Town of Windsor
CALIFORNIA

Annual Financial Report June 30, 2023

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TOWN OF WINDSOR, CALIFORNIA
ANNUAL FINANCIAL REPORT
Year Ended June 30, 2023

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Town of Windsor

Annual Comprehensive Financial Report
For the Year Ended June 30, 2023

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Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited the 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, 2023, 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, 2023, 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* (GAS), 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.

Responsibilities of Management for the Financial Statements

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 Responsibilities for the Audit of the Financial Statements

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 and GAS 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 and GAS, 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.
- 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedules, 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. The 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 29, 2024 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 29, 2024

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BASIC FINANCIAL STATEMENTS

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Town of Windsor

Statement of Net Position
June 30, 2023

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	$ 34,678,699	$ 27,553,385	$ 62,232,084
Restricted cash and investments	1,092,636	85,336	1,177,972
Accounts receivable	3,376,452	2,983,868	6,360,320
Interest receivable	1,649,514	-	1,649,514
Leases receivable	-	43,897	43,897
Inventory and prepaids	434,080	73,994	508,074
Notes and loans receivable (net)	9,462,606	-	9,462,606
Internal balances	178,246	(178,246)	-
Leases receivable, noncurrent	-	337,181	337,181
Capital assets, not being depreciated	47,543,929	11,219,300	58,763,229
Capital assets being depreciated, net	88,158,825	46,716,944	134,875,769
Total assets	186,574,987	88,835,659	275,410,646
DEFERRED OUTFLOWS OF RESOURCES			
Pension related amounts	3,440,043	3,440,042	6,880,085
OPEB related amounts	13,812	13,812	27,624
Deferred loss on debt refunding	-	84,352	84,352
Total deferred outflows of resources	3,453,855	3,538,206	6,992,061
LIABILITIES			
Accounts payable	2,469,727	1,160,024	3,629,751
Accrued liabilities	737,947	412,009	1,149,956
Deposits payable	1,148,113	85,336	1,233,449
Accrued interest	13,640	27,060	40,700
Noncurrent liabilities:			
Due within one year	735,551	689,702	1,425,253
Due in more than one year	3,490,666	3,126,019	6,616,685
Total OPEB liability	483,936	483,934	967,870
Net pension liability	7,085,706	7,085,704	14,171,410
Total liabilities	16,165,286	13,069,788	29,235,074
DEFERRED INFLOWS OF RESOURCES			
Lease related amounts	-	362,637	362,637
OPEB related amounts	189,272	189,272	378,544
Pension related amounts	324,527	324,526	649,053
Total deferred outflows of resources	513,799	876,435	1,390,234
NET POSITION			
Net investment in capital assets	131,940,854	55,044,553	186,985,407
Restricted for:			
Debt service	1,963,744	-	1,963,744
Public safety	5,358,891	-	5,358,891
Transportation	2,961,856	-	2,961,856
Community development	14,738,465	-	14,738,465
Unrestricted	16,385,947	23,383,089	39,769,036
Total net position	$ 173,349,757	$ 78,427,642	$ 251,777,399

The accompanying notes are an integral part of this statement.

Town of Windsor

Statement of Activities
For the Year Ended June 30, 2023

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Governmental activities:				
General government	$ 4,107,607	$ 66,679	$ 3,280,211	$ -
Public safety	7,904,245	247,361	36,976	761,543
Public works	9,719,748	1,593,760	1,648,565	3,986,439
Community development	5,219,287	2,047,898	489,021	197,037
Interest on long-term debt	98,752	-	-	-
Total Governmental Activities	27,049,639	3,955,698	5,454,773	4,945,019
Business-type Activities:				
Water reclamation	13,111,287	12,961,900	-	-
Water	8,274,583	7,544,689	-	-
Total Business-type Activities	21,385,870	20,506,589	-	-
Total Primary Government	$ 48,435,509	$ 24,462,287	$ 5,454,773	$ 4,945,019

The accompanying notes are an integral part of this statement.

Statement of Activities
For the Year Ended June 30, 2023 **(Continued)**

Functions/Programs	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-Type Activities	Total
Governmental activities:			
General Government	$ (760,717)	$ -	$ (760,717)
Public Safety	(6,858,365)	-	(6,858,365)
Public Works	(2,490,984)	-	(2,490,984)
Community Development	(2,485,331)	-	(2,485,331)
Interest on Long-Term Debt	(98,752)	-	(98,752)
Total Government Activities	(12,694,149)	-	(12,694,149)
Business-type Activities:			
Water Reclamation	-	(149,387)	(149,387)
Water	-	(729,894)	(729,894)
Total Business-type Activities	-	(879,281)	(879,281)
Total Primary Government	(12,694,149)	(879,281)	(13,573,430)
General revenues:			
Taxes:			
Property taxes	9,763,128	-	9,763,128
Sales taxes	5,648,841	-	5,648,841
Franchise taxes	1,744,719	-	1,744,719
Transient occupancy taxes	2,709,692	-	2,709,692
Other taxes	64,187	-	64,187
Motor vehicle in lieu taxes (unrestricted)	26,867	-	26,867
Investment earnings	693,538	382,066	1,075,604
Miscellaneous	86,495	64,677	151,172
Transfers	1,802	(1,802)	-
Total general revenues and transfers	20,739,269	444,941	21,184,210
Change in net position	8,045,120	(434,340)	7,610,780
Net Position			
Beginning of year	165,304,637	78,861,982	244,166,619
End of year	$ 173,349,757	$ 78,427,642	$ 251,777,399

The accompanying notes are an integral part of this statement.

Town of Windsor

Balance Sheet – Governmental Funds
June 30, 2023

	Major Funds			Total Non-Major Governmental Funds	Total
	General Fund	Housing Fund	Transportation Grant Fund		
ASSETS					
Cash and investments	$ 18,681,920	$ 617,978	$ 63,939	$ 15,314,862	$ 34,678,699
Restricted cash and investments	1,092,636	-	-	-	1,092,636
Accounts receivable	2,397,618	-	602,717	376,117	3,376,452
Interest receivable	112,301	1,478,165	-	59,048	1,649,514
Due from other funds	1,756,913	-	-	244,318	2,001,231
Prepaids	-	-	-	383,397	383,397
Inventory	28,762	-	-	21,921	50,683
Notes receivable	-	8,397,361	-	1,065,245	9,462,606
Total assets	$ 24,070,150	$ 10,493,504	$ 666,656	$ 17,464,908	$ 52,695,218
LIABILITIES					
Accounts payable	$ 1,581,142	$ -	$ 262,947	$ 625,638	$ 2,469,727
Accrued liabilities	648,640	-	-	89,307	737,947
Due to other funds	-	-	-	1,822,985	1,822,985
Deposits payable	1,148,113	-	-	-	1,148,113
Total liabilities	3,377,895	-	262,947	2,537,930	6,178,772
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	25,691	1,478,165	437,878	59,048	2,000,782
Total deferred inflows of resources	25,691	1,478,165	437,878	59,048	2,000,782
FUND BALANCES (DEFICIT)					
Nonspendable	28,762	-	-	405,318	434,080
Restricted	3,094,162	9,015,339	-	15,985,683	28,095,184
Assigned	-	-	-	-	-
Unassigned	17,543,640	-	(34,169)	(1,523,071)	15,986,400
Total fund balances	20,666,564	9,015,339	(34,169)	14,867,930	44,515,664
Total liabilities, deferred inflows of resources and fund balances	$ 24,070,150	$ 10,493,504	$ 666,656	$ 17,464,908	$ 52,695,218

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, 2023

Fund Balances of Governmental Funds		$ 44,515,664
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 governmental funds.		
Capital assets, not depreciated	$ 47,543,929	
Capital assets, being depreciated, net	88,158,825	135,702,754
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.		2,000,782
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.		
Compensated absences		(438,895)
Claims payable		(25,422)
Total OPEB liability		(483,936)
Net pension liability		(7,085,706)
Loan payable		(3,110,000)
Lease revenue bonds		(651,900)
Accrued interest payable		(13,640)
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 - pension related amounts		3,440,043
Deferred outflows - OPEB related amounts		13,812
Deferred inflows - OPEB related amounts		(189,272)
Deferred inflows - pension related amounts		(324,527)
Net position of governmental activities		$ 173,349,757

The accompanying notes are an integral part of this statement.

