,394
Total primary government	\$ 3,484,841	\$ (592,744)	\$ (2,504,803)	\$ (664,882)

Fiscal Year						
2012	2013	2014	2015	2016	2017	
\$ 2,521,914	\$ 2,031,394	\$ 1,515,475	\$ 4,021	\$ 16,009	\$ 20,001	
1,254,844	1,282,770	1,135,806	1,160,654	1,089,127	1,094,802	
623,817	529,323	457,350	389,514	450,090	385,543	
-	-	-	262,247	254,880	239,210	
-	-	-	160,704	174,673	209,629	
4,400,575	3,843,487	3,108,631	1,977,140	1,984,779	1,949,185	
34,379,671	34,215,518	36,875,475	35,532,768	34,207,209	41,904,297	
(88,670,942)	(87,345,382)	(87,825,850)	(89,058,339)	(94,050,268)	(93,966,097)	
762,246	479,311	(840,683)	(1,425,413)	(1,206,014)	(392,926)	
(87,908,696)	(86,866,071)	(88,666,533)	(90,483,752)	(95,256,282)	(94,359,023)	
79,945,496	81,938,005	83,295,005	87,108,437	89,289,617	93,461,020	
1,886,647	1,797,584	1,770,956	1,803,815	1,776,947	2,337,418	
331,148	169,312	158,936	154,803	200,456	332,887	
194,859	-	253,291	220,812	205,087	471,937	
-	1,735,880	-	-	-	-	
139,985	145,150	105,510	(26,960)	(69,066)	(36,748)	
82,498,135	85,785,931	85,583,698	89,260,907	91,403,041	96,566,514	
120,180	117,829	112,595	93,732	96,154	121,972	
(139,985)	(145,150)	(105,510)	26,960	69,066	36,748	
(19,805)	(27,321)	7,085	120,692	165,220	158,720	
82,478,330	85,758,610	85,590,783	89,381,599	91,568,261	96,725,234	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
(6,172,807)	(1,559,451)	(2,242,152)	202,568	(2,647,227)	2,600,417	
742,441	451,990	(833,598)	(1,304,721)	(1,040,794)	(277,206)	
\$ (5,430,366)	\$ (1,107,461)	\$ (3,075,750)	\$ (1,102,153)	\$ (3,688,021)	\$ 2,323,211	

Town of Windsor, Connecticut

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

Function/Program	Fiscal Year			
	2008	2009	2010	2011
Governmental activities:				
General government	\$ 6,445,525	\$ 2,462,747	\$ 2,790,122	\$ 2,227,195
Culture & recreation	929,145	1,260,942	987,365	954,463
Human services	281,304	273,688	207,975	286,142
Public works	271,792	345,626	189,302	709,661
Education	21,329,761	23,199,876	23,980,594	23,586,489
Public safety	653,348	520,018	438,340	305,538
Total governmental activities	29,910,875	28,062,897	28,593,698	28,069,488
Business-type activities:				
Landfill	3,645,534	2,064,217	2,544,966	2,595,208
Child development	1,168,468	1,242,989	1,236,607	1,324,437
Adult caring connection	645,399	744,902	743,707	635,673
Resident transfer station	-	-	-	-
Total business-type activities	5,459,401	4,052,108	4,525,280	4,555,318
Total government	\$ 35,370,276	\$ 32,115,005	\$ 33,118,978	\$ 32,624,806

Fiscal Year

	2012	2013	2014	2015	2016	2017
\$	1,894,537	\$ 3,147,842	\$ 2,446,044	\$ 1,615,067	\$ 1,655,457	\$ 2,121,191
	872,737	891,663	1,036,579	1,388,741	1,413,481	1,858,658
	1,062,521	589,228	245,875	340,203	320,688	260,786
	682,764	610,838	2,325,946	2,334,885	1,018,370	3,032,298
	24,641,161	24,496,536	26,597,445	27,012,275	27,214,950	32,000,586
	825,376	635,924	1,114,955	864,457	599,484	681,593
	29,979,096	30,372,031	33,766,844	33,555,628	32,222,430	39,955,112
	2,521,914	2,031,394	1,515,475	164,725	190,682	229,630
	1,254,844	1,282,770	1,135,806	1,160,654	1,089,127	1,094,802
	623,817	529,323	457,350	389,514	450,090	385,543
	-	-	-	262,247	254,880	239,210
	4,400,575	3,843,487	3,108,631	1,977,140	1,984,779	1,949,185
\$	34,379,671	\$ 34,215,518	\$ 36,875,475	\$ 35,532,768	\$ 34,207,209	\$ 41,904,297

