

ANNUAL FINANCIAL REPORT
June 30, 2021

TOWN OF
WINDSOR

TOWN OF WINDSOR, CALIFORNIA

ANNUAL FINANCIAL REPORT

Year Ended June 30, 2021

Town of Windsor
Annual Financial Report
Year Ended June 30, 2021

TABLE OF CONTENTS

	Page
Independent Auditor's Report	1 - 3
Basic Financial Statements	
Government-wide Financial Statements:	
Statement of Net Position	4
Statement of Activities	5 - 6
Fund Financial Statements:	
Balance Sheet - Governmental Funds	7 - 8
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	9
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	10 - 11
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	12
Statement of Net Position - Proprietary Funds	13
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds	14
Statement of Cash Flows - Proprietary Funds	15
Statement of Fiduciary Net Position	16
Statement of Changes in Fiduciary Net Position	17
Notes to Financial Statements	18 - 49
Required Supplementary Information	
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual:	
General Fund	50
Housing Special Revenue Fund	51
Schedule of Funding Progress for Other Post-employment Benefits (OPEB)	52
Schedule of the Town's Proportionate Share of the Net Pension Liability	53
Schedule of Plan Contributions	54
Notes to Required Supplementary Information	55
Supplementary Information	
Non-Major Governmental Funds	56 - 57
Combining Balance Sheet	58 - 61
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	62 - 65
Custodial Funds	
Combining Statement of Net Position	66
Combining Statement of Changes in Net Position	67

ROGERS, ANDERSON, MALODY & SCOTT, LLP
CERTIFIED PUBLIC ACCOUNTANTS, SINCE 1948

Independent Auditor's Report

735 E. Carnegie Dr. Suite 100
San Bernardino, CA 92408
909 889 0871 T
909 889 5361 F
ramscpa.net

PARTNERS
Terry P. Shea, CPA
Scott W. Manno, CPA, CGMA
Leena Shanbhag, CPA, MST, CGMA
Bradferd A. Welebir, CPA, MBA, CGMA
Jenny W. Liu, CPA, MST
Brenda L. Odle, CPA, MST (Partner Emeritus)

MANAGERS / STAFF
Gardenya Duran, CPA, CGMA
Brianna Schultz, CPA, CGMA
Seong-Hyea Lee, CPA, MBA
Evelyn Morentin-Barcena, CPA
Veronica Hernandez, CPA
Laura Arvizu, CPA
Xinlu Zoe Zhang, CPA, MSA
John Maldonado, CPA, MSA
Thao Le, CPA, MBA
Julia Rodriguez Fuentes, CPA, MSA
Demi Hite, CPA

MEMBERS
American Institute of
Certified Public Accountants

PCPS The AICPA Alliance for CPA Firms

Governmental Audit Quality Center

Employee Benefit Plan Audit Quality Center

California Society of
Certified Public Accountants

Proud Member of AlliottGlobalAlliance™

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

Report on the Audit of the Financial Statements

Opinion

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 (the Town), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements 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, as of June 30, 2021, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibility of Management for the Financial Statements

The Town's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Town's internal control. Accordingly, no such opinion is expressed.[5]
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit, which were communicated in the report over internal control.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the City adopted provisions of Governmental Accounting Standards Board Statement No. 84, Fiduciary Activities. Our opinion is not modified with respect to this matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinions on the basic financial statements are not affected by this missing information.

Supplementary 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 accompanying supplementary information as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The identified supplementary information is the responsibility of management and was 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 supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The combining schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. 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 accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 11, 2022 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 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.

Rogers, Anderson, Malody & Scott, LLP.

San Bernardino, California
October 11, 2022

BASIC FINANCIAL STATEMENTS

Town of Windsor
Statement of Net Position
June 30, 2021

	Governmental Activities	Business-type Activities	Totals
ASSETS			
Cash and Investments	$ 24,116,142	$ 24,313,901	$ 48,430,043
Restricted Cash and Investments	5,086,261	104,606	5,190,867
Accounts Receivable	2,623,223	3,958,096	6,581,319
Interest Receivable	1,397,752	-	1,397,752
Inventory	64,386	139,146	203,532
Notes and Loans Receivable (Net)	9,462,606	-	9,462,606
Internal Balances	178,245	(178,245)	-
Due from Custodial Funds	78,749		
Capital Assets, Not Being Depreciated	36,920,608	10,320,102	47,240,710
Capital Assets, Net of Accumulated Depreciation	94,723,394	50,290,610	145,014,004
Total Assets	174,651,366	88,948,216	263,599,582
DEFERRED OUTFLOWS OF RESOURCES			
OPEB Related Amounts	18,156	18,156	36,312
Pension Related Amounts	1,615,524	1,615,524	3,231,048
Deferred Loss on Debt Refunding	-	116,918	116,918
Total Deferred Outflows of Resources	1,633,680	1,750,598	3,384,278
LIABILITIES			
Accounts Payable and Accrued Liabilities	3,229,232	1,380,186	4,609,418
Accrued Interest	8,225	49,070	57,295
Deposits Payable	1,702,336	64,199	1,766,535
Noncurrent Liabilities:			
Due Within One Year	705,452	1,236,411	1,941,863
Due in More Than One Year	11,147,618	10,656,945	21,804,563
Total Liabilities	16,792,863	13,386,811	30,179,674
DEFERRED INFLOWS OF RESOURCES			
OPEB Related Amounts	41,167	41,168	82,335
Pension Related Amounts	299,983	299,982	599,965
Total Deferred Inflows of Resources	341,150	341,150	682,300
NET POSITION			
Net Investment in Capital Assets	130,153,402	55,702,716	185,856,118
Restricted for:			
Debt Service	2,810,579	-	2,810,579
Public Safety	4,150,944	-	4,150,944
Transportation	2,848,734	-	2,848,734
Community Development	13,330,517	-	13,330,517
Unrestricted	5,856,857	21,268,137	27,124,994
Total Net Position	$ 159,151,033	$ 76,970,853	$ 236,121,886

The accompanying notes are an integral part of this statement.

Town of Windsor
Statement of Activities
Year Ended June 30, 2021

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Governmental Activities:				
General Government	$ 3,210,801	$ 5,597	$ 353,782	$ -
Public Safety	8,246,318	161,793	42,613	341,673
Public Works	9,421,421	2,202,775	1,517,645	2,181,388
Community Development	4,558,829	736,289	235,889	715,935
Interest on Long-term Debt	155,732	-	-	-
Total Governmental Activities	25,593,101	3,106,454	2,149,929	3,238,996
Business-type Activities:				
Water Reclamation	12,983,245	10,070,707	-	50,413
Water	8,007,719	7,997,322	-	50,413
Total Business-type Activities	20,990,964	18,068,029	-	100,826
Total Primary Government	$ 46,584,065	$ 21,174,483	$ 2,149,929	$ 3,339,822
General Revenues:				
Taxes:				
Property Taxes				
Sales Taxes				
Franchise Taxes				
Transient Occupancy Taxes				
Other Taxes				
Motor Vehicle in Lieu Taxes (Unrestricted)				
Investment Earnings				
Miscellaneous				
Transfers				
Total General Revenues and Transfers				
Change in Net Position				
Net Position - Beginning of Year				
Net Position - End of Year				

The accompanying notes are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Position		
Governmental Activites	Business-type Activities	Totals
$ (2,851,422)	$ -	$ (2,851,422)
(7,700,239)	-	(7,700,239)
(3,519,613)	-	(3,519,613)
(2,870,716)	-	(2,870,716)
(155,732)	-	(155,732)
(17,097,722)	-	(17,097,722)
-	(2,862,125)	(2,862,125)
-	40,016	40,016
-	(2,822,109)	(2,822,109)
(17,097,722)	(2,822,109)	(19,919,831)
8,868,504	-	8,868,504
5,197,359	-	5,197,359
1,522,323	-	1,522,323
1,579,291	-	1,579,291
63,932	-	63,932
-	-	-
(218,175)	219,959	1,784
1,273,516	38,603	1,312,119
18,578	(18,578)	-
18,305,328	239,984	18,545,312
1,207,606	(2,582,125)	(1,374,519)
157,943,427	79,552,978	237,496,405
$ 159,151,033	$ 76,970,853	$ 236,121,886

Town of Windsor
Balance Sheet
Governmental Funds
June 30, 2021

	General Fund	Housing Fund	Capital Replacement Fund
ASSETS			
Cash and Investments	$ 11,826,566	$ 595,142	$ 1,200,090
Restricted Cash and Investments	1,702,336	-	-
Accounts Receivable	2,290,563	-	-
Interest Receivable	46,945	1,321,754	-
Due from Other Funds	713,671	-	244,318
Due from Custodial Funds	-	-	-
Inventory	41,197	-	-
Notes Receivable	-	8,397,361	-
Total Assets	$ 16,621,278	$ 10,314,257	$ 1,444,408
LIABILITIES			
Accounts Payable	$ 2,526,940	$ -	$ 46,791
Accrued Liabilities	176,351	-	-
Due to Other Funds	-	-	-
Deposits Payable	1,702,336	-	-
Total Liabilities	4,405,627	-	46,791
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue - Grants & Interest	289,675	1,321,754	-
Total Deferred Inflows of Resources	289,675	1,321,754	-
FUND BALANCES (DEFICITS)			
Nonspendable	41,197	-	-
Restricted	552,785	8,992,503	-
Committed	-	-	-
Assigned	2,224,490	-	1,397,617
Unassigned	9,107,504	-	-
Total Fund Balances (Deficits)	11,925,976	8,992,503	1,397,617
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 16,621,278	$ 10,314,257	$ 1,444,408

The accompanying notes are an integral part of this statement.

Debt Service Fund	Total Non-major Governmental Funds	Totals
$ -	$ 10,494,344	$ 24,116,142
3,383,925	-	5,086,261
-	332,660	2,623,223
-	29,053	1,397,752
-	-	957,989
78,749	-	78,749
-	23,189	64,386
-	1,065,245	9,462,606
$ 3,462,674	$ 11,944,491	$ 43,787,108
$ -	$ 421,502	$ 2,995,233
-	57,648	233,999
652,095	127,649	779,744
-	-	1,702,336
652,095	606,799	5,711,312
-	163,239	1,774,668
-	163,239	1,774,668
-	-	41,197
2,810,579	11,237,343	23,593,210
-	-	-
-	-	3,622,107
-	(62,890)	9,044,614
2,810,579	11,174,453	36,301,128
$ 3,462,674	$ 11,944,491	$ 43,787,108

The accompanying notes are an integral part of this statement.

Town of Windsor
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
June 30, 2021

Fund Balances of Governmental Funds		$ 36,301,128
Amounts reported for Governmental Activities in the Statement of Net Position are different because:		
Capital assets used in Governmental Activities are not financial resources and, therefore, are not reported in the funds.		
Capital Assets, Not Being Depreciated	$ 36,920,608	
Capital Assets, Being Depreciated	187,814,658	
Accumulated Depreciation	(93,091,264)	131,644,002
In governmental funds, other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.		1,774,668
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.		
Compensated Absences		(389,845)
Claims Payable		(109,373)
Total OPEB Liability		(575,281)
Net Pension Liability		(5,787,971)
Lease Revenue Bonds		(1,490,600)
Loan Agreement: Roadway Intersection Improvements		(3,500,000)
Accrued Interest Payable		(8,225)
Amounts for deferred inflows and deferred outflows related to the City's Net Pension Liability and Total OPEB Liability are not reported in the funds.		
Deferred Outflows - OPEB Related Amounts		18,156
Deferred Outflows - Pension Related Amounts		1,615,524
Deferred Inflows - OPEB Related Amounts		(41,167)
Deferred Inflows - Pension Related Amounts		(299,983)
Net Position of Governmental Activities		$ 159,151,033

The accompanying notes are an integral part of this statement.

THIS PAGE INTENTIONALLY LEFT BLANK

Town of Windsor
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2021

	General Fund	Housing Fund	Capital Replacement Fund
REVENUES			
Taxes and Special Assessments	$ 17,231,409	$ -	$ -
Licenses and Permits	984,601	-	-
Fines, Forfeitures and Penalties	32,400	-	-
Intergovernmental Revenues	534,538	-	-
Charges for Services	161,521	-	700,000
Use of Money and Property	(215,675)	35,859	-
Other Revenues	1,279,607	-	-
Total Revenues	20,008,401	35,859	700,000
EXPENDITURES			
Current:			
General Government	2,686,751	-	-
Public Safety	8,196,091	-	-
Public Works	3,727,136	-	-
Community Development	1,777,559	-	-
Capital Outlay	39,834	-	308,110
Debt Service:			
Principal	-	-	-
Issuance Costs	-	-	-
Interest	-	-	-
Total Expenditures	16,427,371	-	308,110
Excess (Deficiency) of Revenues Over Expenditures	3,581,030	35,859	391,890
OTHER FINANCING SOURCES (USES)			
Debt Issuance	-	-	-
Transfers In	-	-	350,000
Transfers Out	(1,740,973)	-	-
Total Other Financing Sources (Uses)	(1,740,973)	-	350,000
Net Change in Fund Balances	1,840,057	35,859	741,890
Fund Balances, Beginning (Restated)	10,085,919	8,956,644	655,727
Fund Balances, Ending	$ 11,925,976	$ 8,992,503	$ 1,397,617

The accompanying notes are an integral part of this statement.