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Town of Windsor

Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds
For the Year Ended June 30, 2023

	Major Funds			Total Non-major Governmental Funds	Totals
	General Fund	Housing Fund	Transportation Grant Fund		
REVENUES					
Taxes and special assessments	$ 19,957,433	$ -	$ -	$ 1,648,564	$ 21,605,997
Licenses and permits	1,948,709	-	-	-	1,948,709
Fines, forfeitures and penalties	32,877	-	-	-	32,877
Intergovernmental revenues	3,738,547	-	3,562,132	109,942	7,410,621
Charges for services	623,633	-	-	3,336,802	3,960,435
Investment earnings	661,682	94,929	-	232,982	989,593
Other revenues	157,960	-	-	58,209	216,169
Total revenues	27,120,841	94,929	3,562,132	5,386,499	36,164,401
EXPENDITURES					
Current:					
General government	3,975,213	-	-	40,087	4,015,300
Public safety	7,880,970	-	-	2,372	7,883,342
Public works	4,551,158	-	-	1,712,180	6,263,338
Community development	2,408,967	-	-	2,133,328	4,542,295
Capital outlay	334,764	-	3,586,822	4,214,347	8,135,933
Debt service:					
Principal	-	-	-	626,700	626,700
Interest	-	-	-	97,152	97,152
Total expenditures	19,151,072	-	3,586,822	8,826,166	31,564,060
Excess (deficiency) of revenues over expenditures	7,969,769	94,929	(24,690)	(3,439,667)	4,600,341
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	2,670,748	2,670,748
Transfers out	(2,530,440)	-	-	(138,506)	(2,668,946)
Total other financing sources (uses)	(2,530,440)	-	-	2,532,242	1,802
Net change in fund balances	5,439,329	94,929	(24,690)	(907,425)	4,602,143
FUND BALANCES (DEFICIT)					
Beginning of year	15,227,235	8,920,410	(9,479)	15,775,355	39,913,521
End of year	$ 20,666,564	$ 9,015,339	$ (34,169)	$ 14,867,930	$ 44,515,664

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 – Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2023

Net Change in Fund Balances - Total Governmental Funds	$ 4,602,143
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.	(1,071,444)
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives as depreciation expense.	
Capital outlay	7,990,200
Depreciation expense	(4,284,230)
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	
Principal payments	626,700
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 amounts	165,125
Total OPEB liability amounts	(24,055)
Claims payable	41,976
Compensated absences	305
Change in accrued interest	(1,600)
Change in net position of governmental activities	$ 8,045,120

The accompanying notes are an integral part of this statement.

Town of Windsor

Statement of Net Position – Proprietary Funds
June 30, 2023

	Enterprise Funds		
	Water Reclamation	Water	Total
ASSETS			
Current Assets:			
Cash and investments	$ 8,852,954	$ 18,700,431	$ 27,553,385
Restricted cash and investments	51,990	33,346	85,336
Accounts receivable	1,738,382	1,245,486	2,983,868
Leases receivable	43,897	-	43,897
Inventory	23,388	50,606	73,994
Total current assets	10,710,611	20,029,869	30,740,480
Noncurrent Assets:			
Leases receivable	337,181	-	337,181
Capital assets, not being depreciated	9,314,902	1,904,398	11,219,300
Capital assets being depreciated, net	32,820,916	13,896,028	46,716,944
Total noncurrent assets	42,472,999	15,800,426	58,273,425
Total assets	53,183,610	35,830,295	89,013,905
DEFERRED OUTFLOWS OF RESOURCES			
Pension related amounts	1,720,021	1,720,021	3,440,042
OPEB Related amounts	6,906	6,906	13,812
Deferred loss on debt refunding	42,266	42,086	84,352
Total deferred outflows of resources	1,769,193	1,769,013	3,538,206
LIABILITIES			
Current liabilities:			
Accounts payable	660,144	499,880	1,160,024
Accrued liabilities	238,248	173,761	412,009
Deposits payable	51,990	33,346	85,336
Accrued interest	12,241	14,819	27,060
Due to other funds	60,009	118,237	178,246
Compensated absences, current portion	43,536	34,133	77,669
Claims payable, current portion	12,711	12,711	25,422
Loans payable, current portion	-	31,611	31,611
Bonds payable, current portion	277,500	277,500	555,000
Total current liabilities	1,356,379	1,195,998	2,552,377
Noncurrent liabilities:			
Compensated absences	224,154	175,252	399,406
Total OPEB liability	241,967	241,967	483,934
Net pension liability	3,542,852	3,542,852	7,085,704
Loans payable	-	263,795	263,795
Bonds payable	1,227,359	1,235,459	2,462,818
Total noncurrent liabilities	5,236,332	5,459,325	10,695,657
Total liabilities	6,592,711	6,655,323	13,248,034
DEFERRED INFLOWS OF RESOURCES			
Lease receivable related amounts	362,637	-	362,637
OPEB related amounts	94,636	94,636	189,272
Pension related amounts	162,263	162,263	324,526
Total deferred inflows of resources	619,536	256,899	876,435
NET POSITION			
Net investment in capital assets	41,010,406	14,034,147	55,044,553
Unrestricted	6,730,150	16,652,939	23,383,089
Total net position	$ 47,740,556	$ 30,687,086	$ 78,427,642

The accompanying notes are an integral part of this statement.

Town of Windsor

Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds
For the Year Ended June 30, 2023

	Enterprise Funds		
	Water Reclamation	Water	Total
OPERATING REVENUES			
Charges for sales and services	$ 12,804,715	$ 7,321,007	$ 20,125,722
Other revenues	95,957	187,059	283,016
Total operating revenues	12,900,672	7,508,066	20,408,738
OPERATING EXPENSES			
Personnel costs	4,824,945	3,752,495	8,577,440
Contractual services	1,119,453	814,965	1,934,418
Materials and supplies	2,679,829	1,452,381	4,132,210
Repairs and maintenance	483,289	179,963	663,252
Utilities	1,106,976	502,825	1,609,801
Insurance and claims	262,815	262,815	525,630
Taxes and licenses	74,920	70,338	145,258
Depreciation	2,505,771	1,177,671	3,683,442
Total operating expenses	13,057,998	8,213,453	21,271,451
Operating income (loss)	(157,326)	(705,387)	(862,713)
NONOPERATING REVENUE (EXPENSES)			
Rental income	64,677	-	64,677
Investment earnings	114,486	267,580	382,066
Interest expense	(53,289)	(61,130)	(114,419)
Gain/(loss) on disposal of capital assets	61,228	36,623	97,851
Total nonoperating revenues (expenses)	187,102	243,073	430,175
Income (loss) before transfers and capital contributions	29,776	(462,314)	(432,538)
Transfers in	149,135	315,573	464,708
Transfers out	(103,881)	(362,629)	(466,510)
Net transfers	45,254	(47,056)	(1,802)
Change in net position	75,030	(509,370)	(434,340)
NET POSITION			
Beginning of year	47,665,526	31,196,456	78,861,982
End of year	$ 47,740,556	$ 30,687,086	$ 78,427,642

The accompanying notes are an integral part of this statement.