Town of Windsor, Connecticut

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

	Fiscal Year			
	2008	2009	2010	2011
General Fund:				
Nonspendable	\$ -	\$ -	\$ -	\$ 35,544
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	3,395,259
Unassigned	-	-	-	14,938,155
Reserved/designated	701,255	1,728,469	1,278,080	-
Unreserved	13,169,515	13,540,188	14,279,843	-
Total General Fund	\$ 13,870,770	\$ 15,268,657	\$ 15,557,923	\$ 18,368,958
All other governmental funds:				
Nonspendable	\$ -	\$ -	\$ -	\$ 21,305
Restricted	-	-	-	5,870,907
Committed	-	-	-	3,614,944
Assigned	-	-	-	1,537,355
Unassigned	-	-	-	(6,370)
Reserved	2,589,674	2,638,450	7,846,160	-
Unreserved, reported in:				
Special revenue funds	3,773,977	3,648,238	4,220,432	-
Debt service funds	316,212	326,750	668,453	-
Capital projects funds	5,897,137	4,296,255	1,010,734	-
Total all other government funds	\$ 12,577,000	\$ 10,909,693	\$ 13,745,779	\$ 11,038,141

* The Town implemented GASB 54 in Fiscal Year 2011.

Fiscal Year

	2012	2013	2014	2015	2016	2017
\$	48,934	\$ 42,679	\$ 46,154	\$ 31,213	\$ 21,599	\$ 661,842
	-	-	-	-	-	-
	-	-	-	-	-	-
	3,238,973	3,939,957	3,795,689	4,621,032	4,727,980	4,174,638
	15,316,230	16,928,714	17,347,987	18,974,637	19,642,852	20,330,482
	-	-	-	-	-	-
	-	-	-	-	-	-
\$	18,604,137	\$ 20,911,350	\$ 21,189,830	\$ 23,626,882	\$ 24,392,431	\$ 25,166,962
\$	21,243	\$ 22,540	\$ 16,642	\$ 22,215	\$ 22,102	\$ 32,940
	6,678,693	9,485,602	7,270,412	7,609,527	5,908,543	4,706,391
	3,683,551	2,755,322	6,467,975	6,834,753	5,780,688	10,667,502
	1,044,687	1,193,709	733,674	988,230	1,305,355	1,082,407
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
\$	11,428,174	\$ 13,457,173	\$ 14,488,703	\$ 15,454,725	\$ 13,016,688	\$ 16,489,240

Town of Windsor, Connecticut

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

	Fiscal Year			
	2008	2009	2010	2011
Revenues:				
Property taxes	\$ 71,336,266	\$ 76,562,176	\$ 75,182,401	\$ 78,440,338
Intergovernmental	26,644,488	26,222,871	26,801,211	25,995,554
Charges for services	6,029,904	4,861,097	4,702,674	5,003,747
Investment income	2,141,587	974,090	271,212	290,418
Other	880,872	431,184	1,233,260	286,661
Total revenues	107,033,117	109,051,418	108,190,758	110,016,718
Expenditures:				
Education	66,572,503	68,513,854	70,143,336	70,279,262
General government	10,469,204	10,246,729	10,573,779	11,622,565
Culture & recreation	3,518,880	3,709,140	3,584,459	3,696,330
Human services	1,456,296	1,515,876	1,451,375	1,518,488
Public safety	8,580,942	8,799,842	8,730,084	9,436,083
Public works	5,500,331	5,820,515	5,622,128	6,064,157
Capital outlay	6,974,255	4,729,743	4,310,522	5,997,630
Debt service:				
Principal	4,225,000	4,363,000	4,500,000	4,735,000
Interest	1,823,015	1,908,961	1,359,963	1,285,144
Total expenditures	109,120,426	109,607,660	110,275,646	114,634,659
Excess of revenues over (under) expenditures	(2,087,309)	(556,242)	(2,084,888)	(4,617,941)
Other financing sources (uses):				
Transfers in	7,949,387	9,435,672	6,859,290	6,508,008
Transfers out	(7,949,387)	(9,345,672)	(6,716,700)	(6,364,788)
Issuance of long-term debt	3,743,000	18,625,000	4,680,000	4,490,000
Proceeds of refunding bonds	-	776,854	12,305,000	-
Payment to refunded bond escrow agent	-	(19,205,032)	(13,442,569)	-
Premium on long-term debt	-	-	1,525,219	88,118
Insurance recoveries	-	-	-	-
Total other financing sources (uses)	3,743,000	286,822	5,210,240	4,721,338
Extraordinary items:				
State teacher's on-behalf payments	(16,366,000)	-	-	-
State teacher's on-behalf revenues	16,366,000	-	-	-
	-	-	-	-
Net changes in fund balance	\$ 1,655,691	\$ (269,420)	\$ 3,125,352	\$ 103,397
Debt service as a percentage of noncapital expenditures	5.8%	6.0%	5.9%	5.6%