Debt Service Fund	Total Non-major Governmental Funds	Totals
$ -	$ 1,482,289	$ 18,713,698
-	-	984,601
-	-	32,400
-	730,590	1,265,128
-	2,833,887	3,695,408
-	33,452	(146,364)
-	44,449	1,324,056
-	5,124,667	25,868,927
-	70,492	2,757,243
-	8,617	8,204,708
-	1,625,862	5,352,998
-	2,048,371	3,825,930
-	1,134,353	1,482,297
405,500	-	405,500
116,075	-	116,075
42,714	-	42,714
564,289	4,887,695	22,187,465
(564,289)	236,972	3,681,462
3,500,000	-	3,500,000
242,043	1,385,027	1,977,070
-	(217,519)	(1,958,492)
3,742,043	1,167,508	3,518,578
3,177,754	1,404,480	7,200,040
(367,175)	9,769,973	29,101,088
$ 2,810,579	$ 11,174,453	$ 36,301,128

The accompanying notes are an integral part of this statement.

Town of Windsor
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
Year Ended June 30, 2021

Net Change in Fund Balances - Total Governmental Funds	$	7,200,040
Amounts reported for Governmental Activities in the Statement of Activities are different because:		
Certain receivables are offset by unavailable revenue in the governmental funds because they are not available to pay for current period expenditures. This represents the amount by which current year unavailable revenue exceeded prior year unavailable revenue.		509,900
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of these assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period, and also the net effect of various transactions involving capital assets (disposals, etc.):		
Capital Outlay		809,805
Depreciation Expense		(4,160,987)
Donation of Capital Assets		403,302
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 premiums and discounts when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.		
Debt Issuance		(3,500,000)
Principal Payments		405,500
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.		
Net Pension Liability		(570,646)
Total OPEB Liability		(51,435)
Claims Payable		45,412
Compensated Absences		(12,291)
Change in Accrued Interest		3,057
Amounts for deferred inflows and deferred outflows related to the City's Total OPEB Liability and Net Pension Liability are not reported in the funds. This is the net change in these deferred inflows and outflows.		
Deferred Outflows of Resources - OPEB Related		959
Deferred Inflows of Resources - OPEB Related		3,979
Deferred Outflows of Resources - Pension Related		111,011
Deferred Inflows of Resources - Pension Related		10,000
Change in Net Position of Governmental Activities	$	1,207,606

The accompanying notes are an integral part of this statement.

Town of Windsor
Statement of Net Position
Proprietary Funds
June 30, 2021

	Enterprise Funds		
ASSETS	Water Reclamation	Water	Total
Current Assets:			
Cash and Investments	$ 6,237,414	$ 18,076,487	$ 24,313,901
Restricted Cash and Investments	81,828	22,778	104,606
Accounts Receivable	2,158,827	1,799,269	3,958,096
Inventory	42,712	96,434	139,146
Total Current Assets	8,520,781	19,994,968	28,515,749
Noncurrent Assets:			
Capital Assets, Not Being Depreciated	8,688,347	1,631,755	10,320,102
Capital Assets, Net of Accumulated Depreciation	35,074,281	15,216,329	50,290,610
Total Noncurrent Assets	43,762,628	16,848,084	60,610,712
Total Assets	52,283,409	36,843,052	89,126,461
DEFERRED OUTFLOWS OF RESOURCES			
OPEB Related Amounts	9,078	9,078	18,156
Pension Related Amounts	807,762	807,762	1,615,524
Deferred Loss on Debt Refunding	58,459	58,459	116,918
Total Deferred Outflows of Resources	875,299	875,299	1,750,598
LIABILITIES			
Current Liabilities:			
Accounts Payable	575,334	573,502	1,148,836
Accrued Liabilities	131,574	99,776	231,350
Accrued Interest Payable	28,624	20,446	49,070
Due to Other Funds	60,009	118,236	178,245
Deposits Payable	41,421	22,778	64,199
Compensated Absences, Current Portion	35,658	26,725	62,383
Claims Payable, Current Portion	20,988	20,988	41,976
Loans Payable, Current Portion	575,842	29,904	605,746
Bonds Payable, Current Portion	263,573	263,573	527,146
Total Current Liabilities	1,733,023	1,175,928	2,908,951
Noncurrent Liabilities:			
Compensated Absences, Noncurrent	191,002	142,429	333,431
Claims Payable	33,699	33,699	67,398
Total OPEB Liability	287,641	287,641	575,282
Net Pension Liability	2,893,986	2,893,986	5,787,972
Loans Payable	-	324,138	324,138
Bonds Payable	1,779,892	1,787,992	3,567,884
Total Noncurrent Liabilities	5,186,220	5,469,885	10,656,105
Total Liabilities	6,919,243	6,645,813	13,565,056
DEFERRED INFLOWS OF RESOURCES			
OPEB Related Amounts	20,584	20,584	41,168
Pension Related Amounts	149,991	149,991	299,982
Total Deferred Inflows of Resources	170,575	170,575	341,150
NET POSITION			
Net Investment in Capital Assets	41,201,780	14,500,936	55,702,716
Unrestricted	4,867,110	16,401,027	21,268,137
Total Net Position	$ 46,068,890	$ 30,901,963	$ 76,970,853

The accompanying notes are an integral part of this statement.

Town of Windsor
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
Year Ended June 30, 2021

	Enterprise Funds		
	Water Reclamation	Water	Total
OPERATING REVENUES			
Charges for Sales and Services	$ 10,062,830	$ 7,623,186	$ 17,686,016
Other Revenues	7,877	374,136	382,013
Total Operating Revenues	10,070,707	7,997,322	18,068,029
OPERATING EXPENSES			
Personnel Costs	4,469,046	3,410,912	7,879,958
Contractual Services	927,249	678,508	1,605,757
Materials and Supplies	2,429,608	1,692,188	4,121,796
Repairs and Maintenance	1,597,748	87,381	1,685,129
Utilities	593,839	660,527	1,254,366
Insurance and Claims	193,503	193,503	387,006
Taxes and Licenses	61,290	38,679	99,969
Depreciation	2,608,928	1,196,614	3,805,542
Total Operating Expenses	12,881,211	7,958,312	20,839,523
Operating Income (Loss)	(2,810,504)	39,010	(2,771,494)
NONOPERATING REVENUES (EXPENSES)			
Rental Income	38,603	-	38,603
Investment Income	98,848	121,111	219,959
Interest Expense	(102,034)	(49,407)	(151,441)
Total Nonoperating Revenues (Expenses)	35,417	71,704	107,121
Income (Loss) Before Capital Contributions and Transfers	(2,775,087)	110,714	(2,664,373)
Capital Contributions	50,413	50,413	100,826
Transfers In	104,757	104,757	209,514
Transfers Out	(114,046)	(114,046)	(228,092)
Change in Net Position	(2,733,963)	151,838	(2,582,125)
Net Position - Beginning of Year	48,802,853	30,750,125	79,552,978
Net Position - End of Year	$ 46,068,890	$ 30,901,963	$ 76,970,853

The accompanying notes are an integral part of this statement.

Town of Windsor
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2021

	Enterprise Funds		
	Water Reclamation	Water	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers and Users	$ 9,760,272	$ 7,888,181	$ 17,648,453
Payments to Suppliers for Goods and Services	(6,603,658)	(3,726,328)	(10,329,986)
Payments to Employees for Services	(4,202,848)	(3,153,196)	(7,356,044)
Net Cash Provided (Used) by Operating Activities	(1,046,234)	1,008,657	(37,577)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Cash Transferred from Other Funds	104,757	104,757	209,514
Cash Transferred to Other Funds	(114,046)	(114,046)	(228,092)
Net Cash Provided (Used) by Noncapital Financing Activities	(9,289)	(9,289)	(18,578)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and Construction of Capital Assets	(1,510,142)	(530,878)	(2,041,020)
Principal Paid on Loans	(589,836)	(29,170)	(619,006)
Principal Paid on Bonds	(247,500)	(247,500)	(495,000)
Interest Paid on Debt	(113,050)	(49,847)	(162,897)
Net Cash Provided (Used) by Capital and Related Financing Activities	(2,460,528)	(857,395)	(3,317,923)
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment/Rental Income Received	137,451	121,111	258,562
Net Cash Provided (Used) by Investing Activities	137,451	121,111	258,562
Net Increase (Decrease) in Cash and Cash Equivalents	(3,378,600)	263,084	(3,115,516)
Cash and Cash Equivalents - Beginning of the Year	9,697,842	17,836,181	27,534,023
Cash and Cash Equivalents - End of the Year	$ 6,319,242	$ 18,099,265	$ 24,418,507
RECONCILIATION OF CASH AND CASH EQUIVALENTS			
Cash and Investments	$ 6,237,414	$ 18,076,487	$ 24,313,901
Restricted Cash and Investments	81,828	22,778	104,606
Total Cash and Cash Equivalents	$ 6,319,242	$ 18,099,265	$ 24,418,507
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	$ (2,810,504)	$ 39,010	$ (2,771,494)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:			
Depreciation	2,608,928	1,196,614	3,805,542
(Increase) Decrease in Accounts Receivable	(270,028)	(68,736)	(338,764)
(Increase) Decrease in Inventory	(11,065)	42,001	30,936
(Increase) Decrease in Deferred Outflows - Pension and OPEB	(55,985)	(55,985)	(111,970)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	(763,743)	(405,456)	(1,169,199)
Increase (Decrease) in Deposits Payable	(40,407)	(40,405)	(80,812)
Increase (Decrease) in Compensated Absences	19,132	10,650	29,782
Increase (Decrease) in Claims Payable	(25,613)	(12,087)	(37,700)
Increase (Decrease) in Total OPEB Liability	25,717	25,717	51,434
Increase (Decrease) in Net Pension Liability	285,324	285,324	570,648
Increase (Decrease) in Deferred Inflows - Pension and OPEB	(7,990)	(7,990)	(15,980)
Net Cash Provided by Operating Activities	$ (1,046,234)	$ 1,008,657	$ (37,577)
Noncash Investing, Capital and Financing Activities			
Amortization of Deferred Loss on Refunding	$ 8,351	$ 8,351	$ 16,702
Amortization of Premium on Bonds	6,073	6,073	12,146
Donated Capital Assets	50,413	50,413	100,826

The accompanying notes are an integral part of this statement.

Town of Windsor
Statement of Net Position
Fiduciary Funds
June 30, 2021

	Successor Agency Private-purpose Trust Fund	Custodial Funds
ASSETS		
Cash and Investments	$ 539,227	$ 577,975
Total Assets	539,227	577,975
LIABILITIES		
Interest Payable	12,500	-
Due to Town	-	78,749
Bonds Payable, Current Portion	295,000	-
Bonds Payable, Long-term Portion	1,070,153	-
Total Liabilities	1,377,653	78,749
NET POSITION (DEFICIT)		
Restricted for:		
Successor Agency Activities	(838,426)	-
Individuals and Organizations	-	499,226
Total Net Position	$ (838,426)	$ 499,226

The accompanying notes are an integral part of this statement.

Town of Windsor
Statement of Changes in Net Position
Fiduciary Funds
Year Ended June 30, 2021

	Successor Agency Private-purpose Trust Fund	Custodial Funds
ADDITIONS		
Property Taxes and Assessments	$ 406,891	$ 556,157
Investment Earnings	6,769	5,039
Total Additions	413,660	561,196
DEDUCTIONS		
Administration	156,312	-
Interest Expense and Other Debt-related Payments	2,888	78,749
Total Deductions	159,200	78,749
Change in Net Position	254,460	482,447
Net Position (Deficit) - Beginning of Year	(1,092,886)	16,779
Net Position (Deficit) - End of Year	$ (838,426)	$ 499,226

The accompanying notes are an integral part of this statement.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Windsor was incorporated on July 1, 1992, as a general law Town. The Town is primarily a residential community located in Sonoma County. The Town provides the following services: public safety, parks, streets and highways, water and water reclamation, culture-recreation, public improvements, planning and zoning, and general administration services. The Town operates under the Council-Manager form of government, with five elected Town Council Members, who, in turn, elect one of the Members to serve as the Mayor.

A. Financial Reporting Entity

The accompanying basic financial statements present the financial activity of the Town along with the financial activities of its blended component units, which are entities for which the Town is financially accountable. Together these entities comprise the primary government for reporting purposes. Although they are separate legal entities, blended component units are in substance part of the Town's operations and are reported as an integral part of the Town's financial statements. The Town's component units, which are described below, are all blended.

The Windsor Public Financing Authority (Authority) was established in accordance with the provisions of the laws of the State of California. The Authority was created for the purpose of providing financing for public capital improvements for the Town and the former Redevelopment Agency through the acquisition by the Authority of such public capital improvements and/or the purchase by the Authority of local obligations. The Authority has the power to issue bonds and to pay the costs of any public capital improvements. The Authority is controlled by the Town and has the same governing body as the Town, which also performs all accounting and administrative functions for the Authority. The financial activities of the Authority are included in the Debt Service Fund.

The Windsor Water District (District) is a separate entity whose purpose is to provide water and sewer (water reclamation) services within the Town. The District is controlled by the Town and has the same governing body as the Town, which also performs all accounting and administrative functions for the District. The financial activities of the District are included in the Proprietary Funds.