Town of Windsor

Statement of Cash Flows – Proprietary Funds
For the Year Ended June 30, 2023

	Enterprise Funds		
	Water Reclamation	Water	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	$ 13,346,207	$ 7,947,759	$ 21,293,966
Payments to suppliers for goods and services	(5,722,859)	(3,347,331)	(9,070,190)
Payments to employees for services	(4,817,670)	(3,767,350)	(8,585,020)
Net cash provided by (used for) operating activities	2,805,678	833,078	3,638,756
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Cash transferred from other funds	149,135	315,573	464,708
Cash transferred to other funds	(103,881)	(362,629)	(466,510)
Net cash provided by (used for) noncapital financing activities	45,254	(47,056)	(1,802)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and construction of capital assets	(2,108,211)	(1,050,178)	(3,158,389)
Proceeds from disposal of capital assets	61,228	45,077	106,305
Principal paid on debt	(274,303)	(305,138)	(579,441)
Interest paid on debt	(47,512)	(63,933)	(111,445)
Net cash provided by (used for) capital and related financing activities	(2,368,798)	(1,374,172)	(3,742,970)
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment/rental income received	160,722	267,581	428,303
Net cash provided by (used for) investing activities	160,722	267,581	428,303
Net increase (decrease) in cash and cash equivalents	642,856	(320,569)	322,287
Cash and cash equivalents, beginning of year	8,262,088	19,054,346	27,316,434
Cash and cash equivalents, end of year	$ 8,904,944	$ 18,733,777	$ 27,638,721
RECONCILIATION OF CASH AND CASH EQUIVALENTS			
Cash and investments	$ 8,852,954	$ 18,700,431	$ 27,553,385
Restricted cash and investments	51,990	33,346	85,336
Total cash and cash investments	$ 8,904,944	$ 18,733,777	$ 27,638,721
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	$ (157,326)	$ (705,387)	$ (862,713)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	2,505,771	1,177,671	3,683,442
Abandoned construction in progress	-	25,157	25,157
(Increase) decrease in assets and deferred outflows:			
Accounts receivable	442,720	419,742	862,462
Inventory	2,815	19,951	22,766
Deferred outflows - pension/OPEB related	(949,612)	(949,612)	(1,899,224)
Increase (decrease) in liabilities and deferred inflows:			
Accounts payable and accrued liabilities	81,973	(33,349)	48,624
Deposits payable	8,778	8,778	17,556
Compensated absences	12,471	12,039	24,510
Claims payable	(20,988)	(20,988)	(41,976)
Total OPEB liability	19,324	19,324	38,648
Net pension liability	2,092,616	2,092,616	4,185,232
Deferred inflows - pension/OPEB related	(1,232,864)	(1,232,864)	(2,465,728)
Net cash provided (used) by operating activities	$ 2,805,678	$ 833,078	$ 3,638,756
Noncash Investing, Capital and Financing Activities			
Abandoned construction in progress	$ -	$ 25,157	$ 25,157
Amortization of deferred loss on refunding	8,454	8,454	16,908

The accompanying notes are an integral part of this statement.

Town of Windsor

Statement of Net Position – Fiduciary Finds
June 30, 2023

	Successor Agency Private-purpose Trust Funds	Custodial Funds
ASSETS		
Cash and investments	$ 344,154	$ 515,924
Total assets	344,154	515,924
LIABILITIES		
Interest ayable	6,450	-
Bonds payable, current portion	320,000	-
Bonds payable, long-term portion	367,429	-
Total iabilities	693,879	-
NET POSITION (DEFICIT)		
Net position held in trust for Successor Agency	$ (349,725)	$ 515,924

The accompanying notes are an integral part of this statement.

Town of Windsor

Statement of Changes in Net Position – Fiduciary Finds
For the Year Ended June 30, 2023

	Successor Agency Private-Purpose Trust Funds	Custodial Funds
ADDITIONS		
Property taxes and assessments	$ 315,047	$ 252,262
Investment income and contributions	(43,027)	1,230
Total additions	272,020	253,492
DEDUCTIONS		
Administrative	53,530	-
Interest expense and other debt related payments	(15,462)	237,635
Total deductions	38,068	237,635
Change in net position	233,952	15,857
NET POSITION (DEFICIT)		
Beginning of year	(583,677)	500,067
End of year	$ (349,725)	$ 515,924

The accompanying notes are an integral part of this statement.

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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:

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation (Continued)

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 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation (Continued)

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.

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.

Transportation Grant Fund: This special revenue 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation (Continued)

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:

- 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.

- 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus and Basis of Accounting (Continued)

- 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.

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Cash and Investments (Continued)

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.

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 governmentwide or fund financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Capital Assets (Continued)

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:

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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:

- *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.
- *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.
- *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 yearend, 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 governmentwide financial statements as "internal balances."

L. 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)

M. 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:

- *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.
- *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.
- *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 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:

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. 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 assets 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 assets 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.

O. Future Accounting Pronouncements

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

GASB 100 – Accounting Changes and Error Corrections: The requirements will enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends June 30, 2024.

GASB 101 – Compensated Absences: The requirements of this Statement will improve financial reporting by updating recognition and measurement guidance for compensated absences. The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends June 30, 2025.

GASB 102 – Certain Risk Disclosures: The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends June 30, 2025.

GASB 103 – Financial Reporting Model Improvements: The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends June 30, 2026.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. Pensions

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

Valuation Date	June 30, 2022
Measurement Date	June 30, 2023
Measurement Period	July 1, 2022 to June 30, 2023

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:

2. CASH AND INVESTMENTS

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

Statement of Net Position:		
Cash and Investments	$	62,232,084
Restricted Cash and Investments		1,177,972
Statement of Fiduciary Net Position		860,078
Total Cash and Investments	$	64,270,134

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

Petty Cash	$	11,725
Deposits with Financial Institutions		6,213,200
Investments		58,045,209
Total Cash and Investments	$	64,270,134

2. CASH AND INVESTMENTS (Continued)

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.

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 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.

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	$ 755,664	$ 755,664	$ -	$ -	$ -	$ -
County of Sonoma Pool	10,942,824	10,942,824	-	-	-	-
United States Treasury Obligations	28,182,758	18,928,238	9,254,520	-	-	-
Federal Farm Credit Bank	11,129,184	1,999,660	-	7,347,584	1,781,940	-
Federal Home Loan Bank	1,975,020	-	-	1,975,020	-	-
Negotiable Certificates of Deposit	487,565	487,565	-	-	-	-
Money Market Mutual Funds	4,572,194	4,572,194	-	-	-	-
Total Pooled Investments	$ 58,045,209	$ 37,686,145	$ 9,254,520	$ 9,322,604	$ 1,781,940	$ -

2. CASH AND INVESTMENTS (Continued)

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.

Investment Type	Total	Minimum Legal Rating	AAA	Aaa	A	Not Required to be Rated
State Investment Pool	$ 755,664	N/A	$ -	$ -	$ -	$ 755,664
County of Sonoma Pool	10,942,824	N/A	-	-	-	10,942,824
United States Treasury Obligations	28,182,758	N/A	-	-	-	28,182,758
Federal Farm Credit Bank	11,129,184	N/A	-	11,129,184	-	-
Federal Home Loan Bank	1,975,020	N/A	-	1,975,020	-	-
Negotiable Certificates of Deposit	487,565	A	-	-	-	487,565
Money Market Mutual Funds	4,572,194	N/A	-	-	-	4,572,194
Total Pooled Investments	$ 58,045,209		$ -	$ 13,104,204	$ -	$ 44,941,005

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, 2023, 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, 2023, 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.

2. CASH AND INVESTMENTS (Continued)

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, 2023, none of the Town's investments were held by the broker-dealer (counterparty) that was used by the Town to purchase the securities.

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, 2023:

- U.S. Treasury Obligations of $28,182,758 are valued using quoted market prices (Level 1 inputs)
- Federal Agency Securities of $13,104,204 are valued using a matrix pricing model (Level 2 inputs)
- Negotiable Certificates of Deposit of $487,565 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

Heritage Park

In March 2019, the Town entered into an agreement to loan $565,244 to Heritage Park LP, a California limited partnership, to pay the amount of the seller's carryback financing lien on certain property and to pay for predevelopment costs of an affordable housing project in the Town. This note bears zero interest. Payments are due annually on residual receipts based on a formula in the agreement. The entire unpaid balance is due in full on the fifty-fifth (55^{th}) anniversary of the origination date.

3. NOTES RECEIVABLE (Continued)

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 $277,838 as of June 30, 2023.

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 $545,518 as of June 30, 2023.

Twin Oaks

In July 2002, the former Agency sold three town-homes aggregating $691,500 to three different individuals. 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 $323,555 as of June 30, 2023.

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.

3. NOTES RECEIVABLE (Continued)

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, 2023.

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- in come 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.

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.

Veterans Village

In July 2019, a loan was granted to a developer to develop a 60-unit rental for low-income residents. The total loan amount of $500,000, of which $500,000 is the outstanding principal, was for various development costs, fees, and permits for an affordable housing project in the Town of Windsor. Annual payments are due from residual receipts as dictated in the promissory note. The note accrues 3% simple interest for 57 years. The entire outstanding principal with any accrued interest shall be payable in full on the 57th anniversary of the date of the note. Accrued interest totaled $59,048 as of June 30, 2023.

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 $331,254 as of June 30, 2023.