Fiscal Year

	2012	2013	2014	2015	2016	2017
\$	79,806,333	\$ 82,159,015	\$ 82,937,213	\$ 87,600,034	\$ 89,012,808	\$ 93,636,439
	28,686,687	26,822,777	29,594,262	29,500,467	28,777,471	36,453,976
	4,623,388	5,721,974	5,998,792	5,913,351	5,040,986	6,019,474
	194,860	169,312	158,936	154,803	200,456	332,887
	206,442	72,768	347,997	283,220	214,172	260,590
	113,517,710	114,945,846	119,037,200	123,451,875	123,245,893	136,703,366
	73,153,239	73,118,294	76,288,375	78,222,280	79,577,619	86,836,134
	11,195,751	11,967,491	11,841,838	11,938,793	12,582,285	13,192,229
	3,806,551	3,821,475	3,832,003	3,846,283	4,134,822	4,076,044
	2,302,111	1,546,568	1,498,358	1,535,992	1,523,607	1,541,591
	9,404,783	9,616,596	10,469,289	10,253,191	10,340,556	10,379,319
	5,587,772	5,771,330	5,996,003	6,151,695	6,178,277	6,429,054
	6,244,402	6,085,860	6,991,841	7,307,067	8,241,327	9,224,113
	4,505,000	4,365,000	4,750,000	4,995,000	5,530,000	5,850,000
	1,420,093	1,361,409	1,385,301	1,206,403	1,142,435	1,134,205
	117,619,702	117,654,023	123,053,008	125,456,704	129,250,928	138,662,689
	(4,101,992)	(2,708,177)	(4,015,808)	(2,004,829)	(6,005,035)	(1,959,323)
	8,141,148	6,364,650	6,929,510	7,926,800	7,646,638	10,352,150
	(8,001,163)	(6,219,500)	(6,824,000)	(7,953,760)	(7,715,704)	(10,388,898)
	4,490,000	5,035,000	5,020,000	5,370,000	4,285,000	5,945,000
	-	-	4,270,000	-	-	-
	-	-	(4,600,334)	-	-	-
	97,219	128,359	530,642	64,863	116,613	(9,633,360)
	-	1,735,880	-	-	-	-
	4,727,204	7,044,389	5,325,818	5,407,903	4,332,547	(3,725,108)
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
\$	625,212	\$ 4,336,212	\$ 1,310,010	\$ 3,403,074	\$ (1,672,488)	\$ (5,684,431)
	5.2%	5.2%	5.3%	5.2%	5.5%	5.3%

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
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
2010	57,390,047	11,516,891	5,040,392	73,947,330
2011	59,571,009	11,957,985	5,126,981	76,655,975
2012	61,459,196	11,409,830	5,353,090	78,222,116
2013	62,467,035	12,246,223	5,627,680	80,340,938
2014	64,661,632	11,720,164	5,345,650	81,727,446
2015	64,835,051	14,418,008	6,266,457	85,519,516
2016	67,686,725	13,706,777	6,314,630	87,708,131
2017	70,940,965	14,487,277	6,657,446	92,085,688

Source: Town records - current year.

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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
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
2010*	1,616,431,530	509,934,800	369,068,280	7,429,030	488,125,018	185,708,117
2011	1,621,056,080	509,543,010	382,893,770	8,123,920	482,561,434	179,816,305
2012	1,630,202,820	504,790,600	388,136,560	9,985,920	498,401,457	187,173,933
2013	1,634,824,857	504,285,011	362,162,276	23,019,689	512,131,547	202,124,650
2014	1,637,936,539	500,883,081	375,632,698	23,413,950	496,967,702	196,802,690
2015*	1,419,837,126	452,415,067	375,679,055	32,198,250	531,939,149	202,874,570
2016	1,424,582,090	451,846,099	410,440,810	30,489,060	496,016,198	202,210,460
2017	1,429,372,610	449,194,709	374,516,590	31,472,210	524,882,407	203,017,855