B. Basis of Presentation

The Town's basic financial statements are prepared in conformity with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States of America. These standards require that the financial statements described below be presented:

Government-wide Financial Statements:

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include the activities of the overall Town government except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. The statements distinguish between governmental and business-type activities of the Town. The Town's net position is reported in three categories – net investment in capital assets, restricted net position, and unrestricted net position. The Town first utilizes restricted resources to finance qualifying activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The Statement of Activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the Town and for each function of the Town's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients for goods or

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

services offered by the programs, (b) grants and contributions that are restricted to meeting the operational needs of a particular program, and (c) grants and contributions that are restricted to financing the acquisition or construction of capital assets. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements:

The fund financial statements provide information about the Town's funds, including fiduciary funds and blended component units. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues and expenditure/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories with each major fund displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds in a single column, regardless of their fund type.

The funds of the financial reporting entity are described below:

Governmental Funds

General Fund: The general fund is to be used to account for and report all financial resources not accounted for and reported in another fund.

Special Revenue: 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 term *proceeds of specific revenue sources* requires that one or more specific restricted or committed revenues is the foundation for a special revenue fund.

Capital Projects: Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

Debt Service: Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest on debt. Debt service funds should be used to report resources if legally mandated. Financial resources that are being accumulated for principal and interest maturing in future years also should be reported in debt service funds.

Proprietary Funds

Enterprise Funds: Enterprise funds are used to account for business-like activities provided to the general public. These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector.

Fiduciary Funds (not included in government-wide statements)

Custodial Funds: Custodial funds are clearing type funds for the collection of taxes or deposits held in trust, on behalf of individuals, private organizations and other governments. The funds are custodial in nature.

Private-purpose Trust Funds: Private-purpose trust funds are used to report all trust arrangements (other than pension and investment trust funds) under which principal and income benefit individuals, private organizations, or other governments.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Major Funds

The Town reported the following major governmental and proprietary funds in the accompanying financial statements:

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

Housing Fund: This special revenue fund is used to account for housing assets transferred from the former Redevelopment Agency.

Capital Replacement Fund: This capital projects fund is used to account for costs associated with the replacement of the Town's facilities and equipment.

Debt Service Fund: This debt service fund is used to account for the debt service activities related to the Town.

Water Reclamation: This enterprise fund accounts for the operation and maintenance of the Town's wastewater collection system, the wastewater treatment facility, and the recycled waste disposal and distribution system.

Water Fund: This enterprise fund accounts for the operation and maintenance of the Town's water distribution system.

The Town also reports the following fund types, which as noted above, are not included in the government-wide financial statements:

Custodial Funds: These funds are used to report resources held by the Town in a purely custodial capacity, which involves only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments.

Private Purpose Trust Funds: The Town maintains a private–purpose trust fund for the Successor Agency to the former Windsor Redevelopment Agency. Private-purpose trust funds include a Statement of Net Position and a Statement of Changes in Net Position.

C. Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe which transactions are recorded within the various financial statements. Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements regardless of the measurement focus applied.

Measurement Focus

For the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined in item "b" below. In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

a. All governmental funds are accounted for using the current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

b. All proprietary funds utilize the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and all liabilities (whether current or noncurrent) associated with the operation of these funds are reported. Proprietary fund equity is classified as net position.

c. Custodial funds and private-purpose trust funds report a statement of changes in net position, and are accounted for using the economic resources measurement focus.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset is used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The Town defines available to be within 60 days of fiscal year-end. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported when due. Governmental capital asset acquisitions are reported as expenditures in governmental funds. Proceeds from governmental long-term debt are reported as other financing sources.

Those revenues susceptible to accrual include taxes, intergovernmental revenues, interest and charges for services. Certain indirect costs are included in program expenses reported for individual functions and activities. Grant revenues are recognized in the fiscal year in which all eligibility requirements are met. Under the terms of grant agreements, the Town may fund certain programs with a combination of cost reimbursement grants, categorical block grants, and general revenues. Thus, both restricted and unrestricted net position are available to finance program expenditures. The Town's policy is to first apply restricted grant resources to such programs, followed by general revenues if necessary.

All proprietary funds and fiduciary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset is used. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the principal operations.

The principal operating revenues of the Water and Water Reclamation enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as necessary.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

D. Property Taxes

The County of Sonoma levies, bills, and collects property taxes and special assessments for the Town. Property taxes levied are recorded as revenue when received in the fiscal year or levy, due to the adoption of the alternate method of property tax distribution, known as the Teeter Plan, by the Town and the County of Sonoma. The Teeter Plan authorizes the Auditor/Controller of the County of Sonoma to allocate 100% of the secured property taxes billed, but not yet paid. The County of Sonoma remits tax monies to the Town in three installments as follows: 50% in December, 45% in April, and 5% in June.

Tax collections are the responsibility of the County Tax Collector. Taxes and assessments on secured and utility rolls, which constitute a lien against the property, may be paid in two installments; the first is due November 1 of the fiscal year and is delinquent if not paid by December 10; and the second is due on March 1 of the fiscal year and is delinquent if not paid by April 10. Unsecured personal property taxes do not constitute a lien against real property unless the tax becomes delinquent. Payment must be made in one installment, which is delinquent if not paid by August 31 of the fiscal year. Significant penalties are imposed by the County for late payment.

Property valuations are established by the Assessor of the County of Sonoma for the secured and unsecured property tax rolls. Under the provisions of Article XIIIA of the State Constitution, properties are assessed at 100% of purchase price or value in 1978, whichever is later. From this base assessment, subsequent annual increases in valuation are limited to a maximum of two percent. However, increases to full value are allowed for property improvements or upon change in ownership. Personal property is excluded from these limitations, and is subject to annual reappraisal.

Tax levy dates are attached annually on January 1 preceding the fiscal year for which the taxes are levied. The fiscal year begins July 1 and ends June 30 of the following year. Taxes are levied on both real and unsecured personal property, as it exists at that time. Liens against real estate, as well as the tax on personal property, are not relieved by subsequent renewal or change in ownership.

E. Cash and Investments

The Town pools the cash of all funds, except for monies deposited with fiscal agents in accordance with related bond indentures. The cash and investments balance in each fund represents that fund's equity share of the Town's cash and investment pool. As the Town places no restrictions on the deposit or withdrawal of a fund’s equity in the pool, the pool operates like a demand deposit account for the participating funds.

Interest income earned on pooled cash and investments is allocated monthly to the various funds based on month-end balances. Interest income on restricted cash and investments with fiscal agents is credited directly to the related fund. The Town’s investments are carried at fair value. The fair value of equity and debt securities is determined based on sales prices or bid-and-asked quotations from SEC-registered securities exchanges or NASDAQ dealers.

LAIF and the Sonoma County Investment Pool determine the fair value of their portfolio quarterly and report a factor to the Town; the Town applies that factor to convert its share of LAIF and the Sonoma County Investment Pool from amortized cost to fair value. This amount is included in cash and cash equivalents in the balance sheet of the governmental funds.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

For purposes of the statement of cash flows, cash equivalents are defined as short-term highly liquid investments that are both readily convertible to known amounts of cash or so near their maturity that they present insignificant risk of changes in value because of changes in interest rates, and have an original maturity date of 3 months or less.

F. Accounts and Interest Receivable

In the government-wide financial statements, receivables consist of all revenues earned at fiscal year-end and not yet received. Receivables are recorded in the financial statements net of any allowance for doubtful accounts if applicable, and estimated refunds due. Major receivable balances for the governmental activities include sales and use taxes, franchise taxes, grants, police fines and other fees. Business-type activities report utilities account receivables and interest earnings as their major receivables.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as sales tax, franchise tax, and grants and other similar intergovernmental revenues since they are usually both measurable and available. Nonexchange transactions collectible but not available are deferred in the fund financial statements in accordance with modified accrual basis, but not deferred in the government-wide financial statements in accordance with the accrual basis. Interest and investment earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available. Receivables in proprietary funds consist of all revenues earned at fiscal year-end and not yet received. Utility accounts receivable and interest earnings represent the majority of proprietary fund receivables.

G. Prepaid Expenses and Inventory

Inventory is valued at cost using the first-in, first-out (FIFO) method. Inventory in the Enterprise Funds consists primarily of materials and supplies for utility operations. Inventory in the General Fund consists of materials and supplies. Major payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid items in both government-wide and fund financial statements.

H. Capital Assets

The accounting treatment for property, plant and equipment depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

Government-wide Statements

In the government-wide financial statements, capital assets are recorded at cost where historical records are available and at an estimated original cost where no historical records exist. Donated capital assets received prior to the implementation of GASB 72 are recorded at estimated fair value on the date donated. Donated capital assets received subsequent to the implementation of GASB 72 are recorded at acquisition value as of the date received. General capital asset purchases in excess of $10,000 and infrastructure capital assets greater than $50,000 are capitalized.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method. The ranges for estimated useful lives is as follows:

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Buildings	50 Years
Improvements other than buildings	10-25 Years
Infrastructure	30-100 Years
Utility Systems	5-50 Years
Vehicles	4-10 Years
Computer Equipment	3-5 Years
Other equipment and Furnishings	5-20 Years

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures in the governmental funds upon acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

I. Compensated Absences

Compensated absences comprise unused vacation leave and compensatory time off, which are accrued as earned. Employees may accumulate earned vacation up to 160 hours. Additional accrual requires the Town Manager's approval. Employees may accumulate sick leave without limits. The Town's liability for compensated absences is recorded in the government-wide Statement of Net Position for both governmental and business-type activities, and in the Statement of Net Position for proprietary funds as appropriate.

A liability is calculated for all the costs of compensated absences based upon benefits earned by employees in the current period for which there is a probability of payment at termination. The salary and related payroll costs are those in effect at fiscal year-end. Accumulated unpaid vacation and sick pay are accrued when earned. Upon retirement, resignation or termination management employees are eligible for a lump sum payout of twenty percent (20%) of accrued sick leave; upon retirement only, management employees may elect one hundred percent (100%) of accumulated sick leave workdays be applied as service credit. Non-management employees are not eligible for the lump sum payout and may only apply accumulated sick leave workdays as service credit toward retirement. Leave benefits are generally liquidated by the General Fund or enterprise funds.

J. Long-Term Liabilities

Long-term liabilities are reported in the government-wide and proprietary fund financial statements. Initial issue bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. The difference between the reacquisition price of refunding bonds and the net carrying amount of refunded debt (deferred amount on refunding) is amortized over the shorter of the lives of the refunding debt or remaining life of the refunded debt. Amortization of bond premiums or discounts and deferred amounts on refunding is included in interest expense.

In the governmental fund financial statements, bond premiums, discounts, and issuance costs are recognized in the period issued. The face amount of debt issued is reported as other financing sources. Premiums received are reported as other financing sources, while discounts are reported as other financing uses. Issuance costs are reported as debt service expenditures.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

K. Interfund Transactions

The following is a description of the three basic types of interfund transactions made during the fiscal year and the related accounting policies:

1. *Interfund services provided and used* - transactions for services rendered or facilities provided. These transactions are recorded as revenues in the receiving fund and expenditures in the disbursing fund.

2. *Reimbursements (expenditure transfers)* - transactions to reimburse a fund for specific expenditures incurred for the benefit of another fund. These transactions are recorded as expenditures in the disbursing fund and a reduction of expenditures in the receiving fund.

3. *Transfers* - all other interfund transactions which allocate resources from one fund to another fund. These transactions are recorded as transfers in and out.

Transactions between the Town's funds are recorded as interfund transfers. The unpaid balances at fiscal year-end, as a result of such transactions, are shown as either "due to/from other funds" (e.g., current portion of interfund loans) or "advances to/from funds" (e.g., noncurrent portion of interfund loans). Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances."

L. Equity Classifications

Government-wide Statements

In the government-wide financial statements, net position is the excess of all the Town's assets and deferred outflows of resources over all its liabilities and deferred inflows of resources. Net position is divided into three categories, as described below:

1. *Net investment in capital assets* - Consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

2. *Restricted net position* - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

3. *Unrestricted net position* – Consists of all other amounts that do not meet the definition of "restricted" or "net investment in capital assets."

When both restricted and unrestricted net position are available, restricted resources are depleted first before the unrestricted resources are used.

Fund Statements

The accounts of the Town are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. In the fund financial statements, fund balances are in classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of resources reported in the governmental funds. Fund balances are classified in the following categories:

1. *Nonspendable* – This includes items that cannot be spent because they are not in spendable form, such as prepaid items and inventories, items that are legally or contractually required to be maintained intact, such as principal of an endowment or revolving loan funds.

2. *Restricted* – Restricted fund balances encompass the portion of net resources subject to externally enforceable legal restrictions. This includes externally imposed restrictions by creditors, such as through debt covenants, grantors, contributors, laws or regulations of other governments, as well as restrictions imposed by law through constitutional provisions or enabling legislation.

3. *Committed* – Committed fund balances encompass the portion of net resources, the use of which is constrained by limitations that the government imposes upon itself at its highest level of decision making, which is normally the governing body through ordinances, etc. These constraints remain binding unless removed in the same manner. The Town Council is considered the highest authority for the Town.

4. *Assigned* – Assigned fund balances include the portion of net resources reflecting the government's intended use of resources. Assignment of resources can be done by the highest level of decision making or by a committee or official designated for that purpose.

5. *Unassigned* – This category is for any balances that have no restrictions placed upon them.

M. Deferred Inflows/Outflows 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 represents consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense) until then. The Town reports deferred outflows relating to the Net Pension and OPEB liabilities, and also for a deferred loss on a debt refunding.

In addition to liabilities, the statement of financial position and the balance sheet for governmental funds will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town has certain items, which arise only under the modified accrual basis of accounting, which qualify for reporting in this category. Governmental funds report unavailable revenues in this category for various revenues, including grants. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In addition, the Town reports deferred inflows relating to the Net Pension and OPEB liabilities.

N. Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

O. Future Accounting Pronouncements

The Governmental Accounting Standards Board has issued the following Statements, which may affect the Town's financial reporting requirements in the future:

GASB 87 – Leases: This Statement requires 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. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

GASB 91 - Conduit Debt Obligations: The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021.

GASB 92 – Omnibus 2020: The requirements of this Statement will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature. More comparable reporting will improve the usefulness of information for users of state and local government financial statements. The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends June 30, 2022.

GASB 96 – Subscription-Based Information Technology Arrangements (SBITAs): The requirements of this Statement will improve financial reporting by establishing a definition for SBITAs and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends June 30, 2023.

P. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Town's California Public Employees' Retirement System (CalPERS) plan (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Q. Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. Generally accepted accounting principles require that the reported results must pertain to liability and asset information within curtained defined timeframes. For this report, the following timeframes are used:

Valuation Date	June 30, 2020
Measurement Date	June 30, 2021
Measurement Period	July 1, 2020 to June 30, 2021

2. CASH AND INVESTMENTS

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

Statement of Net Position:		
Cash and Investments	$	48,430,043
Restricted Cash and Investments		5,190,867
Statement of Fiduciary Net Position		1,117,202
Total Cash and Investments	$	54,738,112

Cash and investments held by the Town consisted of the following:

Petty Cash	$	12,123
Deposits with Financial Institutions		11,341,423
Investments		43,384,566
Total Cash and Investments	$	54,738,112

Investments Authorized by the Town's Investment Policy

The table below identifies the investment types that are authorized for the Town by the California Government Code (or the Town's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the Town's investment policy, if more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements, rather than the general provisions of the California Government Code or the Town's investment policy.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
State or Local Government Obligations	5 Years	None	None
U.S. Treasury Obligations	5 Years	None	None
U.S. Government Agency Issues	5 Years	None	None
Medium-term Notes	5 Years	30%	5%
Banker's Acceptances	180 Days	40%	10%
Commercial Paper	270 Days	25%	10%
Negotiable Certificates of Deposit	5 Years	15%	3%
Repurchase Agreements	1 Year	None	None
Local Agency Investment Fund	N/A	None	None
Sonoma County Pool Fund	N/A	40%	None

Investments Authorized by Debt Agreements

Investments of debt proceeds held by bond trustee are governed by provisions of the debt agreements, rather than the general provision of the California Government Code or the Town's investment policy. The table below identifies the investment types that are authorized for investments held by bond trustee. The table also identifies certain provisions of these debt agreements that address interest rate risk, credit risk, and concentration of credit risk.

2. CASH AND INVESTMENTS – Continued

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
State or Local Government Obligations	5 Years	None	None
U.S. Treasury Obligations	5 Years	None	None
U.S. Government Agency Issues	5 Years	None	None
Medium-term Notes	5 Years	30%	5%
Banker's Acceptances	180 Days	40%	10%
Commercial Paper	270 Days	25%	10%
Negotiable Certificates of Deposit	5 Years	15%	3%
Repurchase Agreements	1 Year	None	None
Local Agency Investment Fund	N/A	None	None
Sonoma County Pool Fund	N/A	40%	None

Disclosures Relating to Interest Rate Risk

Interest rate risk 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 rate. One of the ways that the Town manages its exposure to interest rate risk is by purchasing a combination of shorter-term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the Town's investments (including investments held by bond trustee) to market interest rate fluctuations is provided by the following table that shows the distribution of the Town's investment by maturity:

		Remaining Maturity (in Months)				
Investment Type	Total	12 Months Or Less	13 to 24 Months	25 to 36 Months	37 to 48 Months	More than 48 Months
State Investment Pool	$16,565,858	$16,565,858	$ -	$ -	$ -	$ -
County of Sonoma Pool	12,688,376	12,688,376	-	-	-	-
United States Treasury Obligations	2,407,776	2,407,776	-	-	-	-
Federal Home Loan Bank	8,146,894	-	-	-	-	8,146,894
Medium-term Notes	1,245,456	-	1,245,456	-	-	-
Negotiable Certificates of Deposit	1,294,943	760,808	-	534,135	-	-
Money Market Mutual Funds	1,035,263	1,035,263	-	-	-	-
Total Pooled Investments	$43,384,566	$33,458,081	$ 1,245,456	$ 534,135	$ -	$ 8,146,894

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the Town's investment policy, or debt agreements, and the actual rating as of year-end for each investment type.

2. CASH AND INVESTMENTS – Continued

Investment Type	Total	Minimum Legal Rating	AAA	AA	A	Not Required to be Rated
State Investment Pool	$16,565,858	N/A	$ -	$ -	$ -	$16,565,858
County of Sonoma Pool	12,688,376	N/A	-	-	-	12,688,376
United States Treasury Obligations	2,407,776	N/A	-	-	-	2,407,776
Federal Home Loan Bank	8,146,894	N/A	-	8,146,894	-	-
Medium-term Notes	1,245,456	A	-	1,245,456	-	-
Negotiable Certificates of Deposit	1,294,943	A	-	-	-	1,294,943
Money Market Mutual Funds	1,035,263	N/A	-	-	-	1,035,263
Total Pooled Investments	$43,384,566		$ -	$9,392,350	$ -	$33,992,216

Concentration of Credit Risk

The investment policy of the Town contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. As of June 30, 2021, none of the Town's applicable securities exceeded 5% of total investments.

Investments guaranteed by the U.S. government and investments in mutual funds and external investment pools are excluded from this requirement.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the 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. The California Government Code and the Town's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local government units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure Town deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. As of June 30, 2021, there were no deposits with financial institutions in excess of federal depository insurance limits which were not held in collateralized accounts.

The custodial credit risk for investments 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 California Government Code and the Town's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities.

Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF). As of June 30, 2021, none of the Town's investments were held by the broker-dealer (counterparty) that was used by the Town to purchase the securities.

2. CASH AND INVESTMENTS – Continued

For investments identified herein as held by bond trustee, the bond trustee selects the investments under terms of the applicable trust agreement, acquires the investment, and holds the investment on behalf of the reporting government.

Fair Value Measurements

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Town has the following recurring fair value measurements as of June 30, 2021:

- U.S. Treasury Obligations of $2,407,776 are valued using quoted market prices (Level 1 inputs)
- Federal Agency Securities of $8,146,894 are valued using a matrix pricing model (Level 2 inputs)
- Negotiable Certificates of Deposit of $1,294,943 are valued using a matrix pricing model (Level 2 inputs)
- Medium-term Notes of $1,245,456 are valued using a matrix pricing model (Level 2 inputs)

Investment in State and County Investment Pool

The Town is a voluntary participant in the Local Agency Investment Fund (LAIF) and the County of Sonoma Investment Fund that is regulated by the California Government Code under the oversight of the Treasurers of the State of California and the County of Sonoma. The fair value of the Town's investment in these pools is reported in the accompanying financial statements at amounts based upon the Town's pro-rata share of the fair value provided by LAIF and the County of Sonoma for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF and the County of Sonoma, which are recorded on an amortized cost basis.

3. NOTES RECEIVABLE

Forest Winds Apartments

In March 1992, the Sonoma County Community Development Commission entered into an agreement to loan $340,000 to Burbank Housing Development Corporation ("Burbank"), a nonprofit public benefit corporation, for property acquisition and development costs of an affordable housing project in the Town of Windsor. This note accrues 3% simple interest for 30 years with all principal and interest payments deferred for the life of the loan. Accrued interest totaled $262,350 as of June 30, 2021.

Vinecrest

In January 1997, the former Agency made payments to the Burbank Housing Development Corporation for the development costs of an affordable housing project (Vinecrest Housing Project) totaling $688,000. The loan accrues 3% simple interest for 40 years with all principal and interest payments deferred for the life of the loan. Accrued interest totaled $504,238 as of June 30, 2021.

Twin Oaks

In July 2002, the former Agency sold three town-homes aggregating $691,500 to three different individuals.

3. NOTES RECEIVABLE - Continued

Two of the properties were repurchased in the 2005-06 fiscal year and the notes were dissolved leaving one note outstanding for $50,000. In December 2005, the former Agency sold one of the properties (855 Twin Oaks) with a balance of $75,000 in the form of a note, and in August 2008, the former Agency sold the remaining property with a balance of $50,000 (840 Twin Oaks). Upon the future sale of the property, the Town will receive the principal amount of the notes plus a share of the property's appreciation. The appreciation is equal to the percentage amount that the note represents as a portion of the original sales price. The July 2002 outstanding note was deemed uncollectible and written-off in fiscal year 2012. During fiscal year 2015, $50,000 was repaid on the 840 Twin Oaks note, leaving only the $75,000 note receivable outstanding.

Winter Creek Village Apartments

In January 2003, various loans were granted to the Burbank Housing Development Corporation for the Winter Creek Village Apartment Project. The total loan amount of $1,085,000, of which $928,669 is the outstanding principal, was for property acquisition and development costs, fees, and permits for an affordable housing project in the Town of Windsor. This note accrues 3% simple interest for 40 years with all principal and interest payments deferred for the life of the loan. Accrued interest totaled $274,432 as of June 30, 2021.

Manzanita Self-Help

In October 2009, the former Agency entered into an agreement with Burbank to assist in the development of a 22-unit self-help housing project (Manzanita), whereby the former Agency agreed to loan Burbank up to $4.6 million. Burbank had agreed to sell the units to lower income households because of certain California Housing Finance Agency Residential Development Loan Program ("RDLP") funds provided to Burbank by the former Agency. The RDLP funds related to the Manzanita project totaling $2,725,458 were repaid by Burbank in fiscal year 2012.

In addition to making the RDLP funds available, in December 2011 the former Agency invested a total of $750,000 into the development of the 22 units ($34,091 per unit). The agreement places resale controls on the units to require payment of any excess proceeds of sale, as defined, to the former Agency (now the Town, as it has assumed the housing activities of the former Agency). The agreement also provides the Town an option to purchase the unit at a restricted price, as defined. If the owner of the unit has owned the unit for seven years, the owner may sell the unit at any unrestricted price and pay the Town an "investment return" as defined in the agreement. As any return to the Town is contingent on the resale of the units, the $750,000 has been offset with an allowance for doubtful accounts as of June 30, 2021.

Windsor Redwoods

In November 2009, the former Agency entered into a loan agreement totaling $2,519,409 with Windsor Redwoods, L.P. (a project of the Burbank Housing Development Corporation) to assist in the development of a 65-unit multi-family housing development for low and very low-income households, in which all outstanding principal, and interest if any, is due 55 years from the date of the loans. In addition, the Town entered into a promissory note in the amount of $400,000 with Windsor Redwoods, for the purpose of providing Windsor Redwoods funds to pay $400,000 of the $1,000,000 development impact fees owed to the Town for the project. In March of 2010, the former agency entered into a separate loan agreement to provide an additional $2,252,479 to Windsor Redwoods.

All outstanding principal, and interest, if any, is due 55 years from the date of the loans, or, in the case of the $400,000 promissory note, 55 years from the date the Windsor Redwoods obtains permanent financing for the project.

3. NOTES RECEIVABLE - Continued

The loans do not accrue interest, except in the event of default, as defined in the agreements. Annual payments are due in an amount equal to 75% of the residual receipts, as defined in the loan agreements. Such annual payments are due in arrears, commencing November 1, 2012. The Town has recorded an allowance for doubtful accounts of $400,000 related to these loans.

First-time Homebuyer Loans

The Town has also provided loans to first-time homebuyers amounting to $1,593,804. These loans are for 30 years, with the option to extend for an additional 30 years. There are no options for forgiveness or cancellation. Accrued interest on these loans is $281,378 as of June 30, 2021.

4. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The following represents amounts due to/from other funds and interfund transfers at June 30, 2021:

	Due to Other Funds				
Due from Other Funds	Debt Service Fund	Water Reclamation Fund	Water Fund	Non-major Governmental Funds	Total
General Fund	$ 652,095	$ -	$ -	$ 61,576	$ 713,671
Capital Replacement Fund	-	60,009	118,236	66,073	244,318
	$ 652,095	$ 60,009	$ 118,236	$ 127,649	$ 957,989

The above amounts (total of $244,318) due to the Capital Replacement Fund are for capital expenditures made in previous fiscal years. The amounts due to the General Fund represents temporary deficits in other funds.

	Transfers Out				
Transfers In	General Fund	Water Reclamation Fund	Water Fund	Nonmajor Governmental Funds	Total
Capital Replacement Fund	$ 225,000	$ 62,500	$ 62,500	$ -	$ 350,000
Debt Service Fund	-	51,546	51,546	138,951	242,043
Nonmajor Governmental Funds	1,385,027	-	-	-	1,385,027
Water Reclamation Fund	65,473	-	-	39,284	104,757
Water Fund	65,473	-	-	39,284	104,757
Total	$ 1,740,973	$ 114,046	$ 114,046	$ 217,519	$ 2,186,584

The General Fund transferred $1,385,027 to nonmajor funds to subsidize expenditures, $225,000 to the Capital Replacement Fund for various project costs, and $65,473 to the Water Reclamation and Water Funds to help pay for administrative costs.

The transfers out in the Water Reclamation and Water Funds were to help cover debt service costs and for facility cost sharing. The transfers from nonmajor funds were made for their share of debt service costs, and for facilities expenditures.