4. LEASES RECEIVABLE

As of June 30, 2023, Town of Windsor had 2 active leases. The leases have receipts that range from $6,000 to $43,654 and interest rates that range from 2.85% to 4.00. As of June 30, 2023, the total combined value of the lease receivable is $381,078, the total combined value of the short-term lease receivable is $43,897, and the combined value of the deferred inflow of resources is $362,637. The future payments on the lease are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2024	$ 43,897	$ 13,503	$ 57,400
2025	47,421	11,795	59,216
2026	57,159	9,945	67,104
2027	61,294	77,774	139,068
2028	71,672	5,439	77,111
2029-2030	99,635	2,992	102,627
Totals	$ 381,078	$ 121,448	$ 502,526

5. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The following represents amounts due to/from other funds and interfund transfers at June 30, 2023:

Due from Other Funds	Water Reclamation Fund	Water Fund	Non-major Governmental Funds	Total
General Fund	$ -	$ -	$ 1,756,913	$ 1,756,913
Capital Replacement Fund	60,009	118,237	66,072	244,318
Total	$ 60,009	$ 118,237	$ 1,822,985	$ 2,001,231

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 represent temporary deficits in other funds.

	Transfers Out				
Transfers in	General Fund	Water Reclamation Fund	Water Fund	Nonmajor Governmental Funds	Total
Nonmajor Governmental Funds	$ 2,324,480	$ 103,881	$ 103,881	$ 138,506	$ 2,670,748
Water Reclamation Fund	102,980	-	46,155	-	149,135
Water Fund	102,980	-	212,593	-	315,573
Total	$ 2,530,440	$ 103,881	$ 362,629	$ 138,506	$ 3,135,456

5. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (Continued)

The General Fund transferred $150,000 and $1,528,955 to the Transportation Grant Fund and nonmajor funds, respectively, to subsidize expenditures, $165,000 to the Capital Replacement Fund for various project costs, $686,485 to the Debt Service Fund for debt service costs. The Water and Water Reclamation Funds transferred $291,434 for Capital Replacement and debt service costs. $252,500 was transferred from the Water Stabilization Fund for pension costs. The ARPA fund transferred $3,244,797 to the General Fund, while the RDA Successor Agency fund transferred $384,000 for debt service. Finally, $138,506 was transferred out of the Public Facilities Fund for debt service.

The transfers out in the Water Reclamation and Water Funds were to help cover debt service costs and for facility cost sharing.

6. CAPITAL ASSETS

The following represents the capital asset activity for the year ended June 30, 2023:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	$ 35,266,019	$ 1,463,898	$ -	$ 36,729,917
Rights of Way	407	-	-	407
Construction in Progress	5,982,648	6,073,818	(1,242,861)	10,813,605
Total Capital Assets, Not Being Depreciated	41,249,074	7,537,716	(1,242,861)	47,543,929
Capital Assets, Being Depreciated:				
Buildings	8,602,463	-	-	8,602,463
Improvements Other than Buildings	18,772,044	1,617,711	-	20,389,755
Equipment and Machinery	1,430,660	-	-	1,430,660
Infrastructure	158,051,388	-	-	158,051,388
Vehicles	1,718,043	77,634	(66,955)	1,728,722
Total Capital Assets, Depreciated	188,574,598	1,695,345	(66,955)	190,202,988
Less Accumulated Depreciation:				
Buildings	(3,897,570)	(167,714)	-	(4,065,284)
Improvements Other than Buildings	(13,080,120)	(668,965)	-	(13,749,085)
Equipment and Machinery	(1,214,456)	(146,169)	-	(1,360,625)
Infrastructure	(78,225,687)	(3,142,536)	-	(81,368,223)
Vehicles	(1,409,055)	(158,846)	66,955	(1,500,946)
Total Accumulated Depreciation	(97,826,888)	(4,284,230)	66,955	(102,044,163)
Net Capital Assets Being Depreciated	90,747,710	(2,588,885)	-	88,158,825
Governmental Activities, Capital Assets, Net	$131,996,784	$ 4,948,831	$ (1,242,861)	$135,702,754

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

General Government	$ 197,718
Public Safety	20,903
Community Development	699,563
Public Works	3,366,046
Total	$4,284,230

6. 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	2,708,769	1,770,160	(1,429,148)	3,049,781
Total Capital Assets, Not Being Depreciated	8,973,890	1,770,160	(1,429,148)	9,314,902
Capital Assets Being Depreciated:				
Infrastructure (Utility System)	82,558,620	1,436,648	-	83,995,268
Equipment and Machinery	3,685,520	-	-	3,685,520
Vehicles	1,512,804	330,551	(121,587)	1,721,768
Total Capital Assets, Depreciated	87,756,944	1,767,199	(121,587)	89,402,556
Less Accumulated Depreciation:				
Infrastructure (Utility System)	(49,408,606)	(2,322,559)	-	(51,731,165)
Equipment and Machinery	(3,566,281)	(55,101)	-	(3,621,382)
Vehicles	(1,222,569)	(128,111)	121,587	(1,229,093)
Total Accumulated Depreciation	(54,197,456)	(2,505,771)	121,587	(56,581,640)
Net Capital Assets Being Depreciated	33,559,488	(738,572)	-	32,820,916
Water Reclamation Fund, Capital Assets, Net	$ 42,533,378	$ 1,031,588	$ (1,429,148)	$ 42,135,818
Water Fund:				
Capital Assets, Not Being Depreciated:				
Land	$ 628,586	$ -	$ -	$ 628,586
Construction in Progress	1,225,013	970,074	(919,275)	1,275,812
Total Capital Assets, Not Being Depreciated	1,853,599	970,074	(919,275)	1,904,398
Capital Assets Being Depreciated:				
Infrastructure (Utility System)	40,441,584	894,118	-	41,335,702
Equipment and Machinery	1,061,195	-	-	1,061,195
Vehicles	1,141,791	80,104	(94,332)	1,127,563
Total Capital Assets, Depreciated	42,644,570	974,222	(94,332)	43,524,460
Less Accumulated Depreciation:				
Infrastructure (Utility System)	(26,632,469)	(1,092,792)	-	(27,725,261)
Equipment and Machinery	(937,760)	(11,882)	-	(949,642)
Vehicles	(974,864)	(72,997)	94,332	(953,529)
Total Accumulated Depreciation	(28,545,093)	(1,177,671)	94,332	(29,628,432)
Net Capital Assets Being Depreciated	14,099,477	(203,449)	-	13,896,028
Water Fund, Capital Assets, Net	$ 15,953,076	$ 766,625	$ (919,275)	$ 15,800,426

7. LONG-TERM LIABILITIES

Governmental Activities

The following is a summary of long-term debt for the year ended June 30, 2023:

	Beginning Balance	Additions	Retirements	Ending Balance	Due in One Year
Governmental Activities					
Compensated Absences	$ 439,200	$ 52,265	$ (52,570)	$ 438,895	$ 70,629
Claims Payable	67,398	-	(41,976)	25,422	25,422
Lease Revenue Bonds	1,075,600	-	(423,700)	651,900	431,500
Direct Borrowing: Loan Agreement	3,313,000	-	(203,000)	3,110,000	208,000
Total Government Activities	$ 4,895,198	$ 52,265	$ (721,246)	$ 4,226,217	$ 735,551

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% with a final maturity in fiscal year 2025. The future debt service requirements are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2024	$ 431,500	$ 12,963	$ 444,463
2025	220,400	2,623	223,023
Totals	$ 651,900	$ 15,586	$ 667,486

7. LONG-TERM LIABILITIES (Continued)

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:

Fiscal Year Ending June 30,	Principal	Interest	Total
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	$ 3,110,000	$ 498,798	$ 3,608,798

Business-type Activities

	Beginning Balance	Additions	Retirements	Ending Balance	Due in One Year
Business-type Activities					
Water Reclamation Fund:					
Compensated Absences	$ 255,219	$ 12,471	$ -	$ 267,690	$ 43,536
Claims Payable	33,699	-	(20,988)	12,711	12,711
Installment Purchase Agreement	1,743,450	-	(267,500)	1,475,950	277,500
Premium	35,712	-	(6,803)	28,909	-
Total Water Reclamation Fund	2,068,080	12,471	(295,291)	1,785,260	333,747
Water Fund:					
Compensated Absences	197,346	12,039	-	209,385	34,133
Claims Payable	33,699	-	(20,988)	12,711	12,711
Installment Purchase Agreement	1,751,550	-	(267,500)	1,484,050	277,500
Premium	35,712	-	(6,803)	28,909	-
Direct Borrowing: SDWSRF Loan	326,241	-	(30,835)	295,406	31,611
Total Water Fund	2,344,548	12,039	(326,126)	2,030,461	355,955
Total Business-type Activities	$ 4,412,628	$ 24,510	$ (621,417)	$ 3,815,721	$ 689,702

7. 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, which approximate $10 and $8 million per year for the wastewater and water systems, respectively, are pledged to the required installment payments.