Source: Town Assessor's Records

* Revaluation years

Total Gross Taxable Assessed Value	Percent Growth	Total Direct Tax Rate	Net Actual Taxable Assessed Value	Assessed Value as a Percentage of Actual Value	Estimated Actual Value
\$ 2,455,463,997	4.27%	29.30	\$ 2,401,738,780	50.73%	\$ 4,734,355,963
2,693,018,674	9.67%	29.30	2,590,539,164	54.00%	4,797,294,748
3,176,696,775	17.96%	28.34	2,923,858,605	70.00%	4,176,940,864
3,183,994,519	0.23%	28.38	2,937,138,218	65.33%	4,495,849,101
3,218,691,290	1.09%	28.03	2,976,694,924	71.01%	4,191,937,648
3,238,548,030	0.61%	27.95	2,976,438,194	72.03%	4,132,220,178
3,231,636,660	0.00%	27.33	3,014,279,336	72.94%	4,132,546,389
3,014,943,217	-6.70%	30.47	2,831,162,216	70.00%	4,044,517,451
3,015,584,717	0.00%	30.92	2,849,933,303	70.00%	4,071,333,290
3,012,456,381	0.00%	31.52	2,924,298,305	70.00%	4,177,569,007

Town of Windsor, Connecticut

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

Taxpayer	2017 (Grand List 10-1-15)			Taxpayer	2008 (Grand List 10-1-06)		
	Taxable Assessed Value	Rank	Percentage of Total Town Taxable Assessed Value		Taxable Assessed Value	Rank	Percentage of Total Town Taxable Assessed Value
Griffin Land & Affiliates	\$ 77,532,445	1	2.72%	Griffin Land & Affiliates	\$ 52,835,601	1	2.76%
Cigna	76,550,840	2	2.69%	Cigna	51,545,120	2	2.02%
Voya Retirement Insurance	75,746,720	3	2.66%	Cellco / Verizon Wireless	39,541,740	3	1.81%
Hartford Financial Corp.	60,692,576	4	2.13%	Stanadyne Corporation	37,066,790	4	1.29%
Cellco/Verizon Wireless	54,447,984	5	1.91%	IBM & Affiliates	31,492,740	5	1.21%
Northeast Utilities & Affiliates	51,788,339	6	1.82%	Ferraina & Affiliates	25,981,330	6	1.02%
Walgreen Eastern	48,375,941	7	1.70%	Valassis Inc.	20,766,554	7	0.97%
Dollar Tree Distribution	47,669,652	8	1.67%	ABB Combustion	20,182,094	8	0.82%
IBM & Affiliates	39,362,456	9	1.38%	Windsor Marriot	19,977,410	9	0.61%
KTR CT I LLC (Amazon)	36,000,804	10	1.26%	C L & P & Affiliates	18,063,776	10	0.60%
Total	\$ 568,167,757		19.94%		\$ 317,453,155		13.11%

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
2008	2006	\$ 70,937,721	\$ 70,073,117	98.78
2009	2007	76,374,720	75,475,905	98.82
2010	2008	74,984,463	73,947,330	98.62
2011	2009	77,747,082	76,655,975	98.60
2012	2010	79,201,382	78,222,116	98.76
2013	2011	81,403,784	80,340,938	98.69
2014	2012	82,919,994	81,727,446	98.56
2015	2013	86,548,952	85,519,516	98.81
2016	2014	88,799,152	87,708,131	98.77
2017	2015	93,031,833	92,085,688	98.98

Source: Town Tax Records

Collections in Subsequent Years	Total Collections to Date	
	Amount	Percentage of Levy
\$ 696,507	\$ 70,769,624	99.76
795,628	76,271,533	99.86
964,735	74,912,065	99.90
1,082,044	77,738,019	99.99
844,524	79,066,640	99.83
906,711	81,247,649	99.81
972,539	82,699,985	99.73
577,682	86,097,198	99.48
677,375	88,385,506	99.53
-	92,085,688	98.98

Town of Windsor, Connecticut

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

Fiscal Year	Governmental Activities			Percentage of Assessed 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				
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
2010	38,730,000	-	38,730,000	1.47%	1,335	N/A	N/A
2011	38,485,000	-	38,485,000	1.40%	1,326	N/A	N/A
2012	38,470,000	-	38,470,000	1.37%	1,323	N/A	N/A
2013	39,140,000	-	39,140,000	1.35%	1,344	N/A	N/A
2014	39,390,000	-	39,390,000	1.31%	1,352	N/A	N/A
2015	39,765,000	-	39,765,000	1.40%	1,366	N/A	N/A
2016	39,048,733	-	39,048,733	1.37%	1,341	N/A	N/A
2017	39,305,551 ⁽¹⁾	-	39,305,551 ⁽¹⁾	1.34%	1,318	N/A	N/A

Source: Town Records

N/A - Not Available.

⁽¹⁾ Presented inclusive of original issuance discounts and premiums. See Note 7, Long-Term Liabilities.