5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2021 is as follows:

Governmental Activities:	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets, Not Being Depreciated:				
Land	$ 34,612,061	$ -	$ -	$ 34,612,061
Rights of Way	407	-	-	407
Construction in Progress	1,660,029	648,111	-	2,308,140
Total Capital Assets, Not Being Depreciated	36,272,497	648,111	-	36,920,608
Capital Assets, Being Depreciated:				
Buildings	8,533,119	-	-	8,533,119
Improvements Other than Buildings	18,351,863	403,302	-	18,755,165
Equipment and Machinery	1,358,424	-	-	1,358,424
Infrastructure	157,486,183	-	-	157,486,183
Vehicles	1,520,073	161,694	-	1,681,767
Total Capital Assets, Depreciated	187,249,662	564,996	-	187,814,658
Less Accumulated Depreciation:				
Buildings	(3,561,525)	(168,330)	-	(3,729,855)
Improvements Other than Buildings	(11,319,476)	(608,025)	-	(11,927,501)
Equipment and Machinery	(987,491)	(108,846)	-	(1,096,337)
Infrastructure	(71,954,745)	(3,128,406)	-	(75,083,151)
Vehicles	(1,107,040)	(147,380)	-	(1,254,420)
Total Accumulated Depreciation	(88,930,277)	(4,160,987)	-	(93,091,264)
Net Capital Assets Being Depreciated	98,319,385	(3,595,991)	-	94,723,394
Governmental Activities, Capital Assets, Net	$ 134,591,882	$ (2,947,880)	$ -	$ 131,644,002

Depreciation expense was charged to the following functions for Governmental Activities:

General Government	$ 208,049
Public Safety	41,610
Community Development	624,148
Public Works	3,287,180
Total	$ 4,160,987

5. CAPITAL ASSETS – Continued

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type Activities:				
Water Reclamation Fund:				
Capital Assets, Not Being Depreciated:				
Land	$ 6,265,121	$ -	$ -	$ 6,265,121
Construction in Progress	1,230,386	1,192,840	-	2,423,226
Total Capital Assets, Not Being Depreciated	7,495,507	1,192,840	-	8,688,347
Capital Assets Being Depreciated:				
Infrastructure (Utility System)	81,488,095	50,413	-	81,538,508
Equipment and Machinery	3,608,161	77,359	-	3,685,520
Vehicles	1,231,447	239,943	-	1,471,390
Total Capital Assets, Depreciated	86,327,703	367,715	-	86,695,418
Less Accumulated Depreciation:				
Infrastructure (Utility System)	(44,855,668)	(2,269,386)	-	(47,125,054)
Equipment and Machinery	(3,301,212)	(156,728)	-	(3,457,940)
Vehicles	(855,329)	(182,814)	-	(1,038,143)
Total Accumulated Depreciation	(49,012,209)	(2,608,928)	-	(51,621,137)
Net Capital Assets Being Depreciated	37,315,494	(2,241,213)	-	35,074,281
Water Reclamation Fund, Capital Assets, Net	$ 44,811,001	$ (1,048,373)	$ -	$ 43,762,628
Water Fund:				
Capital Assets, Not Being Depreciated:				
Land	$ 628,586	$ -	$ -	$ 628,586
Construction in Progress	574,072	429,097	-	1,003,169
Total Capital Assets, Not Being Depreciated	1,202,658	429,097	-	1,631,755
Capital Assets Being Depreciated:				
Infrastructure (Utility System)	40,391,171	50,413	-	40,441,584
Equipment and Machinery	1,061,195	-	-	1,061,195
Vehicles	950,971	101,781	-	1,052,752
Total Capital Assets, Depreciated	42,403,337	152,194	-	42,555,531
Less Accumulated Depreciation:				
Infrastructure (Utility System)	(24,492,368)	(1,070,354)	-	(25,562,722)
Equipment and Machinery	(862,034)	(38,309)	-	(900,343)
Vehicles	(788,186)	(87,951)	-	(876,137)
Total Accumulated Depreciation	(26,142,588)	(1,196,614)	-	(27,339,202)
Net Capital Assets Being Depreciated	16,260,749	(1,044,420)	-	15,216,329
Water Fund, Capital Assets, Net	$ 17,463,407	$ (615,323)	$ -	$ 16,848,084

6. LONG-TERM LIABILITIES

The following is a summary of long-term debt for the year ended June 30, 2021:

Governmental Activities	Beginning Balance	Additions	Retirements	Ending Balance	Due in one year
Compensated absences	$ 377,554	$ 159,082	$ (146,791)	$ 389,845	$ 61,477
Claims Payable	154,785	-	(45,412)	109,373	41,975
Total OPEB liability	523,846	51,435	-	575,281	-
Net pension liability	5,217,325	570,646	-	5,787,971	-
Lease Revenue bonds	1,896,100	-	(405,500)	1,490,600	415,000
Direct Borrowing: Loan Agreement	-	3,500,000	-	3,500,000	187,000
Total Government Activities	$ 8,169,610	$ 4,281,163	$ (597,703)	$11,853,070	$ 705,452

Lease Revenue Bonds

On October 1, 1994, the Financing Authority issued $6,555,000 in Lease Revenue Bonds - Series 1994C to finance the acquisition of a site for the Town's offices and the construction and installation of improvements on that site (Windsor Civic Center). In May of 2001, the 1994 Lease Revenue Bonds were advance refunded by the issuance of $6,785,000 in Series 2001A Lease Revenue Bonds. The advance refunding met the requirements of an in-substance debt defeasance, and the 1994 bonds were removed from the Town's long-term liabilities.

In March of 2012, the Series 2001A Lease Revenue Bonds were advance refunded by the issuance of $4,823,400 of Series 2012A Lease Revenue Bonds. The advance refunding met the requirements of an in-substance debt defeasance, and the Series 2001A bonds were removed from the Town's long-term liabilities. The 2012A Lease Revenue Bonds are secured by the same collateral as the Series 2001A Lease Revenue Bonds. Bond principal is due April 1 and October 1 of each year beginning October 2012 and the bonds mature on October 1, 2024. Interest is payable on April 1 and Oct 1 of each year. Interest on the bond is 2.38 percent with a final maturity in 2024. The outstanding principal balance of the bonds at June 30, 2021 was $1,490,600, and future debt service requirements are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2022	$ 415,000	$ 33,021	$ 448,021
2023	423,700	23,093	446,793
2024	431,500	12,963	444,463
2025	220,400	2,623	223,023
Totals	$ 1,490,600	$ 71,700	$ 1,562,300

Direct Borrowing: Loan Agreement – Roadway Intersection Improvements

On June 24, 2021, the Town entered into a Loan Agreement, through the Town's Public Financing Authority, where the lender agreed to assist in the financing of a roadway interchange improvement project, for an amount not-to-exceed $3.5 million. The Loan is secured by certain property of the Town. Interest is to be paid at a rate of 2.27%, with both principal and interest payments due semi-annually, on December 1 and June 1 of each fiscal year, with the final payment due on June 1, 2036. Future debt service requirements are as follows:

6. LONG-TERM LIABILITIES – Continued

Fiscal Year Ending June 30,	Principal	Interest	Total
2022	$ 187,000	$ 73,307	$ 260,307
2023	203,000	74,059	277,059
2024	208,000	69,417	277,417
2025	213,000	64,672	277,672
2026	218,000	59,803	277,803
2027	223,000	54,820	277,820
2028	228,000	49,736	277,736
2029	233,000	44,537	277,537
2030	238,000	39,214	277,214
2031	244,000	33,778	277,778
2032	249,000	28,216	277,216
2033	255,000	22,530	277,530
2034	261,000	16,696	277,696
2035	267,000	10,737	277,737
2036	273,000	4,642	277,642
Totals	$ 3,500,000	$ 646,164	$ 4,146,164

Business-type Actvities	Beginning Balance	Additions	Retirements	Ending Balance	Due in one year
Water Reclamation Fund:					
Compensated Absences	$ 207,528	$ 96,572	$ (77,440)	$ 226,660	$ 35,658
Claims Payable	80,300	-	(25,613)	54,687	20,988
Total OPEB Liability	261,924	25,717	-	287,641	-
Net Pension Liability	2,608,662	285,324	-	2,893,986	-
Installment Purchase Agreement	2,248,450	-	(247,500)	2,000,950	257,500
Premium	48,588	-	(6,073)	42,515	6,073
Direct Borrowings:					
State Revolving Fund	1,165,678	-	(589,836)	575,842	575,842
Total Water Reclamation Fund	$ 6,621,130	$ 407,613	$ (946,462)	$ 6,082,281	$ 896,061
Water Fund:					
Compensated Absences	$ 158,504	$ 81,983	$ (71,333)	$ 169,154	$ 26,725
Claims Payable	66,774	-	(12,087)	54,687	20,988
Total OPEB Liability	261,924	25,717	-	287,641	-
Net Pension Liability	2,608,662	285,324	-	2,893,986	-
Installment Purchase Agreement	2,256,550	-	(247,500)	2,009,050	257,500
Premium	48,588	-	(6,073)	42,515	6,073
Direct Borrowing: SDWSRF Loan	383,212	-	(29,170)	354,042	29,904
Total Water Fund	5,784,214	393,024	(366,163)	5,811,075	341,190
Total Business-type Activities	$12,405,344	$ 800,637	$ (1,312,625)	$11,893,356	$ 1,237,251

6. LONG-TERM LIABILITIES – Continued

Installment Purchase Agreement

On June 11, 2002, the Town of Windsor and the Windsor Water District issued, through the California Statewide Communities Development Authority (Authority), $10,290,000 of Water and Wastewater Revenue Bonds Series 2002B. The bond funds were used to finance a new Water and Wastewater Corporate Yard. In March of 2012, the Series 2002B Revenue Bonds were advance refunded by the Authority's issuance of $7,580,000 of Series 2012D Revenue Bonds (Bonds), secured by Installment Payments due from the Town. The advance refunding met the requirements of an in-substance debt defeasance, and the Series 2002B bonds were removed from the Town's long-term liabilities. Installment Payments are required in accordance with the 2012 Installment Purchase Agreement between the Town and the Authority. Installment payments are secured by a pledge of system net revenues received from the Town's water and wastewater systems. The Town has covenanted in the Indenture that it will, at all times while any of the Bonds remain outstanding, set rates, fees and charges to the maximum extent permitted by law and manage the operation of the system for each fiscal year so as to yield system revenues at least sufficient to pay the following amounts during such fiscal year:

(i) All current Operation and Maintenance Costs.
(ii) The Installment Payments and the payments for other parity debt and the payment of the subordinate obligations as they become due and payable.
(iii) All payments required for compliance with the terms of the Installment Purchase Agreement, and of any supplemental agreement.
(iv) All payments to meet any other obligations of the Town which are charges, liens or encumbrances upon, or payable from, the system net revenues.

In addition, the Installment Purchase Agreement requires that the Town will, to the maximum extent permitted by law, fix, prescribe and collect rates, fees and charges and manage the operation of the wastewater and water systems for each fiscal year so as to yield system net revenues during such fiscal year equal to at least 120% of the annual debt service in such fiscal year.

System net revenues are defined as system revenues received from the Town's wastewater and water systems, less operation and maintenance costs. System revenues are defined as all gross income and revenue received or receivable by the Town from the ownership or operation of the Town's wastewater and water systems. 100% of the system revenues are pledged to the required installment payments, which approximate $10 and $8 million per year for the wastewater and water systems, respectively.

For the 2020-21 fiscal year, system net revenues were approximately $1.03 million, while total principal and interest payments on the Bonds totaled approximately $645,000. Principal and interest payments are due April 1 and October 1 of each year. Interest on the Installment Purchase Agreement is 2.38 percent and future debt service requirements are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2022	$ 515,000	$ 129,624	$ 644,624
2023	535,000	108,624	643,624
2024	555,000	89,600	644,600
2025	570,000	72,014	642,014
2026	590,000	53,164	643,164
2027	610,000	32,900	642,900
2028	635,000	11,112	646,112
Totals	$ 4,010,000	$ 497,038	$ 4,507,038

6. LONG-TERM LIABILITIES – Continued

State Revolving Fund Loan

On September 15, 1999, the Town contracted with the State Water Resources Control Board (SWRCB) to borrow $8,777,801 from the State Revolving Fund (SRF) Loan Program. The loan was issued to help finance stages 2 and 3 of the Wastewater Treatment and Expansion project and is recorded in the Town's Water Reclamation Fund. Interest, which accrues at 2.0% per annum and principal, is payable in annual installments beginning in 2002 and continuing each year thereafter for 20 years.

Through the SRF program, the Town draws funds on the loan on a reimbursement basis. The Town reserves the right to use another source of funding, and therefore, it is not obligated to repay the SWRCB until reimbursement requests are approved and the funds have been received. As of June 30, 2021, the outstanding principal balance of the loan and future debt service requirements are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2022	$ 575,842	$ 16,700	$ 592,542

Safe Drinking Water State Revolving Fund (SDWSRF) Loan Payable

In July 2009, the Town was awarded funding under the Safe Drinking Water State Revolving Fund (SDWSRF) and the American Recovery and Reinvestment Act. The purpose of the funding is to assist in financing construction of a project which will enable the Town to meet safe drinking water standards. The total amount of the loan was $1,154,888.

