JBC JOHNSON BLOCK CPAs

FINANCIAL STATEMENTS WITH INDEPENDENT AUDITOR'S REPORT

For the Year Ended December 31, 2019

VILLAGE OF WINDSOR

Table of Contents

December 31, 2019

Page

INDEPENDENT AUDITOR'S REPORT ..... i-ii

MANAGEMENT'S DISCUSSION AND ANALYSIS ..... iii-xiv

BASIC FINANCIAL STATEMENTS

Government-wide Financial Statements
- Statement of Net Position 1
- Statement of Activities 2

Fund Financial Statements
- Balance Sheet – Governmental Funds 3
- Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position 4
- Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds 5
- Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities 6
- Statement of Net Position – Proprietary Funds 7-8
- Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds 9
- Statement of Cash Flows – Proprietary Funds 10-11
- Statement of Fiduciary Net Position – Fiduciary Funds 12
- Statement of Changes in Fiduciary Net Position – Fiduciary Funds 13

Notes to the Financial Statements 14-54

REQUIRED SUPPLEMENTARY INFORMATION

Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (with Variances) – General Fund 55

Wisconsin Retirement System Schedules 56

Local Retiree Life Insurance Fund Schedules 57

Notes to the Required Supplementary Information 58

SUPPLEMENTARY INFORMATION

Non-Major Governmental Funds
- Combining Balance Sheet – Non-Major Governmental Funds 59
- Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Non-Major Governmental Funds 60

VILLAGE OF WINDSOR

Table of Contents
(Continued)

December 31, 2019

Debt Repayment Summary – Governmental Activities – Principal Payments 61
Debt Repayment Summary – Governmental Activities – Interest Payments 62
Debt Repayment Summary – Proprietary Funds – Principal Payments 63
Debt Repayment Summary – Proprietary Funds – Interest Payments 64

JOHNSON BLOCK
CPAs

INDEPENDENT AUDITOR'S REPORT

To the Village Board
Village of Windsor

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Village of Windsor, Wisconsin, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Windsor, as of December 31, 2019, 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.

JOHNSON BLOCK AND COMPANY, INC. | 9701 Brader Way, Suite 202, Middleton, WI 53562 | Phone: 608.274.2002 | Fax: 608.274.4320 JOHNSONBLOCK.COM

Emphasis of Matter

As discussed in Note 1 to the financial statements, effective January 1, 2019, the Village of Windsor adopted the provisions of GASB Statement No. 84, Fiduciary Activities. Additionally, as described in Note 13, a prior period adjustment has been reflected in the financial statements to remove the allocation of Pension and Other Post-Employment Benefits from the Custodial Funds. Our opinion is not modified with respect to these matters.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on page iii through xiv, and the Wisconsin Retirement System schedules, the Local Retiree Life Insurance Schedules and budgetary comparison information 55 through 58 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Windsor, Wisconsin's financial statements as a whole. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements.

The combining non-major fund financial statements and the debt repayment summaries are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 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 financial statements as a whole.

Johnson Block & Company, Inc.

Johnson Block and Company, Inc.
June 4, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

VILLAGE OF WINDSOR
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2019

As management of the Village of Windsor, we offer readers of the financial statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended December 31, 2019. We encourage the reader to consider the information presented here in conjunction with the Independent Auditor's Report at the front of this report and the Village's financial statements, which immediately follow this section.

THE FINANCIAL HIGHLIGHTS

When revenues exceed expenses, the result is an increase in net position. When expenses exceed revenues, the result is a decrease in net position. You can think of this relationship between revenues and expenses as the Village's operating results. You can think of the Village's net position, as measured in the Statement of Net Position, as one way to measure the Village's financial position. Over time, increases or decreases in the Village's net position, as measured in the Statement of Activities, are one indicator of whether its financial health is improving or deteriorating. However, the Village's goal is to provide services that improve the quality of life for our residents, not to generate profits. For this reason, you will need to consider many other non-financial factors, such as the condition of our roads and preservation of open space, in assessing the overall performance of our Village.

- The assets of the Village exceeded its liabilities as of December 31, 2019 by $38,341,726, which included $20,210,073 net position of governmental activities and $18,131,653 net position of business-type activities. Total net position includes all infrastructure of the governmental funds.

- The Village of Windsor's total net position increased by $3,503,836. Governmental activities net position increased by $2,435,383 and business-type activities increased by $1,068,453.

- As of December 31, 2019, the Village of Windsor's governmental funds reported combined ending fund balances of $11,889,314. This includes nonspendable fund balance of $508,401, restricted fund balance of $9,458,346, committed fund balance of $24,760, assigned fund balance of $1,218,954 and unassigned fund balance of $678,853.

- As of December 31, 2019, the unassigned fund balance for the general fund was $1,172,352 or approximately 34 percent of total general fund expenditures. Of this amount $180,000 has been earmarked for cash management.