Town of Windsor, Connecticut

**Direct and Overlapping Governmental Activities Debt
For the Year Ended June 30, 2017
(unaudited)**

Governmental Unit	Debt Outstanding	Percentage Applicable	Estimated Shares of Direct and Overlapping Debt
Overlapping Debt			
Metropolitan District Commission	\$ 949,066,285	8.78%	\$ 83,328,020
Town Direct Debt	\$ 39,305,551 ⁽¹⁾	100.00%	<u>\$ 39,305,551</u>
Total direct and overlapping debt			<u><u>\$ 122,633,571</u></u>

⁽¹⁾ Presented inclusive of original issuance discounts and premiums. See Note 7, Long-Term Liabilities,

Source: Metropolitan District Commission

Note: Metropolitan District Commission overlapping debt for each member town is divided among the member towns in proportion to the total revenue each received from property taxation, as averaged over the prior three years. Town of Windsor reports overlapping debt on a net basis.

Town of Windsor, Connecticut

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

	Fiscal Year			
	2008	2009	2010	2011
Debt Limit	\$ 499,151,226	\$ 536,255,608	\$ 526,352,659	\$ 548,417,030
Total Net Debt Applicable to Limit	44,834,962	42,111,696	38,999,068	41,172,198
Legal Debt Margin	454,316,264	494,143,912	487,353,591	507,244,832
Total net debt applicable to the limit as a percentage of debt limit	8.98%	7.85%	7.41%	7.51%

Fiscal Year					
2012	2013	2014	2015	2016	2017
\$ 558,620,279	\$ 575,584,195	\$ 580,123,306	\$ 613,508,525	\$ 646,418,598	\$ 691,537,658
41,436,366	42,990,371	40,910,625	40,405,000	39,360,000	38,340,000
517,183,913	532,593,824	539,212,681	573,103,525	607,058,598	653,197,658
7.42%	7.47%	7.05%	6.59%	6.09%	5.54%

Town of Windsor, Connecticut

**Schedule of Debt Limitation
June 30, 2017
(unaudited)**

Total tax collections (including interest and lien fees) for the year ended June 30, 2017	\$ 98,791,094
Reimbursement for revenue loss Tax relief for elderly	<u>-</u>
Base	<u>\$ 98,791,094</u>
Debt Limit	<u><u>\$ 691,537,658</u></u>

	General Purpose	Schools	Sewer	Urban Renewal	Unfunded Pension Benefit Obligation
Debt Limitation					
2-1/4 times base	\$ 222,279,962	\$ -	\$ -	\$ -	\$ -
4-1/2 times base	-	444,559,923	-	-	-
3-3/4 times base	-	-	370,466,603	-	-
3-1/4 times base	-	-	-	321,071,056	-
3 times base	-	-	-	-	296,373,282
Total debt limitation	<u>222,279,962</u>	<u>444,559,923</u>	<u>370,466,603</u>	<u>321,071,056</u>	<u>296,373,282</u>
Debt as defined by statute					
Bonds payable	26,660,000	11,680,000	-	-	-
Bond anticipation notes payable	-	-	-	-	-
School construction grants	-	-	-	-	-
Bonds authorized but not issued	-	-	-	-	-
Total indebtedness	<u>26,660,000</u>	<u>11,680,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Debt Limitation in Excess of Indebtedness	<u><u>\$ 195,619,962</u></u>	<u><u>\$ 432,879,923</u></u>	<u><u>\$ 370,466,603</u></u>	<u><u>\$ 321,071,056</u></u>	<u><u>\$ 296,373,282</u></u>

Town of Windsor, Connecticut

Calculation of Direct Debt and Current Debt Ratios Last Ten Fiscal Years (unaudited)

Fiscal Year	Population	Governmental Activities					Total Overall Debt (1) (3)	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 Total Debt to Net Taxable G/L
		General Obligation Bonds	Notes	Total Direct Debt	State Grants Receivable	Net Direct Debt								
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%
2010	29,014	38,730,000	-	38,730,000	915,932	37,814,068	56,251,049	1,335	1,303	1,939	2,635,622,104	1.47%	1.43%	2.13%
2011	29,014	38,485,000	1,010,000	39,495,000	572,802	38,922,198	64,459,130	1,361	1,341	2,222	2,724,614,072	1.45%	1.43%	2.37%
2012	29,067	38,470,000	800,000	39,270,000	273,634	38,996,366	76,030,342	1,351	1,342	2,616	2,811,979,697	1.40%	1.39%	2.70%
2013	29,119	39,140,000	1,670,000	40,810,000	109,629	40,700,371	89,336,924	1,401	1,398	3,068	2,907,640,693	1.40%	1.40%	3.07%
2014	29,140	39,390,000	-	39,390,000	54,375	39,335,625	95,305,326	1,352	1,350	3,271	3,013,897,453	1.31%	1.31%	3.16%
2015	29,454	39,765,000	420,000	40,185,000	-	40,185,000	91,995,896	1,364	1,364	3,123	2,831,162,216	1.42%	1.42%	3.25%
2016	29,016	38,520,000	-	38,520,000	-	38,520,000	118,412,703	1,328	1,328	4,081	2,849,933,303	1.35%	1.35%	4.15%
2017	29,095	38,340,000	-	38,340,000	-	38,340,000	121,668,020	1,318	1,318	4,182	2,924,298,305	1.31%	1.31%	4.16%