Pursuant to the funding agreement, the State agreed to provide additional subsidization in the form of forgiveness of principal of 50%. The outstanding balance as of June 30, 2021 was $354,042. The term of the loan is 20 years and the loan accrues interest at 2.5017%. The loan includes provisions that, in the event of default, all outstanding amounts may become immediately due and payable. Payments are due each March 1 and September 1, and future debt service requirements are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2022	$ 29,904	$ 8,679	$ 38,583
2023	30,657	7,926	38,583
2024	31,429	7,154	38,583
2025	32,220	6,363	38,583
2026	33,031	5,552	38,583
2027	33,862	4,721	38,583
2028	34,719	3,868	38,587
2029	35,589	2,994	38,583
2030	36,485	2,098	38,583
2031	37,403	1,180	38,583
2032	18,743	380	19,123
Totals	$ 354,042	$ 50,915	$ 404,957

6. LONG-TERM LIABILITIES – Continued

Fiduciary Fund Long-term Debt

Tax Allocation Refunding Bonds:	Beginning Balance	Additions	Retirements	Ending Balance	Due in one year
Series 2014	$ 1,600,000	$ -	$ (350,000)	$ 1,250,000	$ 295,000
Premium	151,515	-	(36,362)	115,153	-
Total Fiduciary Fund Debt	$ 1,751,515	$ -	$ (386,362)	$ 1,365,153	$ 295,000

Tax Allocation Refunding Bonds – Series 2014

In October of 2014, the Windsor Redevelopment Successor Agency issued $6,965,000 in 2014 Tax Allocation Refunding Bonds (2014 Bonds) for the purpose of refunding the 1998 and 2004 Tax Allocation Bonds, along with the 2008 Windsor Public Financing Authority Lease Revenue Bonds (collectively, the Refunded Bonds). The advance refunding met the requirements of an in-substance debt defeasance, and the Refunded Bonds were removed from the Town's financial statements. The 2014 Bonds are secured by tax revenues deposited by the County into the Successor Agency's Redevelopment Obligation Retirement Fund, pursuant to the State's Dissolution Act, as described in Note 11. The 2014 Bonds are limited obligations of the Successor Agency and, as such, are not a debt of the Town, the County, the State, or any of its political subdivisions. Neither the faith and credit nor the taxing power of the Town, the County, the State, or any of its political subdivisions is pledged therefore.

Principal is due September 1 of each year, beginning September 1, 2015, with the final principal payment on September 1, 2024. Interest is payable on March 1 and September 1 of each year. Interest on the bond varies from 2.0 to 3.0 percent with a final maturity in 2024. The outstanding principal balance of the 2014 Bonds was $1,250,000 at June 30, 2021, and the future debt service requirements are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2022	$ 295,000	$ 33,075	$ 328,075
2023	310,000	24,000	334,000
2024	320,000	14,550	334,550
2025	325,000	4,875	329,875
Totals	$ 1,250,000	$ 76,500	$ 1,326,500

7. NO-COMMITMENT DEBT

On September 29, 2004, the Town of Windsor issued $5,210,000 of Limited Obligation Improvement Bonds for the Mitchell/Shiloh/Conde Assessment District. These bonds were issued pursuant to the provisions of the Improvement Bond Acts of 1915, secured by the unpaid special assessments levied on parcels within the District. The proceeds were used to finance a portion of the cost and expense of roadway improvements and related appurtenant work. Neither the full faith and credit nor the taxing power of the Town is pledged to the payment of the bonds. In January of 2020, the Town Council approved the refunding of the $3,185,000 outstanding balance of the 2004 Bonds through the issuance of *Reassessment District No. 2020-1 Refunding Bonds*. The 2020-1 Refunding Bonds have an outstanding balance at June 30, 2021 of $2,796,000, and are secured by special assessments on parcels within the District, as described above for the 2004 Bonds. The Town has no liability for repayment of these bonds.

8. PENSION PLAN

General Information about the Defined Benefit Pension Plan

Plan Description – All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan) administered by the California Public Employees' Retirement System (CalPERS.) The Plan consists of individual rate plans (benefit tiers) within a safety risk pool (police and fire) and a miscellaneous risk pool (all others.) Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under GASB Statement No. 68.

Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The Town of Windsor sponsors 2 rate plans (both miscellaneous.) Benefit provisions under the Plan are established by State statute and Town resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided – The Plan is a cost-sharing multiple-employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). A full description of the pension plan benefit provisions, assumptions for funding purposes but not accounting purposes, and membership information is listed in the June 30, 2019 Annual Actuarial Valuation Report. Details of the benefits provided can be obtained in Appendix B of the June 30, 2019 actuarial valuation report. This report is a publicly available valuation report that can be obtained at CalPERS' website under Forms and Publications.

The rate plan provisions and benefits in effect at June 30, 2021, are summarized as follows:

	Miscellaneous Tier 1	Miscellaneous PEPRA
Hire date	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula	2.5% @ 55 single highest year	2% @ 62 36 month average
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50	52
Monthly benefits, as a % of eligible compensation	2% to 2.5%	1% to 2.5%
Required employee contribution rates	6.91%	6.75%
Required employer contribution rates	11.031% + $711,146	7.732% + $16,679

Beginning in fiscal year 2016, CalPERS collects employer contributions for the Plan as a percentage of payroll for the normal cost portion as noted in the rates above and as a dollar amount for contributions toward the unfunded liability and side fund. The dollar amounts are billed on a monthly basis. The Town's required contribution for the unfunded liability was $727,825 in fiscal year 2021.

Contributions – Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan is determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Town is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

The Town's contributions to the Plan for the year ended June 30, 2021 were $1,619,682.

8. PENSION PLAN – Continued

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

As of June 30, 2021, the Town reported a net pension liability for its proportionate share of the net pension liability of the Plan of $11,575,943.

The Town's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2020, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019 rolled forward to June 30, 2020 using standard update procedures. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

The Town's proportionate share of the net pension liability as of June 30, 2019 and 2020 was as follows:

Proportion - June 30, 2019	0.101830%
Proportion - June 30, 2020	0.106390%
Change - Increase (Decrease)	0.004560%

For the year ended June 30, 2021, the Town recognized pension expense of $2,518,955. At June 30, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 1,619,682	$ -
Differences between actual and expected experience	596,543	-
Changes in assumptions	-	82,564
Change in employer's proportion	670,941	-
Differences between the employer's contributions and the employer's proportionate share of contributions	-	517,401
Net differences between projected and actual earnings on plan investments	343,882	-
Total	$ 3,231,048	$ 599,965

$1,619,682 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ending June 30,	
2022	$ 208,237
2023	360,071
2024	278,158
2025	164,935
2026	-
Thereafter	-

8. PENSION PLAN – Continued

Actuarial Assumptions – The total pension liabilities in the June 30, 2019 actuarial valuations were determined using the following actuarial assumptions:

Valuation date	June 30, 2019
Measurement date	June 30, 2020
Actuarial cost method	entry-age normal
Actuarial assumptions:	
Discount rate	7.15%
Inflation	2.50%
Projected salary increase	(1)
Investment rate of return	7.15%
Mortality	(2)

(1) Depending on age, service and type of employment

(2) Derived using CalPERS' Membership Data for all Funds.

The mortality table used was developed based on CalPERS-specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

Long-term Expected Rate of Return - The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund.

The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses. The expected real rates of return by asset class are as follows:

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 (1)	Real Return Years 11+ (2)
Global Equity	50%	4.80%	5.98%
Global Fixed Income	28%	1.00%	2.62%
Inflation Sensitive	-	0.77%	1.81%
Private Equity	8%	6.30%	7.23%
Real Estate	13%	3.75%	4.93%
Liquidity	1%	-	-0.92%

(1) An expected inflation of 2.0% used for this period.

(2) An expected inflation of 2.92% used for this period.

8. PENSION PLAN – Continued

Discount Rate – The discount rate used to measure the total pension liability for PERF C was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the 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 plan 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 Town's proportionate share of the net pension liability for the Plan, calculated using the discount rate for the Plan, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

1% Decrease		6.15%
Net Pension Liability	$	18,464,776
Current Discount Rate		7.15%
Net Pension Liability	$	11,575,943
1% Increase		8.15%
Net Pension Liability	$	5,883,916

Pension Plan Fiduciary Net Position – Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

At June 30, 2021, the Town reported a payable of $0 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2021.

9. OTHER POST EMPLOYMENT BENEFITS (OPEB)

General Information About the OPEB Plan

Plan Description – The Town sponsors and administers a health care plan for its employees. The plan includes healthcare coverage to long-service retirees and their spouses. The plan is a single-employer defined benefit post-employment healthcare benefits plan. The City's health plan does not issue a publicly available financial report, and no assets are accumulated in a trust meeting the criteria in paragraph 4 of GASB Statement No. 75.

Benefits Provided – At retirement, Town employees can elect Blue Cross or Kaiser medical coverage through the Town at their own expense. Retiree medical benefits continue to their surviving spouse if the retiree covers the spouse, and the spouse continues to pay the premium. In addition, the Town provides healthcare benefits to one former Water District board member as other post-employment benefits (OPEB) under a different arrangement. The arrangement pays Medicare B premiums for the retiree and spouse up to a total of $350 per month. Eligibility requirements include service retirement (50 and 5 years CalPERS service) or disability retirement directly from the Town under CalPERS, and ten years of Town service.

Employees Covered by Benefit Terms – As of the June 30, 2021 measurement date, the following current and former employees were covered by the benefit terms under the Plan:

9. OTHER POST EMPLOYMENT BENEFITS (OPEB) – Continued

Retirees or spouses of retirees currently receiving benefits	3
Active employees	97
	100

Contributions – The Plan and its contribution requirements are established by Memoranda of Understanding with the applicable employee bargaining units and may be amended by agreements between the Town and the bargaining units. The annual contributions to the Plan are based on the costs to provide the benefits as described above on a pay-as-you-go basis. For the fiscal year ended June 30, 2021, the City's pay-as-you-go costs were $19,003.

Total OPEB Liability - The Town's Total OPEB liability was measured as of June 30, 2021 and was determined by an actuarial valuation dated June 30, 2020, based on the following actuarial methods and assumptions:

Valuation Date	June 30, 2020
Actuarial Cost Method	Entry Age Normal
Mortality	CalPERS 1997-2015 Experience Study
Age at Retirement	50
Health Care Trend Rate	7.50% initial, 4.0% ultimate
Inflation Rate	2.75%
Salary Changes	3.00%
Discount Rate	2.16% at June 30, 2021

Discount Rate – The discount rate used to measure the total OPEB liability was 2.16 percent and is based on the Bond Buyer 20-Bond index.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at June 30, 2020	$ 1,047,694
Changes in the year:	
Service cost	90,661
Interest on the total OPEB liability	24,948
Differences between expected and actual experience	-
Changes in assumptions	6,263
Benefit payments, including implicit subsidy	(19,003)
Net changes	102,869
Balance at June 30, 2021	$ 1,150,563

The assumed discount rate changed from 2.21 percent at June 30, 2020 to 2.16 percent at June 30, 2021.

Sensitivity of the Total OPEB Liability to changes in the Discount Rate - The following presents the Total OPEB liability of the Town if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease (1.16%)	Discount Rate (2.16%)	1% Increase (3.16%)
Total OPEB liability	$ 1,285,218	$ 1,150,563	$ 1,032,975

9. OTHER POST EMPLOYMENT BENEFITS (OPEB) – Continued

Sensitivity of the Total OPEB Liability to changes in the Healthcare Cost Trend Rates - The following presents the Total OPEB liability, as well as what the Town's Total OPEB would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rate:

	1% Decrease	Current Trend	1% Increase
Total OPEB liability	$ 982,864	$ 1,150,563	$ 1,354,266

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB - For the year ended June 30, 2021, the Town recognized OPEB expense of $109,994. As of June 30, 2021, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	$ -	$ 21,416
Changes in assumptions	36,312	60,919
Total	$ 36,312	$ 82,335

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

Year Ending June 30,	
2022	$ (5,615)
2023	(5,615)
2024	(5,615)
2025	(5,615)
2026	(5,615)
Thereafter	(17,948)

10. FUND BALANCE

The Town's policy is to spend restricted fund balances first, before spending unrestricted fund balances, for expenditures incurred for purposes for which both restricted and unrestricted fund balances are available. The Town does not have a formal policy for its use of unrestricted fund balance amounts. The Town will reduce committed amounts first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Minimum Fund Balance Policy

According to the Town Council's fiscal management policy, the required minimum general fund balance is equal to 25% of annual expenditures and transfers out. Fund Balance detail as of June 30, 2021 is presented below:

10. FUND BALANCE - Continued

	General Fund	Housing Fund	Capital Replacement Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable:						
Inventory	$ 41,197	$ -	$ -	$ -	$ -	$ 41,197
Restricted for:						
Debt Service	-	-	-	2,810,579	-	2,810,579
Public Safety	47,375	-	-	-	4,150,944	4,198,319
Transportation	-	-	-	-	2,714,548	2,714,548
Comm. Development	505,410	8,992,503	-	-	4,371,851	13,869,764
Assigned to:						
Capital Improvements	2,224,490	-	1,397,617	-	-	3,622,107
Unassigned	9,107,504	-	-	-	(62,890)	9,044,614
Total Fund Balance	$ 11,925,976	$ 8,992,503	$ 1,397,617	$ 2,810,579	$ 11,174,453	$ 36,301,128

11. SUCCESSOR AGENCY TRUST FOR THE FORMER REDEVELOPMENT AGENCY

On December 29, 2011, the California Supreme Court up-held Assembly Bill 1X 26 ("the Bill") that provided for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of The Town had previously reported a redevelopment agency as a blended component unit. The Bill provided that upon dissolution of a redevelopment agency, either the Town or other unit of local government will agree to serve as the "successor agency" to hold the assets units they are distributed to other units of state and local government.