- The Village of Windsor's total general obligation debt increased by $7,410,000 during 2019, and total mortgage revenue bonds decreased by $26,454.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the Village of Windsor's basic financial statements. These basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements The government-wide financial statements are the *Statement of Net Position* and *Statement of Activities*. These statements present an aggregate view of the Village's finances in a manner similar to private-sector business. The government-wide financial statements can be found on pages 1 through 2 of this report.

- The ***Statement of Net Position*** presents information on all of the Village of Windsor's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.

- The ***Statement of Activities*** presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e. g., uncollected taxes and earned but unused vacation and sick leave).

Both of the government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Village include general government; public safety; public works; health, welfare and sanitation; culture, recreation and education; and conservation and development. The business-type activities of the Village include the Windsor Water Utility and Windsor Sewer Utility.

Fund financial statements The Village also produces fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities. The Village, like other state and local governments, uses fund accounting to demonstrate compliance with finance related legal requirements. Fund statements generally report operations in more detail than the Village's government-wide statements and provide information that may be useful in evaluating a Village's short-term financing requirements. There are two fund financial statements, the *Balance Sheet* and the *Statement of Revenues, Expenditures and Changes in Fund Balances.*

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements**,** fund statements focus on short-term inflows and outflows of spendable resources and their impact on fund balance.

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

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

The Village maintains 10 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the statement of revenues, expenditures, and changes in fund balances for the General Fund, Debt Service Fund, TIF District #1 and Capital Projects Fund. Data from the remaining 6 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements later in this report.

The Village of Windsor adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 3 through 6 of this report.

Proprietary funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Windsor Water and Sewer Utilities, which are considered to be major funds of the Village. The basic proprietary fund financial statements can be found on pages 7 through 11 of this report.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Village's programs. The fiduciary funds maintained by the Village of Windsor are the Tax Collection Fund, which records the tax roll and tax collections for other taxing jurisdictions within the Village, the Community Center Fund, and the Half-Century Club Fund. The basic fiduciary fund financial statements can be found on pages 12-13 of this report.

Notes to the financial statements The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 14 through 54 of this report.

Other information The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information. Individual fund statements and schedules can be found on pages 59 through 60 of this report. Debt repayment schedules can be found on pages 61 through 64 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. Table 1, below, provides a summary of the Village's net position for the year ended December 31, 2019.

Village of Windsor's Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2018	2019	2018	2019	2018	2019
Current and other assets	$ 14,114,531	$ 19,177,983	$ 4,741,277	$ 5,784,695	$ 18,855,808	$ 24,962,678
Land held for resale	1,970,347	1,760,551	-	-	1,970,347	1,760,551
Capital assets	21,156,301	26,319,278	15,323,716	15,820,600	36,480,017	42,139,878
Deferred outflows	183,879	527,273	45,020	90,054	228,899	617,327
Total assets and deferred outflows	$ 37,425,058	$ 47,785,085	$ 20,110,013	$ 21,695,349	$ 57,535,071	$ 69,480,434
Long-term liabilities outstanding	$ 14,149,123	$ 21,493,305	$ 2,727,313	$ 3,119,640	$ 16,876,436	$ 24,612,945
Other liabilities	632,930	916,233	222,490	357,318	855,420	1,273,551
Deferred Inflows	4,848,045	5,165,474	97,010	86,738	4,945,055	5,252,212
Total liabilities and deferred inflows	$ 19,630,098	$ 27,575,012	$ 3,046,813	$ 3,563,696	$ 22,676,911	$ 31,138,708
Net Position:						
Net Investment in Capital Assets	$ 14,376,032	$ 15,566,369	$ 12,596,403	$ 13,240,771	$ 26,972,435	$ 28,807,140
Restricted	1,869,564	2,514,784	1,073,426	1,213,711	2,942,990	3,728,495
Unrestricted	1,549,364	2,128,920	3,393,371	3,677,171	4,942,735	5,806,091
Total Net Position	$ 17,794,960	$ 20,210,073	$ 17,063,200	$ 18,131,653	$ 34,858,160	$ 38,341,726

The largest portion of the Village's net position (75%) reflects its investment in capital assets (e.g. land, buildings, machinery and equipment, infrastructure, etc.), less any related debt used to acquire those assets that is still outstanding. The Village uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Infrastructure placed in service prior to January 1, 2004, such as roads, storm sewers, and culverts, is reflected in these reports.

A portion of the Village's net position (10%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position ($5,806,091) may be used to meet the Village's ongoing obligations to citizens and creditors.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Table 2, below, provides a summary of the Village's operating results and their impact on net position for the year ended December 31, 2019. In 2019 the Village relied primarily on property taxes (40%), charges for services (25%), and capital grants and contributions (24%) to fund its operations. Combined, these account for 89% of all revenues or approximately $9.4 million. Program revenues, including charges for services, operating and capital grants accounted for $5.6 million of the total revenues of $10.6 million.