7. LONG-TERM LIABILITIES (Continued)

For the 2022-23 fiscal year, combined system net revenues were approximately $3.5 million, while total principal and interest payments on the Bonds totaled approximately $644,000. Principal and interest payments are due April 1 and October 1 of each year. Interest on the Installment Purchase Agreement is 2.38% and future debt service requirements are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
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	$ 2,960,000	$ 258,790	$ 3,218,790

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 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
2024	$ 31,611	$ 7,194	$ 38,805
2025	32,407	6,398	38,805
2026	33,223	5,582	38,805
2027	34,059	4,746	38,805
2028	34,917	3,888	38,805
2029	35,796	3,009	38,805
2030	36,697	2,108	38,805
2031	37,621	1,185	38,806
2032	19,075	239	19,314
Totals	$ 295,406	$ 34,349	$ 329,755

7. LONG-TERM LIABILITIES (Continued)

Fiduciary Fund Long-term Debt

	Beginning Balance	Additions	Retirement	Ending Balance	Due in One Year
Tax Allocation Refunding Bonds:					
Series 2014	$ 955,000	$ -	$ (310,000)	$ 645,000	$ 320,000
Premium	78,791	-	(36,362)	42,429	-
Total Fiduciary Fund Debt	$ 1,033,791	$ -	$ (346,362)	$ 687,429	$ 320,000

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% with a final maturity in fiscal year 2025. The future debt service requirements are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2024	$ 320,000	$ 14,550	$ 334,550
2025	325,000	4,875	329,875
Totals	$ 645,000	$ 19,425	$ 664,425

8. 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, 2022 of $2,398,000, 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.

9. 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 or PERF C) administered by the California Public Employees' Retirement System (CalPERS.) The Plan consists of a miscellaneous pool and a safety pool (also referred to as "risk pools"), which are comprised of individual employer miscellaneous and safety rate plans, respectively. 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 generally accepted accounting principles. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The Town participates in two plans (two 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, at www.calpers.ca.gov.

Benefits Provided – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 5 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plan operates under the provisions of the California Public Employees' Retirement Law (PERL), the California Public Employees' Pension Reform Act of 2013 (PEPRA), and the regulations, procedures and policies adopted by the CalPERS Board of Administration. The Plan's authority to establish and amend the benefit terms are set by the PERL and PEPRA, and may be amended by the California state legislature and in some cases require approval by the CalPERS Board.

The Plan's provisions and benefits in effect as of June 30, 2023 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	7.00%	6.75%
Required employer contribution rates	10.87% + $1,004,199	7.47% + $21,008

9. PENSION PLAN (Continued)

Contributions – Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. 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 employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions. Employer Contributions to the Plan for the fiscal year ended June 30, 2023 were $1,992,883. The actual employer payments of $1,799,220 made to CalPERS by the Town during the measurement period ended June 30, 2022 differed from the Town's proportionate share of the employer's contributions of $2,384,157 by $584,937, which is being amortized over the expected average remaining service lifetime in the Public Agency Cost-Sharing Multiple Employer Plan.

Net Pension Liability

The Town's net pension liability for the Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2022, using an annual actuarial valuation as of June 30, 2021 rolled forward to June 30, 2022 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is as follows.

The collective total pension liability for the June 30, 2022 measurement period was determined by an actuarial valuation as of June 30, 2021, with update procedures used to roll forward the total pension liability to June 30, 2022. The collective total pension liability was based on the following assumptions:

Valuation date	June 30, 2021
Measurement date	June 30, 2022
Actuarial cost method	Entry-age normal
Asset valuation method	Fair value of assets
Actuarial assumptions:	
Discount rate	6.90%
Inflation	2.30%
Projected salary increase	Varies by entry age and service
Mortality rate table [(1)]	Derived using CalPERS' membership data for all funds
Post retirement benefit increase	The lesser of contract COLA or 2.30% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.30% thereafter.

[(1)] The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 2001 to 2019. Pre-retirement and Post-retirement mortality rates include generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from November 2021 that can be found on the CalPERS website.

9. PENSION PLAN (Continued)

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 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. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 Basis points.

The expected real rates of return by asset class are as follows:

Asset Class	Assumed Asset Allocation	Real Return [1,2]
Global equity - cap-weighted	30.00%	4.54%
Global equity - non-cap-weighted	12.00%	3.84%
Private equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed securities	5.00%	0.50%
Investment grade corporates	10.00%	1.56%
High yield	5.00%	2.27%
Emerging market debt	5.00%	2.48%
Private debt	5.00%	3.57%
Real assets	15.00%	3.21%
Leverage	(5.00%)	(0.59%)

[1] An expected inflation of 2.30% used for this period.

[2] Figures are based on the 2021 Asset Liability Management study.

Change of Assumptions – Effective with the June 30, 2021, valuation date (2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated, combined with risk estimates, and are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return. In addition, demographic assumptions and the inflation rate assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions.

9. PENSION PLAN (Continued)

Discount Rate – The discount rate used to measure the total pension liability for PERF C was 6.90%. 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.

Subsequent Events – On July 12, 2021, CalPERS reported a preliminary 21.3% net return on investments for fiscal year 2020-21. Based on the thresholds specified in CalPERS Funding Risk Mitigation policy, the excess return of 14.3% prescribes a reduction in investment volatility that corresponds to a reduction in the discount rate used for funding purposes of 0.20%, from 7.00% to 6.80%. Since CalPERS was in the final stages of the four-year Asset Liability Management (ALM) cycle, the board elected to defer any changes to the asset allocation until the ALM process concluded, and the board could make its final decision on the asset allocation in November 2021.

On November 17, 2021, the board adopted a new strategic asset allocation. The new asset allocation along with the new capital market assumptions, economic assumptions and administrative expense assumption support a discount rate of 6.90% (net of investment expense but without a reduction for administrative expense) for financial reporting purposes. This includes a reduction in the price inflation assumption from 2.50% to 2.30% as recommended in the November 2021 CalPERS Experience Study and Review of Actuarial Assumptions. This study also recommended modifications to retirement rates, termination rates, mortality rates and rates of salary increases that were adopted by the board. These new assumptions will be reflected in the GASB 68 accounting valuation reports for the June 30, 2022, measurement date.

Pension Plan Fiduciary Net Position – Information about the pension plan's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position are presented in CalPERS' audited financial statements, which are publicly available reports that can be obtained at CalPERS' website, at www.calpers.ca.gov. The plan's fiduciary net position and additions to/deductions from the plan's fiduciary net position have been determined on the same basis used by the pension plan, which is the economic resources measurement focus and the accrual basis of accounting. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

9. PENSION PLAN (Continued)

Proportionate Share of Net Pension Liability

The following table shows the Town's proportionate share of the Plan's net pension liability over the measurement period.

	Increase (Decrease)		
	Proportionate Share of Total Pension Liability	Proportionate Share of Fiduciary Net Position	Proportionate Share of Net Pension Liability
Balance at: 6/30/2021 (VD)	$ 54,952,545	$ 49,151,599	$ 5,800,946
Balance at: 6/30/2022 (MD)	60,134,789	45,963,379	14,171,410
Net Changes during 2021-22	$ 5,182,244	$ (3,188,220)	$ 8,370,464

The Town's proportion of the net pension liability was determined by CalPERS using the output from the Actuarial Valuation System and the fiduciary net position, as provided in the CalPERS Public Agency Cost-Sharing Allocation Methodology Report, which is a publicly available report that can be obtained at CalPERS' website, at www.calpers.ca.gov, The Town's proportionate share of the net pension liability for the miscellaneous Plan as of the June 30, 2021 and 2022 measurement dates was as follows:

Proportionate Share - June 30, 2021	0.30551%
Proportionate Share - June 30, 2022	0.30286%
Change - Increase (Decrease)	(0.00265%)

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 of the Plan as of the measurement date, calculated using the discount rate of 6.9 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.9 percent) or 1 percentage-point higher (7.9 percent) than the current rate:

	Discount Rate - 1% (5.9%)	Current Discount Rate (6.9%)	Discount Rate + 1% (7.9%)
Plan's Net Pension Liability/(Asset)	$ 22,368,867	$ 14,171,410	$ 7,426,939

9. PENSION PLAN (Continued)

Amortization of Deferred Outflows and Deferred Inflows of Resources

Under GASB 68, gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss:

Net difference between projected and actual earnings on pension plan investments	5-year straight-line amortization
All other amounts	Straight-line amortization over the expected average remaining service lives (EARSL) of all members that are provided with benefits (active, inactive and retired) as of the beginning of the measurement period

The expected average remaining service lifetime (EARSL) is calculated by dividing the total future service years by the total number of plan participants (active, inactive, and retired) in the Public Agency Cost-Sharing Multiple-Employer Plan (PERF C).