(1) Includes net overlapping Debt and Underlying Debt related to the Metropolitan District Commission.

(2) Gross taxable Grand List for FY 17 is \$3,012,456,381

(3) Unamortized premium for 6/30/17 is \$965,551

Note: Data is presented in accordance with the Town's continuing disclosure agreement.

Town of Windsor, Connecticut

**Demographic and Economic Statistics
Last Ten Fiscal Years
(unaudited)**

Fiscal Year Ended June 30	Population (1)	Personal Income (thousands of dollars)	Per Capita Income (2)	Median Age (3)	School Enrollment (4)	Unemployment Rate (5)
2008	28,977	N/A	35,339	41	4,098	4.2%
2009	28,977	N/A	36,124	41.7	3,966	8.0%
2010	29,014	N/A	36,595	43.1	3,759	8.5%
2011	29,014	N/A	34,899	41.9	3,627	8.7%
2012	29,067	N/A	33,487	42.2	3,504	8.3%
2013	29,119	N/A	N/A	N/A	3,370	8.1%
2014	29,140	N/A	35,594	42.3	3,252	6.5%
2015	29,454	N/A	35,857	42.3	3,145	5.1%
2016	29,016	N/A	36,048	42.2	3,203	5.7%*
2017	28,875	N/A	36,322	42.7	3,255	5.2%

(1) U.S. Census Bureau (available every 10 years, 2010 being the most recent) and State of Connecticut Department of Public Health

(2) American Community fact finder 3 year estimates

(3) American Community fact finder 3 year estimates

(4) Windsor Public Schools Records

(5) Connecticut Department of Labor

N/A - Not Available.

* As of July 2017

Town of Windsor, Connecticut

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

Employer	2017			Employer	2008		
	Employees	Rank	Percentage of Total Town Employment		Employees	Rank	Percentage of Total Town Employment
Hartford Life	2,200	1	8.73%	Alstom Power Systems	2,000	1	9.81%
VOYA	1,720	2	6.82%	Hartford Life	1,450	2	7.11%
CIGNA	1,000	3	3.97%	Aetna	1,350	3	6.62%
Town of Windsor	880	4	3.49%	Town of Windsor	871	4	4.27%
GE (Alstom)	800	5	3.17%	Stanadyne, Inc.	650	5	3.19%
Amazon.com	800	6	3.17%	UTC / Pratt & Whitney	600	6	2.94%
Walgreen Co.	710	7	2.82%	ADVO, Inc.	550	7	2.70%
Eversource	600	8	2.38%	American Airlines	520	8	2.55%
Konica Minolta	550	9	2.18%	Westinghouse Electric Company	420	9	2.06%
Waste Management	500	10	1.98%	Bank of America	400	10	1.96%