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the control of a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence as the date of the dissolution. In future fiscal years, successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

In accordance with the timeline set forth in the Bill (as modified by the California Supreme Court on December 29, 2011) all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entity as of February 1, 2012. Certain assets, primarily loans receivable, have been retained by the Town, as it has taken over the housing functions of the former Agency. All remaining assets and liabilities have been transferred to the Successor Agency of the former Agency. The Successor Agency is reported in the Town's financial statements as a fiduciary private-purpose trust fund.

12. RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town is a member of the Redwood Empire Municipal Insurance Fund (REMIF). REMIF provides insurance coverage for general liability, property, and workers' compensation claims under the terms of a joint-powers agreement with the Town and several other governmental municipalities. REMIF is governed by a Board of Directors consisting of representatives from the original seven agencies, plus two alternative agency voting members. Windsor is not currently a voting member.

REMIF is self-insured up to $500,000 per general liability and $25,000 per property claim and has purchased excess of loss insurance policies providing coverage above the self-insurance limit to a maximum of $40,000,000. REMIF is self-insured up to $1,000,000 per workers' compensation claim and has purchased a commercial policy providing statutory benefits in excess of the self-insured limit.

12. RISK MANAGEMENT - Continued

The Town has a $5,000 - $10,000 deductible per claim for general liability, property and workers' compensation cases. When the deductible is met, the fund becomes responsible for payment of the excess claim.

The Town maintains its general liability, property, and workers' compensation insurance costs in the General Fund. Payments for insurance claims were recorded as expenditures in the funds in which the liabilities were incurred. In accordance with Governmental Accounting Standards Board Statement No. 10, if the third-party administrator, Redwood Empire Municipal Insurance Fund, does not insure the loss occurrence then the Town accrues a loss, if payment is probable and can be reasonably estimated.

Because the actual claim liabilities depend on complex factors, such as inflation and other changes, claims liabilities require estimation. These estimates are periodically evaluated for reasonableness. Annual settlements during each of the last three fiscal years have not exceeded insurance coverage in any year. Changes in the reported claims liabilities resulted from the following:

	FY 2020-21	FY 2019-20
Beginning of Year	$ 302,699	$ 386,650
Claims and Changes in Estimates	-	-
Claim Payments	(83,952)	(83,951)
End of Year	$ 218,747	$ 302,699

13. CONTINGENCIES & COMMITMENTS

The Town participates in certain federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Any liability for reimbursement which may arise as the result of these audits is not believed to be material. The Town is involved in several pending lawsuits of a nature common to many similar jurisdictions. Town management estimates that potential claims against the Town, not covered by insurance, or not accrued at year-end, will not have a material adverse effect on the financial statements of the Town.

Proposition 218, which was approved by the voters in November 1996, regulates the Town's ability to impose, increase and extend taxes, assessments, and fees. Any new, increased, or extended taxes, assessments, and fees subject to the provisions of Proposition 218 require voter approval before they can be implemented. Additionally, Proposition 218 provides that these taxes, assessments, and fees are subject to the voter initiative process and may be rescinded in the future by the voters. Therefore, the Town's ability to finance the services for which the taxes, assessments, and fees were imposed may be significantly impaired.

Construction Commitments

As of June 30, 2021, the Town’s total outstanding construction contract commitments amounted to approximately $1.2 million.

14. JOINT POWERS AGREEMENTS (JPA)

Santa Rosa Plain Groundwater Sustainability Agency (Agency)
The above Agency was formed in May of 2017 for the purpose of achieving groundwater sustainability in the Santa Rosa Plain Groundwater Basin, in accordance with the Sustainable Groundwater Management Act described in California Water Code Section 10720 *et. seq*. The Members consist of nine government agencies, including the Town of Windsor. The Agency’s Board of Directors is composed of one voting seat per Member. The JPA includes provision for funding by the Member agencies, including an initial funding commitment and fluctuating annual amounts thereafter.

14. JOINT POWERS AGREEMENTS (JPA) - Continued

Sonoma County Waste Management Agency (SCWMA)

The SCWMA was initially formed in 1992 by several government agencies (Members), including the Town of Windsor, in response to the California Integrated Waste Management Act of 1989 (Act). The Act requires the Members to divert recyclable and recoverable materials from the waste stream and to cooperate to achieve certain waste diversion goals. The SCWMA is governed and administered by a Board of Directors that is composed of one voting seat per Member.

15. SUBSEQUENT EVENTS

On March 11, 2021, President Biden signed into law HR 1319, the American Rescue Plan Act of 2021 ("ARPA"), which provides financial assistance to individuals, businesses, and state and local government agencies to assist in the economic recovery from the COVID-19 pandemic. The Town of Windsor has been granted an allocation of $6,489,594, delivered in two tranches of $3,244,797 in July 2021 and July 2022. The qualified uses of these funds include: public safety, infrastructure, and restoration of services to pre-pandemic levels.

15. PRIOR PERIOD ADJUSTMENTS

Beginning Net Position for Governmental Activities and beginning Fund Balance in the Housing Fund have been increased by $480,000 to report previously omitted Notes Receivable.

REQUIRED SUPPLEMENTARY INFORMATION

Town of Windsor
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - General Fund
Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Taxes and Special Assessments	$ 18,184,601	$ 18,184,601	$ 17,231,409	$ (953,192)
Licenses, Fees, and Permits	779,313	779,313	984,601	205,288
Fines and Forfeitures	62,000	62,000	32,400	(29,600)
Intergovernmental Revenues	150,000	150,000	534,538	384,538
Charges for Services	922,750	922,750	161,521	(761,229)
Use of Money and Property	346,885	346,885	(215,675)	(562,560)
Other Revenues	159,000	159,000	1,279,607	1,120,607
Total Revenues	20,604,549	20,604,549	20,008,401	(596,148)
EXPENDITURES				
Current:				
General Government	2,844,437	3,067,958	2,686,751	381,207
Public Safety	8,379,104	8,400,819	8,196,091	204,728
Public Works	4,659,573	4,934,273	3,727,136	1,207,137
Community Development	2,878,425	3,422,173	1,777,559	1,644,614
Capital Outlay	87,814	501,690	39,834	461,856
Total Expenditures	18,849,353	20,326,913	16,427,371	3,899,542
Excess (Deficiency) of Revenues over Expenditures	1,755,196	277,636	3,581,030	3,303,394
OTHER FINANCING SOURCES (USES)				
Transfers In	30,000	30,000	-	(30,000)
Transfers Out	(2,240,974)	(2,240,974)	(1,740,973)	500,001
Total Other Financing Sources (Uses)	(2,210,974)	(2,210,974)	(1,740,973)	470,001
Net Change in Fund Balances	(455,778)	(1,933,338)	1,840,057	3,773,395
Fund Balance, Beginning of Year	10,085,919	10,085,919	10,085,919	-
Fund Balance, End of Year	$ 9,630,141	$ 8,152,581	$ 11,925,976	$ 3,773,395

Town of Windsor
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Housing Special Revenue Fund
Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Use of Money and Property	$ 5,000	$ 5,000	$ 35,859	$ 30,859
Total Revenues	5,000	5,000	35,859	30,859
EXPENDITURES				
Community Development	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues over Expenditures	5,000	5,000	35,859	30,859
Fund Balance, Beginning of Year	8,956,644	8,956,644	8,956,644	-
Fund Balance, End of Year	$ 8,961,644	$ 8,961,644	$ 8,992,503	$ 30,859

Town of Windsor
Required Supplementary Information
Year Ended June 30, 2021

Changes in Total OPEB Liability and Related Ratios

	Measurement Period 2021	Measurement Period 2020	Measurement Period 2019	Measurement Period 2018
Total OPEB Liability				
Service cost	$ 90,661	$ 78,882	$ 72,063	$ 74,000
Interest on total OPEB liability	24,948	38,269	36,853	33,000
Changes in benefit terms	-	-	-	-
Actual vs. expected experience	-	(26,122)	-	-
Changes of assumptions	6,263	(51,131)	41,953	(31,000)
Benefit payments	(19,003)	(13,471)	(19,602)	(11,000)
Net change in total OPEB liability	102,869	26,427	131,267	65,000
Total OPEB liability - beginning	1,047,694	1,021,267	890,000	825,000
Total OPEB liability - ending (a)	$ 1,150,563	$ 1,047,694	$ 1,021,267	$ 890,000
Covered-employee payroll	$ 9,970,299	$ 10,263,785	$ 9,168,503	$ 8,416,000
Total OPEB liability as a percentage of covered employee payroll	11.54%	10.21%	11.14%	10.58%

Notes to the Schedule of Changes in the City's Total OPEB Liability:

No assets are accumulated in a trust that meets the criteria in GASBS No. 75, paragraph 4, to pay related benefits.

Benefit Changes: None

Changes in Assumptions: A change in the discount rate from 3.58 percent at June 30, 2017 to 3.87 percent at June 30, 2018, 3.50 percent at June 30, 2019, 2.21 percent at June 30, 2020, and 2.16 percent at June 30, 2021.

Fiscal year 2018 was the first year of implementation; therefore, 10 years of information are not yet available.

Town of Windsor
Required Supplementary Information
Year Ended June 30, 2021

Schedule of the Town's Proportionate Share of the Net Pension Liability
Last 10 Years*

Schedule of the City's Proportionate Share of the Net Pension Liability
Last 10 Years*

Measurement Date	Proportion of the Net Pension Liability	Proportionate Share of Net Pension Liability	Covered Payroll	Proportionate Share of the Net Pension Liability as a % of Payroll	Plan Fiduciary Net Position as a % of the Total Pension Liability
2020	0.106392%	$ 11,575,943	$ 9,216,341	125.60%	75.10%
2019	0.101830%	10,434,649	8,753,614	119.20%	78.62%
2018	0.096930%	9,340,017	8,397,425	111.22%	79.30%
2017	0.096130%	9,533,283	7,703,960	123.75%	77.41%
2016	0.092180%	7,976,769	7,909,720	100.85%	78.48%
2015	0.084772%	5,818,647	6,760,406	86.07%	84.55%
2014	0.089550%	5,572,086	6,711,770	83.02%	83.03%

Notes to the Schedule of the Town's Proportionate Share of the Net Pension Liability

Benefit Changes: None

Changes in Assumptions: In 2017, the accounting discount rate was changed from 7.65% to 7.15%.

*Fiscal year 2015 was the first year of implementation; therefore, 10 years of information are not yet available.

Town of Windsor
Required Supplementary Information
Year Ended June 30, 2021

Schedule of Pension Plan Contributions
Last 10 Years*

Schedule of Plan Contributions
Last 10 Years*

Fiscal Year	Contractually Required Contributions	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency/ (Excess)	Covered Payroll	Contributions as a % of Covered Payroll
2021	$ 1,619,682	$ (1,619,682)	$ -	$ 9,126,395	17.75%
2020	1,424,460	(1,424,460)	-	9,216,341	15.46%
2019	1,217,815	(1,217,815)	-	8,753,614	13.91%
2018	1,043,099	(1,043,099)	-	8,397,425	12.42%
2017	813,911	(813,911)	-	7,703,960	10.56%
2016	858,300	(858,300)	-	7,909,720	10.85%
2015	779,143	(779,143)	-	6,760,406	11.53%

Notes to the Schedule of Pension Plan Contributions

Valuation Date: June 30, 2013, 2014, 2015, 2016, 2017, 2018, and 2019.

*Fiscal year 2015 was the first year of implementation; therefore, 10 years of information are not yet available.

Notes to Required Supplementary Information

General Budget Policies

The biennial budget adopted by the Town Council provides for the general operation of the Town. It includes proposed expenditures and the means of financing them. The Town Council approves total budgeted appropriations and any amendments to appropriations throughout the fiscal year. The appropriated budget covers all Town expenditures. Actual expenditures may not exceed budgeted appropriations at the fund level, which is the legal level of budgetary control. The Town Manager is authorized to transfer budgeted amounts between departments within any fund; however, the Town Council must approve any revisions that alter the total expenditures of any fund. For the 2020-21 fiscal year, there were budget amendments in the General Fund increasing budgeted expenditures by approximately $1.5 million.

SUPPLEMENTARY INFORMATION

NON-MAJOR GOVERNMENTAL FUNDS

Town of Windsor
Non-Major Governmental Funds
Year Ended June 30, 2021

SPECIAL REVENUE FUNDS

The following funds are reported in total on the Governmental Fund Financial Statements under the column Other Governmental Funds.

Gas Tax Fund
This fund is used to account for State revenue received pursuant to Street and Highway Code Sections 2103, 2105, 2106, 2107, and 2107.5 to fund maintenance and construction of streets and roads not funded through another source.

Transportation Grant Fund
This fund is used to track grant funds from various sources for transportation, pedestrian and bicycle improvements. Matching participation funds may come from a variety of sources including the General Fund, Gas Tax, and Measure M.

Mobile Home Rent Stabilization Fund
This fund is used to account for park owner fees for administration of the Mobile Home Rent Stabilization Ordinance.

Lighting and Landscaping Assessment Fund
This fund is used to account for assessment fees to repair and maintain lighting and landscaping including Shadetree Oak-Tree and Senior Center maintenance.

Lighting and Landscaping Assessment Fund No.2
This fund is used to account for assessment fees to operate and maintain lighting and landscaping for the Shiloh Oaks development and a new general park supplemental zone.