The EARSL for PERF C for the measurement period ending June 30, 2022 is 3.7 years, which was obtained by dividing the total service years of 574,665 (the sum of remaining service lifetimes of the active employees) by 153,587 (the total number of participants: active, inactive, and retired) in PERF C. Inactive employees and retirees have remaining service lifetimes equal to 0. Total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

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

As of the start of the measurement period (July 1, 2021), the Town's net pension liability was $5,800,946. For the measurement period ending June 30, 2022 (the measurement date), the Local Government incurred a pension expense/(income) of $1,662,632.

9. PENSION PLAN (Continued)

As of June 30, 2023, the Town has deferred outflows and deferred inflows of resources related to pensions as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 1,992,883	$ -
Differences between actual and expected experience	93,984	-
Changes in assumptions	1,452,157	-
Change in employer's proportion	745,235	-
Differences between the employer's contributions and the employer's proportionate share of contributions	-	649,053
Net differences between projected and actual earnings on plan investments	2,595,826	-
Total	$ 6,880,085	$ 649,053

As of June 30, 2023, the Town reported a payable of $0 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2023.

10. 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, 2023 measurement date, the following current and former employees were covered by the benefit terms under the Plan:

Retirees or spouses of retirees currently receiving benefits	4
Active employees	113
	117

11. OTHER POST EMPLOYMENT BENEFITS (OPEB)

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, 2023, the City's pay-as-you-go costs were $14,437.

Total OPEB Liability – The Town's Total OPEB liability was measured as of June 30, 2023 and was determined by an actuarial valuation dated June 30, 2022, based on the following actuarial methods and assumptions:

Valuation Date	June 30, 2022
Actuarial Cost Method	Entry Age Normal
Mortality	CalPERS 2000-2019 Experience Study
Age at Retirement	50
Health Care Trend Rate	7.50% initial, 4.0% ultimate
Inflation Rate	2.50%
Salary Changes	2.75%
Discount Rate	3.65% at June 30, 2023

Discount Rate – The discount rate used to measure the total OPEB liability was 3.65% and is based on the Bond Buyer 20-Bond index.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at June 30, 2022	$ 890,572
Changes in the year:	
Service cost	68,005
Interest on the total OPEB liability	33,677
Differences between expected and actual experience	-
Changes in assumptions	(9,947)
Benefit payments, including implicit subsidy	(14,437)
Net changes	77,298
Balance at June 30, 2023	$ 967,870

The assumed discount rate changed from 3.54% as of June 30, 2022 to 3.65% as of June 30, 2023.

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 (2.65%)	Discount Rate (3.65%)	1% Increase (4.65%)
Total OPEB liability	$ 1,062,953	$ 967,870	$ 882,851

11. 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	$ 844,054	$ 967,870	$ 1,116,232

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB – For the year ended June 30, 2023, the Town recognized OPEB expense of $62,546. As of June 30, 2023, the Town 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	$ -	$ 148,615
Changes in assumptions	27,624	229,929
Total	$ 27,624	$ 378,544

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

Fiscal Year Ending June 30,	Amount
2024	$ (39,136)
2025	(39,136)
2026	(39,136)
2027	(39,136)
2028	(37,136)
Thereafter	(157,240)

12. 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 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. 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, 2023 is presented below:

	General Fund	Housing Fund	Transportation Grant Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable:					
Inventory and prepaids	$ 28,762	$ -	$ -	$ 405,318	$ 434,080
Restricted for:					
Debt service	-	-	-	1,963,744	1,963,744
General government	3,072,228	-	-	-	3,072,228
Public safety	21,934	-	-	5,336,957	5,358,891
Transportation	-	-	-	2,961,856	2,961,856
Community development	-	9,015,339	-	5,723,126	14,738,465
Assigned to:					
Unassigned	17,543,640	-	(34,169)	(1,523,071)	15,986,400
Total fund balance	$ 20,666,564	$ 9,015,339	$ (34,169)	$ 14,867,930	$ 44,515,664

13. 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.

13. SUCCESSOR AGENCY TRUST FOR THE FORMER REDEVELOPMENT AGENCY (Continued)

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.

14. 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.

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 2022-23	FY 2021-22	FY 2020-21
Beginning of Year	$ 134,796	$ 218,747	$ 302,699
Claims and Changes in Estimates	-	-	-
Claim Payments	(83,952)	(83,951)	(83,952)
End of Year	$ 50,844	$ 134,796	$ 218,747

15. 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, 2023, the Town’s total outstanding construction contract commitments amounted to approximately $3,422,865.

16. 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.

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.

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REQUIRED SUPPLEMENTARY INFORMATION

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Town of Windsor

Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual – General Fund
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES				
Taxes and special assessments	$ 18,520,967	$ 18,520,967	$ 19,957,433	$ 1,436,466
Licenses and permits	1,032,000	1,032,000	1,948,709	916,709
Fines, forfeitures and penalties	43,000	43,000	32,877	(10,123)
Intergovernmental revenues	3,414,797	3,414,797	3,738,547	323,750
Charges for services	823,250	823,250	623,633	(199,617)
Investment earnings	235,250	235,250	661,682	426,432
Other revenues	87,300	87,300	157,960	70,660
Total revenues	24,156,564	24,156,564	27,120,841	2,964,277
EXPENDITURES				
Current:				
General government	4,070,316	4,704,475	3,975,213	729,262
Public safety	9,121,303	9,121,303	7,880,970	1,240,333
Public works	4,888,668	5,477,318	4,551,158	926,160
Community development	2,764,343	3,123,575	2,408,967	714,608
Capital outlay	222,500	871,648	334,764	536,884
Total expenditures	21,067,130	23,298,319	19,151,072	4,147,247
Excess (deficiency) of revenues over expenditures	3,089,434	858,245	7,969,769	7,111,524
OTHER FINANCING SOURCES (USES)				
Transfers in	3,244,797	3,244,797	-	(3,244,797)
Transfers out	(6,050,237)	(6,050,237)	(2,530,440)	3,519,797
Total other financing sources (uses)	(2,805,440)	(2,805,440)	(2,530,440)	275,000
Net change in fund balance	283,994	(1,947,195)	5,439,329	7,386,524
FUND BALANCE				
Beginning of year	15,227,235	15,227,235	15,227,235	-
End of year	$ 15,511,229	$ 13,280,040	$ 20,666,564	$ 7,386,524

Town of Windsor

Schedule of Revenues, Expenditures and Change sin Fund Balance Budget and Actual – Housing Special Revenue Fund
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Investment earnings	$ 5,000	$ 5,000	$ 94,929	$ 89,929
Total revenues	5,000	5,000	94,929	89,929
EXPENDITURES				
Community development	30,000	30,000	-	30,000
Total expenditures	30,000	30,000	-	30,000
Net change in fund balance	(25,000)	(25,000)	94,929	119,929
FUND BALANCE				
Beginning of year	8,920,410	8,920,410	8,920,410	-
End of year	$ 8,895,410	$ 8,895,410	$ 9,015,339	$ 119,929

Town of Windsor

Schedule of Revenues, Expenditures and Change sin Fund Balance Budget and Actual – Transportation Grant Special Revenue Fund
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental revenues	$ 254,188	$ 254,188	$ 3,562,132	$ 3,307,944
Investment earnings	7,500	7,500	-	(7,500)
Total revenues	261,688	261,688	3,562,132	3,300,444
EXPENDITURES				
Capital outlay	250,000	9,387,673	3,586,822	5,800,851
Total expenditures	250,000	9,387,673	3,586,822	5,800,851
Net change in fund balance	11,688	(9,125,985)	(24,690)	9,101,295
FUND BALANCE				
Beginning of Year	(9,479)	(9,479)	(9,479)	-
End of Year	$ 2,209	$ (9,135,464)	$ (34,169)	$ 9,101,295

Town of Windsor

Changes in Total OPEB Liability and Related Ratios
For the Year Ended June 30, 2023