Sources: Town Records

2016 annual average per CT DOL 25,214

Town of Windsor, Connecticut

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

	Full-Time Equivalent Employees as of June 30				
	2008	2009	2010	2011	2012
Police					
Administration	6.00	6.00	6.00	6.00	6.00
Support Services	11.00	12.00	10.00	7.50	9.00
Uniformed Patrol	46.30	45.30	47.60	48.60	40.00
Communications	N/A	N/A	N/A	N/A	7.60
Animal Control	1.00	1.00	1.00	1.00	1.00
Fire					
Fire and Rescue Services	1.00	1.00	1.00	1.00	1.00
Parks and Recreation					
Recreation	16.85	16.70	15.48	15.40	15.18
Youth Services Bureau	1.85	2.23	2.46	3.26	3.63
Northwest Park Education/Recreation	5.23	5.20	5.75	5.94	5.13
Northwest Park Facility/Property Mgt.	1.97	2.00	2.23	2.40	2.38
Human Services					
Senior Services	6.37	7.02	2.79	2.81	2.81
Transportation	N/A	N/A	6.24	5.95	6.00
Healthy People Program	N/A	N/A	N/A	N/A	N/A
Social Services	6.17	6.84	6.19	5.78	5.96
Health Services					
Inspection and Regulation	2.66	2.89	2.90	2.51	1.97
Disease Prevention and Control	1.46	1.47	1.48	1.38	1.34
Clinic Services	0.65	0.62	0.62	0.61	0.64
Emergency Management	0.00	0.00	0.00	0.00	0.00
Library Services					
Adult and Teen Services	11.17	11.17	10.84	10.94	10.79
Main Library	0.60	0.60	0.60	0.79	0.79
Children's Services	3.75	3.75	3.75	3.95	3.95
Wilson Services	3.45	3.45	3.23	3.23	3.23
Development Services					
Building Safety	6.25	6.25	6.13	6.47	6.09
Economic Development	1.00	1.00	1.16	1.11	1.09
Planning	4.00	4.00	4.00	4.00	4.00
Design Services	5.90	5.90	5.85	5.73	5.85
Public Works					
Parks and Grounds	11.50	12.75	13.00	12.90	12.03
Facilities Management	4.40	4.30	3.30	3.35	3.35
Pavement	8.00	8.10	8.00	8.00	8.00
Stormwater Drainage	3.00	3.00	3.00	3.00	3.00
Traffic Safety and Community Support	7.00	7.00	7.00	7.00	6.58
Equipment Repair	3.40	3.40	3.40	2.84	3.40
Information Services					
Town Clerk	3.20	3.20	3.20	3.20	3.10
Public Relations	1.00	1.00	1.00	1.00	1.00
Administrative Services					
Financial Accounting and Reporting	6.75	6.75	7.40	7.03	7.03
Human Services	3.00	3.00	3.00	3.07	3.00
Information Technology	3.00	3.00	3.00	3.00	3.00
Risk Management	1.00	1.00	1.00	1.00	1.00
Property Valuation	3.00	3.00	2.00	2.00	2.00
Tax Collection	2.54	2.54	2.54	2.62	2.80
General Government					
Town Manager	3.40	3.40	3.40	3.40	3.40
Town Treasurer	0.25	0.25	0.25	0.25	0.21
Total General Fund - Town	209.07	212.08	211.79	210.02	208.33
Board of Education	617.00	617.00	612.40	605.80	611.10
Total General Fund - Town	826.07	829.08	824.19	815.82	819.43

Full-Time Equivalent Employees as of June 30

2013	2014	2015	2016	2017
6.00	6.00	6.00	6.50	7.00
9.00	9.00	9.00	7.33	7.78
39.00	39.00	41.50	41.69	41.94
7.60	7.77	7.60	8.10	8.60
1.10	1.10	1.10	1.10	1.10
1.00	1.00	1.00	1.00	1.00
15.41	15.98	16.99	17.79	18.36
3.82	3.55	3.10	2.94	3.54
5.80	5.75	6.00	5.90	6.71
2.29	2.13	2.06	1.99	1.99
2.80	3.07	3.08	3.08	3.08
5.80	5.68	5.91	6.08	6.00
N/A	N/A	NA	NA	N/A
6.14	6.13	6.23	6.01	6.23
2.85	2.90	3.00	2.74	3.23
1.48	1.48	1.47	1.46	1.45
0.67	0.62	0.63	0.63	0.60
0.00	0.00	0.00	0.00	0.00
10.64	10.64	10.84	10.64	10.64
0.79	0.79	0.79	0.79	0.79
3.95	3.95	3.75	3.95	3.95
3.23	3.11	3.23	3.23	3.23
6.00	6.00	6.00	5.81	6.08
1.04	1.10	1.16	1.16	1.16
3.70	3.82	4.00	4.00	4.00
5.56	5.68	5.70	5.20	5.65
13.20	12.99	13.20	13.20	13.20
3.60	3.60	3.25	3.55	4.56
8.00	7.73	8.00	7.84	6.00
3.00	3.00	3.00	3.00	5.00
7.00	7.00	7.00	6.75	6.00
3.40	3.40	3.45	3.45	3.56
3.10	3.02	3.10	2.88	3.10
1.00	1.00	1.00	1.00	1.00
6.67	6.65	6.68	6.40	6.33
3.00	3.00	3.00	3.48	3.00
3.00	3.00	3.00	3.00	3.00
1.00	1.00	1.00	1.00	1.00
2.48	2.53	2.53	2.55	2.55
2.79	2.90	2.99	2.90	2.90
3.40	3.40	3.40	3.40	3.28
0.21	0.21	0.21	0.21	N/A
210.52	210.68	214.95	213.73	218.59
616.80	635.30	640.30	619.80	624.20
827.32	845.98	855.25	833.53	842.79

(Continued)