1982 Benefits Assessment District Fund
This fund is used to account for costs associated with the operation and maintenance of the storm drain and flood control facilities (Airport Creek) constructed with the Shiloh Oaks development.

Abandoned Vehicle Abatement Fund
This fund is used to account for the fees related to the removal and disposal of abandoned, wrecked, dismantled, or inoperative vehicles.

Public Education and Government Grant Fund
This fund is used to account for cable subscription fees funded in order to provide public, educational, and government access to the Town.

Community Development Block Grant Fund
This fund is used to account for federal revenue from the Community Development Block Grant.

Public Facilities Fund
This fund is used to account for public facilities impact fees for acquisition, development, and enhancement of Town facilities.

Measure M Parks Fund
To account for the voter-approved Measure M sales tax revenues, to be used for parks, trails, etc.

Housing Inclusionary Fund
This fund is used to account for affordable housing activities.

Town of Windsor
Non-Major Governmental Funds
Year Ended June 30, 2021

CAPITAL PROJECT FUNDS

Traffic Mitigation Fund
This fund is used to account for developer fees for the construction and implementation of improvements to the transportation system sufficient to accommodate the traffic volumes generated from new development.

Park Mitigation
This fund is used to account for developer fees for the acquisition, development, and enhancement of neighborhood and community park and recreation facilities.

Recreation Development
This fund is used to account for impact fees received from new residential construction to fund the development or expansion of recreation facilities to serve the increased number of residents as a result of new residential construction.

Trail Development
This fund is used to account for impact fees received from new residential construction to fund the development or expansion of trails in order to serve the increased number of residents as a result of new residential construction.

Open Space Development
This fund is used to account for impact fees received from new residential construction which are utilized for the acquisition, development and expansion of open space located within the Town of Windsor.

Drainage Mitigation
This fund is used to account for the construction of drainage facilities to mitigate cumulative drainage impacts arising from new developments.

Police Mitigation
This fund is used to account for impact fees received from new construction to fund the development or expansion of Police facilities, vehicles or other related assets required to serve the increased population as a result from development.

Fire Mitigation
This fund is used to account for the fire impact fees which were established to mitigate the impact caused by future development in the Town.

THIS PAGE INTENTIONALLY LEFT BLANK

Town of Windsor
Combining Balance Sheet
Non-major Governmental Funds
June 30, 2021

	Special Revenue				
	Gas Tax	Transportation Grant Fund	Mobile Home Rent Stabilization Fund	Lighting and Landscape Assessment Fund	Lighting and Landscape Assessment #2 Fund
ASSETS					
Cash and Investments	$ 259,971	$ 695,349	$ 46,661	$ 369,817	$ 89,539
Accounts Receivable	102,606	173,882	-	38,517	757
Interest Receivable	-	-	-	-	-
Inventory	23,189	-	-	-	-
Notes Receivable	-	-	-	-	-
Total Assets	$ 385,766	$ 869,231	$ 46,661	$ 408,334	$ 90,296
LIABILITIES					
Accounts Payable	$ 36,289	$ 33,801	$ -	$ 140,030	$ 985
Accrued Liabilities	18,009	-	-	31,613	2,056
Due to Other Funds	15,903	-	-	18,304	-
Total Liabilities	70,201	33,801	-	189,947	3,041
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenues	-	134,186	-	-	-
Total Deferred Inflows of Resources	-	134,186	-	-	-
FUND BALANCE (DEFICITS)					
Restricted	315,565	701,244	46,661	218,387	87,255
Unassigned	-	-	-	-	-
Total Fund Balances	315,565	701,244	46,661	218,387	87,255
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 385,766	$ 869,231	$ 46,661	$ 408,334	$ 90,296

Special Revenue						
1982 Benefits Assessment Fund	Abandoned Vehicle Abatement Program Fund	Public Education and Government Grant Fund	Community Development Block Grant Fund	Public Facilities Fund	Measure M Parks Fund	Housing Inclusionary Fund
$ 221,516	$ 217,979	$ 235,131	$ -	$ -	$ 560,841	$ 515,968
-	-	16,898	-	-	-	-
-	-	-	-	-	-	29,053
-	-	-	-	-	-	-
-	-	-	-	-	-	1,065,245
$ 221,516	$ 217,979	$ 252,029	$ -	$ -	$ 560,841	$ 1,610,266
$ -	$ 1,541	$ 5,316	$ 1,314	$ -	$ -	$ 1,900
-	-	-	-	-	-	-
-	-	516	3,973	57,603	-	-
-	1,541	5,832	5,287	57,603	-	1,900
-	-	-	-	-	-	29,053
-	-	-	-	-	-	29,053
221,516	216,438	246,197	-	-	560,841	1,579,313
-	-	-	(5,287)	(57,603)	-	-
221,516	216,438	246,197	(5,287)	(57,603)	560,841	1,579,313
$ 221,516	$ 217,979	$ 252,029	$ -	$ -	$ 560,841	$ 1,610,266

Continued

Town of Windsor
Combining Balance Sheet
Non-major Governmental Funds - Continued
June 30, 2021

	Capital Project				
	Traffic Mitigation Fund	Park Mitigation Fund	Recreation Development Fund	Trail Development Fund	Open Space Development Fund
ASSETS					
Cash and Investments	$ 1,722,999	$ 1,140,586	$ 44,775	$ 25,201	$ 276
Accounts Receivable	-	-	-	-	-
Interest Receivable	-	-	-	-	-
Inventory	-	-	-	-	-
Notes Receivable	-	-	-	-	-
Total Assets	$ 1,722,999	$ 1,140,586	$ 44,775	$ 25,201	$ 276
LIABILITIES					
Accounts Payable	$ 19,091	$ 14,113	$ -	$ -	$ -
Accrued Liabilities	5,375	570	-	-	-
Due to Other Funds	794	912	-	-	-
Total Liabilities	25,260	15,595	-	-	-
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenues	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-
FUND BALANCE (DEFICITS)					
Restricted	1,697,739	1,124,991	44,775	25,201	276
Unassigned	-	-	-	-	-
Total Fund Balances	1,697,739	1,124,991	44,775	25,201	276
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 1,722,999	$ 1,140,586	$ 44,775	$ 25,201	$ 276

Capital Project			
Drainage Mitigation Fund	Police Mitigation Fund	Fire Mitigation Fund	Total Non-major Governmental Funds
$ 4,004,223	$ 35,966	$ 307,546	$ 10,494,344
-	-	-	332,660
-	-	-	29,053
-	-	-	23,189
-	-	-	1,065,245
$ 4,004,223	$ 35,966	$ 307,546	$ 11,944,491
$ 6,561	$ -	$ 160,561	$ 421,502
25	-	-	57,648
29,644	-	-	127,649
36,230	-	160,561	606,799
-	-	-	163,239
-	-	-	163,239
3,967,993	35,966	146,985	11,237,343
-	-	-	(62,890)
3,967,993	35,966	146,985	11,174,453
$ 4,004,223	$ 35,966	$ 307,546	$ 11,944,491

Town of Windsor
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-major Governmental Funds
Year Ended June 30, 2021

	Special Revenue				
	Gas Tax	Transportation Grant Fund	Mobile Home Rent Stabilization Fund	Lighting and Landscape Assessment Fund	Lighting and Landscape Assessment #2 Fund
REVENUES					
Taxes	$ 1,151,246	$ -	$ -	$ -	$ -
Intergovernmental Revenues	-	618,408	-	9,335	-
Charges for Services	-	-	-	875,702	183,857
Use of Money and Property	869	3,224	172	-	141
Other	31,263	-	-	13,186	-
Total Revenues	1,183,378	621,632	172	898,223	183,998
EXPENDITURES					
Current:					
General Government	-	-	-	-	-
Public Safety	-	-	-	-	-
Public Works	1,011,119	58,446	-	270,736	-
Community Development	-	-	-	1,918,259	108,647
Capital Outlay	117,444	697,995	-	-	-
Total Expenditures	1,128,563	756,441	-	2,188,995	108,647
Excess (Deficiency) of Revenues Over Expenditures	54,815	(134,809)	172	(1,290,772)	75,351
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	1,385,027	-
Transfers Out	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	1,385,027	-
Net Change in Fund Balances	54,815	(134,809)	172	94,255	75,351
Fund Balances, Beginning	260,750	836,053	46,489	124,132	11,904
Fund Balances, End of Year	$ 315,565	$ 701,244	$ 46,661	$ 218,387	$ 87,255

Special Revenue						
1982 Benefits Assessment Fund	Abandoned Vehicle Abatement Program Fund	Public Education and Government Grant Fund	Community Development Block Grant Fund	Public Facilities Fund	Measure M Parks Fund	Housing Inclusionary Fund
$ -	$ -	$ -	$ -	$ -	$ 331,043	$ -
-	35,415	67,432	-	-	-	-
13,418	-	-	-	87,904	-	-
811	707	813	-	272	1,579	1,922
-	-	-	-	-	-	-
14,229	36,122	68,245	-	88,176	332,622	1,922
-	-	70,492	-	-	-	-
-	8,617	-	-	-	-	-
6,380	-	-	-	-	28,968	-
-	-	-	-	-	-	21,465
-	-	-	7,330	-	-	-
6,380	8,617	70,492	7,330	-	28,968	21,465
7,849	27,505	(2,247)	(7,330)	88,176	303,654	(19,543)
-	-	-	-	-	-	-
-	-	-	-	(217,519)	-	-
-	-	-	-	(217,519)	-	-
7,849	27,505	(2,247)	(7,330)	(129,343)	303,654	(19,543)
213,667	188,933	248,444	2,043	71,740	257,187	1,598,856
$ 221,516	$ 216,438	$ 246,197	$ (5,287)	$ (57,603)	$ 560,841	$ 1,579,313

Continued

Town of Windsor
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-major Governmental Funds - Continued
Year Ended June 30, 2021

	Capital Projects				
	Traffic Mitigation Fund	Park Mitigation Fund	Recreation Development Fund	Trail Development Fund	Open Space Development Fund
REVENUES					
Taxes	$ -	$ -	$ -	$ -	$ -
Intergovernmental Revenues	-	-	-	-	-
Charges for Services	629,062	662,036	36,625	12,149	232
Use of Money and Property	5,300	2,419	61	59	-
Other	-	-	-	-	-
Total Revenues	634,362	664,455	36,686	12,208	232
EXPENDITURES					
Current:					
General Government	-	-	-	-	-
Public Safety	-	-	-	-	-
Public Works	177,570	54,770	-	-	-
Community Development	-	-	-	-	-
Capital Outlay	138,614	-	-	-	-
Total Expenditures	316,184	54,770	-	-	-
Excess (Deficiency) of Revenues Over Expenditures	318,178	609,685	36,686	12,208	232
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
Net Change in Fund Balances	318,178	609,685	36,686	12,208	232
Fund Balances, Beginning (Restated)	1,379,561	515,306	8,089	12,993	44
Fund Balances, End of Year	$ 1,697,739	$ 1,124,991	$ 44,775	$ 25,201	$ 276

Capital Projects			
Drainage Mitigation Fund	Police Mitigation Fund	Fire Mitigation Fund	Total Non-major Governmental Funds
$ -	$ -	$ -	$ 1,482,289
-	-	-	730,590
272,739	6,217	53,946	2,833,887
14,036	115	952	33,452
-	-	-	44,449
286,775	6,332	54,898	5,124,667
-	-	-	70,492
-	-	-	8,617
17,873	-	-	1,625,862
-	-	-	2,048,371
12,409	-	160,561	1,134,353
30,282	-	160,561	4,887,695
256,493	6,332	(105,663)	236,972
-	-	-	1,385,027
-	-	-	(217,519)
-	-	-	1,167,508
256,493	6,332	(105,663)	1,404,480
3,711,500	29,634	252,648	9,769,973
$ 3,967,993	$ 35,966	$ 146,985	$ 11,174,453

CUSTODIAL FUNDS

Town of Windsor
Combining Statement of Net Position
Custodial Funds
June 30, 2021

	Bonita Roble Fund	Brooks Special Assessment Construction Fund	Council Benevolent Fund	Reassessment District 2020-1 Fund	Totals
ASSETS					
Cash and Investments	$ 16,045	$ 793	$ 3,230	$ 557,907	$ 577,975
Total Assets	16,045	793	3,230	557,907	577,975
LIABILITIES					
Due to Town	-	-	-	78,749	78,749
Total Liabilities	-	-	-	78,749	78,749
Net Position					
Restricted for Individuals and Organizations	$ 16,045	$ 793	$ 3,230	$ 479,158	$ 499,226

Town of Windsor
Combining Statement of Changes in Net Position
Custodial Funds
June 30, 2021

	Bonita Roble Fund	Brooks Special Assessment Construction Fund	Council Benevolent Fund	Reassessment District 2020-1 Fund	Totals
CONTRIBUTIONS					
Assessments Collected for Others	$ -	$ -	$ -	$ 556,157	$ 556,157
Investment Income and Contributions	59	-	3,230	1,750	5,039
Total Contributions	59	-	3,230	557,907	561,196
DEDUCTIONS					
Debt Payments	-	-	-	78,749	78,749
Total Deductions	-	-	-	78,749	78,749
Change in Net Position	59	-	3,230	479,158	482,447
Net Position - Beginning of Year	15,986	793	-	-	16,779
Net Position - End of Year	$ 16,045	$ 793	$ 3,230	$ 479,158	$ 499,226