	Measurement Period					
	2023	2022	2021	2020	2019	2018
Total OPEB Liability						
Service cost	$ 68,005	$ 94,192	$ 90,661	$ 78,882	$ 72,063	$ 74,000
Interest on total OPEB liability	33,677	26,794	24,948	38,269	36,853	33,000
Actual vs. expected experience	-	(159,970)	-	(26,122)	-	-
Changes of assumptions	(9,947)	(212,394)	6,263	(51,131)	41,953	(31,000)
Benefit payments	(14,437)	(8,613)	(19,003)	(13,471)	(19,602)	(11,000)
Net change in total OPEB liability	77,298	(259,991)	102,869	26,427	131,267	65,000
Total OPEB liability - beginning	890,572	1,150,563	1,047,694	1,021,267	890,000	825,000
Total OPEB liability - ending (a)	$ 967,870	$ 890,572	$ 1,150,563	$ 1,047,694	$ 1,021,267	$ 890,000
Covered-employee payroll	$ 11,674,780	$ 10,761,832	$ 9,970,299	$ 10,263,785	$ 9,168,503	$ 8,416,000
Total OPEB liability as a percentage of covered employee payroll	8.29%	8.28%	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% at June 30, 2017 to 3.87% at June 30, 2018, 3.50% at June 30, 2019, 2.21% at June 30, 2020, 2.16% at June 30,2021, 3.54% at June 30, 2022, and 3.65% at June 30, 2023.

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

Town of Windsor

Schedule of the Town's Proportionate Share of the Net Pension Liability and Related Ratios For the Last 10 Years*

Measurement Date	Proportion of the Net Position Liability	Proportionate Share of the Net Position Liability	Covered Payroll	Proportionate Share of the Net Position Liability as a % of Payroll	Plan Fiduciary Net Position Liability as a % of the Total Pension Liability
2022	0.12269%	$ 14,171,410	$ 9,912,097	142.97%	76.44%
2021	0.10726%	5,800,946	9,126,395	63.56%	89.44%
2020	0.10639%	11,575,943	9,216,341	125.60%	77.63%
2019	0.10183%	10,434,649	8,753,614	119.20%	78.62%
2018	0.09693%	9,340,017	8,397,425	111.22%	79.30%
2017	0.09613%	9,533,283	7,703,960	123.75%	77.41%
2016	0.09218%	7,976,769	7,909,720	100.85%	78.48%
2015	0.08477%	5,818,693	6,760,406	86.07%	84.55%
2014	0.08655%	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 discount rate was changed from 7.65% to 7.15%.
In 2023, the discount rate was changed from 7.15% to 6.90%.

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

Town of Windsor

Schedule of Pension Plan Contributions
For the Last 10 Years*

Fiscal year	Actuarially determined contribution	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
2023	$ 1,992,883	$ (1,992,883)	$ -	$ 10,570,125	18.15%
2022	1,799,220	(1,799,220)	-	9,912,097	18.15%
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	1,181,662	(1,181,662)	-	7,703,960	10.56%
2016	858,300	(858,300)	-	7,909,720	10.85%
2015	724,448	(724,448)	-	6,760,406	11.53%

Notes to the Schedule of Pension Plan Contributions

Changes in Benefit Terms: There were no changes to benefit terms that applied to all members of the Public Agency Pool. Additionally, the figures above do not include any liability impact that may have resulted from Golden Handshakes that occurred after the June 30, 2021 valuation date, unless the liability impact is deemed to be material to the Public Agency Pool.

Changes in Assumptions: Effective with the June 30, 2021 valuation date (2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated, combined with risk estimates, and are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return. In addition, demographic assumptions and the inflation rate assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. There were no assumption changes for 2021. For 2020, the Plan adopted a new amortization policy effective with the 2019 actuarial valuation. The new amortization policy shortens the period over which actuarial gains and losses are amortized from 30 years to 20 years with the payments computed as a level dollar amount. In addition, the new policy does not utilize a five-year ramp-up and ramp-down on UAL bases attributable to assumption changes and non-investment gains/losses. The new policy also does not utilize a five-year ramp-down on investment gains/losses. These changes apply only to new UAL bases established on or after June 30, 2019. There were no changes in assumptions in 2019. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate in 2019. In 2017, the accounting discount rate was reduced from 7.65% to 7.15%. In 2016, there were no changes in the discount rate. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5% (net of administrative expense) to 7.65% (without a reduction for pension plan administrative expense). In 2014, amounts reported were based on the 7.5% discount rate.

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

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 2021-22 fiscal year, there were budget amendments in the General Fund increasing budgeted expenditures by approximately $589,000.

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SUPPLEMENTARY INFORMATION

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NON-MAJOR GOVERNMENTAL FUNDS

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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.

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.

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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.

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

DEBT SERVICE FUNDS

Debt Service Fund
This fund is used to account for the accumulation of resources for the payment of principal and interest on long-term obligations of the Town.

Town of Windsor

Combining Balance Sheet – Non-major Governmental Funds
June 30, 2023

	Special Revenue Funds				
	Gas Tax	Mobile Home Rent Stabilization Fund	Lighting and Landscape Assessment Fund	Lighting and Landscape Assessment Fund #2	1982 Benefits Assessment Fund
ASSETS					
Cash and investments	$ -	$ 47,543	$ 595,657	$ 120,066	$ 266,315
Accounts receivable	161,024	-	64,707	18,991	7,477
Interest receivable	-	-	-	-	-
Due from other funds	-	-	-	-	-
Prepaids	-	-	-	-	-
Inventory	21,921	-	-	-	-
Notes receivable	-	-	-	-	-
Total assets	$ 182,945	$ 47,543	$ 660,364	$ 139,057	$ 273,792
LIABILITIES					
Accounts payable	$ 113,112	$ -	$ 46,693	$ 16,599	35,901
Accrued liabilities	24,296	-	44,045	1,585	8,786
Due to other funds	177,603	-	18,304	-	-
Total liabilities	315,011	-	109,042	18,184	44,687
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
FUND BALANCE (DEFICIT)					
Nonspendable	21,921	-	-	-	-
Restricted	-	47,543	551,322	120,873	229,105
Unassigned	(153,987)	-	-	-	-
Total fund balances	(132,066)	47,543	551,322	120,873	229,105
Total liabilities, deferred inflows of resources and fund balances	$ 182,945	$ 47,543	$ 660,364	$ 139,057	$ 273,792

Special Revenue Funds					
Abandoned Vehicle Abatement Program Fund	Public Education and Government Grant Fund	Community Development Block Grant Fund	Public Facilities Fund	Measure M Park Fund	Housing Inclusionary Fund
$ 248,048	$ 302,133	$ 1,312	$ -	$ 668,388	$ 2,555,216
16,834	16,995	-	-	90,089	-
-	-	-	-	-	59,048
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	1,065,245
$ 264,882	$ 319,128	$ 1,312	$ -	$ 758,477	$ 3,679,509
$ 22	$ -	$ -	$ -	$ 20,815	$ -
-	-	-	-	3,528	-
-	515	-	120,050	-	-
22	515	-	120,050	24,343	-
-	-	-	-	-	59,048
-	-	-	-	-	59,048
-	-	-	-	-	-
264,860	318,613	1,312	-	734,134	3,620,461
-	-	-	(120,050)	-	-
264,860	318,613	1,312	(120,050)	734,134	3,620,461
$ 264,882	$ 319,128	$ -	$ (120,050)	$ 758,477	$ 3,679,509

Town of Windsor

Combining Balance Sheet – Non-major Governmental Funds
June 30, 2023

	Capital Projects				
	Traffic Mitigation Fund	Park Mitigation Fund	Recreation Development Fund	Trail Development Fund	Open Space Development Fund
ASSETS					
Cash and investments	$ 3,063,406	$ -	$ 66,284	$ 33,208	$ 416
Accounts Receivable	-	-	-	-	-
Interest Receivable	-	-	-	-	-
Due From Other Funds	-	-	-	-	-
Prepaids	-	-	-	-	-
Inventory	-	-	-	-	-
Notes receivable	-	-	-	-	-
Total Assets	$ 3,063,406	$ -	$ 66,284	$ 33,208	$ 416
LIABILITIES					
Accounts payable	$ 94,252	$ -	$ 145	$ -	$ -
Accrued liabilities	6,504	538	-	-	-
Due to other funds	794	811,256	-	-	-
Total liabilities	101,550	811,794	145	-	-
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
FUND BALANCE (DEFICIT)					
Nonspendable	-	-	-	-	-
Restricted	2,961,856	-	66,139	33,208	416
Unassigned	-	(811,794)	-	-	-
Total fund balances	2,961,856	(811,794)	66,139	33,208	416
Total liabilities, deferred inflows of resources and fund balances	$ 3,063,406	$ -	$ 66,284	$ 33,208	$ 416