Town of Windsor, Connecticut

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

<u>Functions/Program</u>	Full-Time Equivalent Employees as of June 30				
	2008	2009	2010	2011	2012
Landfill Enterprise Fund					
Landfill	8.60	8.60	7.60	6.70	6.15
Transfer Station	N/A	N/A	N/A	N/A	N/A
Adult Daycare Enterprise Fund					
Administration	1.00	1.00	1.08	1.80	1.48
Nursing	3.75	4.00	4.58	4.47	4.22
Social Work	1.00	1.00	1.08	N/A	N/A
Therapeutic Recreation	1.50	1.50	1.58	1.58	1.30
Transportation	3.75	3.75	N/A	N/A	N/A
Child Development Enterprise Fund					
Infant/Toddler Programs	5.69	5.70	5.70	6.10	6.10
Preschool/Kindergarten Programs	9.56	9.95	9.80	9.40	9.40
Elementary Programs	3.75	3.35	3.35	3.35	3.35
Community Development					
Community Development (CDBG)	2.00	2.00	2.00	2.00	2.00
Total Other Funds	40.60	40.85	36.77	35.40	34.00
Total All Funds	866.67	869.93	860.96	851.22	853.43

Source: Budget
N/A - Not Available.

Full-Time Equivalent Employees as of June 30

2013	2014	2015	2016	2017
6.65	6.65	6.75	5.00	3.85
N/A	N/A	0.91	0.88	1.03
1.48	1.45	1.29	1.29	1.29
3.83	3.82	3.37	3.40	3.56
N/A	N/A	NA	NA	N/A
1.30	1.29	1.25	1.00	1.00
N/A	N/A	NA	NA	N/A
5.41	5.15	5.32	6.90	6.89
9.59	9.51	8.53	7.36	7.25
3.19	2.69	3.05	2.59	2.59
2.00	2.00	2.00	2.00	2.00
33.45	32.56	32.47	30.42	29.46
860.77	878.54	887.72	863.95	872.25

Town of Windsor, Connecticut

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

Function/Program	2008	2009	2010	2011
Public Safety				
Calls for service	47,869	52,451	60,100	53,677
Adult arrest	1,946	1,653	1,712	1,838
Juvenile arrest	95	77	69	92
Speeding citations only	N/A	N/A	N/A	N/A
Traffic citations	4,018	4,339	4,832	3,572
Total fire runs	1,108	1,150	1,031	1,080
Building safety				
Total Permits Issued	1,662	1,595	1,808	1,673
Total construction value all permits	\$ 154,596,155	\$ 75,615,985	\$ 76,261,429	\$ 48,760,775
Library, volumes in collection	136,905	124,029	124,667	129,448
Parks and Recreation				
Recreation program attendance	9,948	9,000	8,000	9,630
Aquatics program attendance	2,000	2,100	2,400	2,800
Total aquatic facility users	N/A	N/A	N/A	20,880

Source Town Records

N/A - Not Available.

⁽¹⁾ Rescue/Medical calls previously handled by Town Fire Department now handled by Windsor Volunteer Ambulance.

2012	2013	2014	2015	2016	2017
51,847	48,128	49,105	48,832	40,765	31,473
1,597	1,071	1,111	637	652	630
177	113	97	100	85	52
196	496	311	936	351	411
3,145	4,486	3,322	3,692	1,916	955
972	936	963	1,142	1,131	717
1,895	1,551	1,856	1,987	2,217	1,990
\$ 32,801,790	\$ 132,583,363	\$ 126,240,054	\$ 57,791,878	\$ 54,610,634	\$ 85,361,667
160,502	163,532	168,332	168,312	157,144	148,660
8,138	8,500	12,000	12,965	13,365	13,020
2,000	2,150	2,500	2,200	2,200	2,325
19,500	19,750	21,000	18,000	18,000	17,750

Town of Windsor, Connecticut

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

Function/Program	2008	2009	2010	2011
Police				
Stations	1	1	1	1
Zone Offices	1	1	1	1
Fire, Fire Stations	5	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
Soccer/Football Fields	17	17	17	17
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	2	2	2	2
Library				
Facilities	2	2	2	2
Volumes	136,905	124,029	124,667	129,448

Source: Town Records

N/A - Not Available.

* FY16 and forward reflects town owned traffic signals

2012	2013	2014	2015	2016	2017
1	1	1	1	1	1
1	1	1	1	1	1
5	5	5	5	5	5
138	138	138	149.3	149.3	149.3
50	50	50	50	22	22
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
21	19	19	19	19	19
4	4	4	4	4	4
14	14	14	14	14	14
3	3	3	3	3	3
2	2	2	2	2	2
2	2	2	2	2	2
160,502	163,532	168,332	168,312	157,144	148,660

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