Capital Projects					
Drainage Mitigation Fund	Police Mitigation Fund	Fire Mitigation Fund	Capital Replacement Fund	Debt Service Fund	Total Non-Major Governmental Funds
$ 3,744,243	$ 52,905	$ 1,585,978	$ -	$ 1,963,744	$ 15,314,862
-	-	-	-	-	376,117
-	-	-	-	-	59,048
-	-	-	244,318	-	244,318
-	-	-	383,397	-	383,397
-	-	-	-	-	21,921
-	-	-	-	-	1,065,245
$ 3,744,243	$ 52,905	$ 1,585,978	$ 627,715	$ 1,963,744	$ 17,464,908
$ 281,360	$ -	$ -	$ 16,739	$ -	$ 625,638
25	-	-	-	-	89,307
29,644	-	-	664,819	-	1,822,985
311,029	-	-	681,558	-	2,537,930
-	-	-	-	-	59,048
-	-	-	-	-	59,048
-	-	-	383,397	-	405,318
3,433,214	52,905	1,585,978	-	1,963,744	15,985,683
-	-	-	(437,240)	-	(1,523,071)
3,433,214	52,905	1,585,978	(53,843)	1,963,744	14,867,930
$ 3,744,243	$ 52,905	$ 1,585,978	$ 627,715	$ 1,963,744	$ 17,464,908

Town of Windsor

Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Non-major Governmental Funds
For the Year Ended June 30, 2023

	Special Revenue				
	Gas Tax	Mobile Home Rent Stabilization Fund	Lighting and Landscape Assessment Fund	Lighting and Landscape Assessment Fund #2	1982 Benefits Assessment Fund
REVENUES					
Taxes and special assessments	$ 1,256,087	$ -	$ -	$ -	$ -
Intergovernmental revenue	-	-	11,767	-	-
Charges for services	-	-	871,259	146,543	72,453
Investment earnings	-	660	-	-	-
Other revenues	-	-	56,185	-	-
Total Revenues	1,256,087	660	939,211	146,543	72,453
EXPENDITURES					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Public works	957,973	-	307,450	-	89,200
Community development	-	-	2,003,737	127,349	-
Capital outlay	857,215	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total expenditures	1,815,188	-	2,311,187	127,349	89,200
Excess (deficiency) of revenues over expenditures	(559,101)	660	(1,371,976)	19,194	(16,747)
OTHER FINANCING SOURCES (USES)					
Transfers in	150,000	-	1,528,955	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	150,000	-	1,528,955	-	-
Net change in fund balances	(409,101)	660	156,979	19,194	(16,747)
FUND BALANCES					
Beginning of year	277,035	46,883	394,343	101,679	245,852
End of year	$ (132,066)	$ 47,543	$ 551,322	$ 120,873	$ 229,105

Special Revenue					
Abandoned Vehicle Abatement Program Fund	Public Education and Block Grant Fund	Community Development Block Grant Fund	Public Facilities Fund	Measure M Park Fund	Housing Inclusionary Fund
$ -	$ -	$ -	$ -	$ 392,477	$ -
31,161	67,014	-	-	-	-
-	-	-	27,427	-	-
3,407	3,955	-	-	11,287	35,463
-	619	-	-	-	-
34,568	71,588	-	27,427	403,764	35,463
-	38,249	-	-	-	-
2,372	-	-	-	-	-
-	-	-	-	77,765	-
-	-	-	-	-	-
-	-	-	-	506,565	-
-	-	-	-	-	-
-	-	-	-	-	-
2,372	38,249	-	-	584,330	-
32,196	33,339	-	27,427	(180,566)	35,463
-	-	-	-	-	-
-	-	-	(138,506)	-	-
-	-	-	(138,506)	-	-
32,196	33,339	-	(111,079)	(180,566)	35,463
232,664	285,274	1,312	(8,971)	914,700	3,584,998
$ 264,860	$ 318,613	$ 1,312	$ (120,050)	$ 734,134	$ 3,620,461

Town of Windsor

Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Non-major Governmental Funds
For the Year Ended June 30, 2023

	Special Revenue	Capital Projects			
	Traffic Mitigation Fund	Park Mitigation Fund	Recreation Development Fund	Trail Development Fund	Open Space Development Fund
REVENUES					
Taxes and special assessments	$ -	$ -	$ -	$ -	$ -
Intergovernmental revenue	-	-	-	-	-
Charges for services	1,401,902	114,050	6,374	2,109	40
Investment earnings	28,854	33	926	456	-
Other revenues	-	1,405	-	-	-
Total Revenues	1,430,756	115,488	7,300	2,565	40
EXPENDITURES					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Public works	165,924	113,868	-	-	-
Community development	-	-	2,242	-	-
Capital outlay	210,847	1,453,323	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total expenditures	376,771	1,567,191	2,242	-	-
Excess (deficiency) of revenues over expenditures	1,053,985	(1,451,703)	5,058	2,565	40
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net change in fund balances	1,053,985	(1,451,703)	5,058	2,565	40
FUND BALANCES					
Beginning of year	1,907,871	639,909	61,081	30,643	376
End of year	$ 2,961,856	$ (811,794)	$ 66,139	$ 33,208	$ 416

Capital Projects					
Drainage Mitigation Fund	Police Mitigation Fund	Fire Mitigation Fund	Capital Replacement Fund	Debt Service Fund	Total Non-Major Special Revenue Funds
$ -	$ -	$ -	$ -	$ -	$ 1,648,564
-	-	-	-	-	109,942
50,590	1,310	642,745	-	-	3,336,802
53,335	730	14,873	2,912	76,091	232,982
-	-	-	-	-	58,209
103,925	2,040	657,618	2,912	76,091	5,386,499
-	-	-	-	1,838	40,087
-	-	-	-	-	2,372
-	-	-	-	-	1,712,180
-	-	-	-	-	2,133,328
503,947	-	-	682,450	-	4,214,347
-	-	-	-	626,700	626,700
-	-	-	-	97,152	97,152
503,947	-	-	682,450	725,690	8,826,166
(400,022)	2,040	657,618	(679,538)	(649,599)	(3,439,667)
-	-	-	270,000	721,793	2,670,748
-	-	-	-	-	(138,506)
-	-	-	270,000	721,793	2,532,242
(400,022)	2,040	657,618	(409,538)	72,194	(907,425)
3,833,236	50,865	928,360	355,695	1,891,550	15,775,355
$ 3,433,214	$ 52,905	$ 1,585,978	$ (53,843)	$ 1,963,744	$ 14,867,930

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AGENCY FUNDS

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Town of Windsor

Combining Statement of Net Position – Agency Funds
June 30, 2023

	Bonita Roble Fund	Brooks Special Assessment Construction Fund	Council Benevolent Fund	Reassessment District 2020-1 Fund	Total
ASSETS					
Cash and investments	$ 16,045	$ 793	$ 6,165	$ 492,921	$ 515,924
Total assets	$ 16,045	$ 793	$ 6,165	$ 492,921	$ 515,924
LIABILITIES					
Due to Town	-	-	-	-	-
Total liabilities	-	-	-	-	-
NET POSITION					
Restricted for individuals and organizations	$ 16,045	$ 793	$ 6,165	$ 492,921	$ 515,924

Town of Windsor

Combining Statement of Changes in Net Position – Agency Funds
For the Year Ended June 30, 2023

	Bonita Roble Fund	Brooks Special Assessment Construction Fund	Council Benevolent Fund	Reassessment District 2020-1 Fund	Total
ADDITIONS					
Assessments collected for others	$ -	$ -	$ -	$ 252,262	$ 252,262
Investment income and contributions	-	-	1,230	-	1,230
Total additions	-	-	1,230	252,262	253,492
DEDUCTIONS					
Debt payments	-	-	-	237,635	237,635
Total deductions	-	-	-	237,635	237,635
Change in net position	-	-	1,230	14,627	15,857
NET POSITION					
Beginning of year	16,045	793	4,935	478,294	500,067
End of year	$ 16,045	$ 793	$ 6,165	$ 492,921	$ 515,924