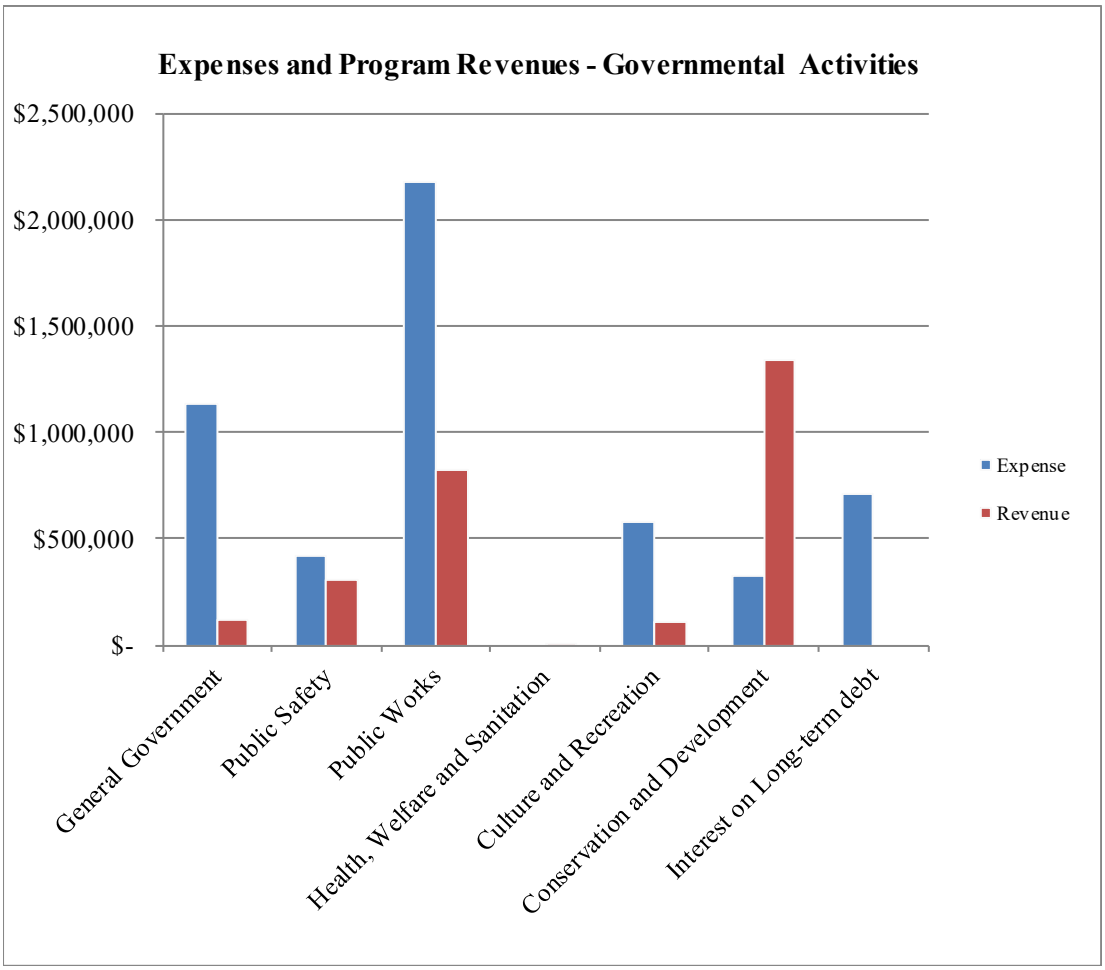
Village of Windsor's Change in Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2018	2019	2018	2019	2018	2019
Revenues:						
Program revenues:						
Charges for services and fees, fines, and costs	$ 1,191,960	$ 945,612	$ 1,664,522	$ 1,716,044	$ 2,856,482	$ 2,661,656
Operating grants and contributions	314,146	344,001	-	-	314,146	344,001
Capital grants and contributions	132,758	1,406,370	2,024,278	1,166,106	2,157,036	2,572,476
General revenues:						
Property taxes	3,870,798	4,229,748	-	-	3,870,798	4,229,748
Other taxes	94,850	114,142	-	-	94,850	114,142
Grants and contributions not restricted to specific programs	70,203	123,866	-	-	70,203	123,866
Unrestricted interest and investment	148,113	227,820	47,480	80,637	195,593	308,457
Miscellaneous	61,420	66,765	15,251	16,409	76,671	83,174
Gain (loss) on retirement of asset(s)	(28,905)	192,372	2,600	-	(26,305)	192,372
Transfers	45,000	120,000	(45,000)	(120,000)	-	-
Total Revenues	$ 5,900,343	$ 7,770,696	$ 3,709,131	$ 2,859,196	$ 9,609,474	$ 10,629,892
Expenses:						
General Government	$ 1,065,617	$ 1,129,316	$ -	$ -	$ 1,065,617	$ 1,129,316
Public Safety	1,364,538	420,641	-	-	1,364,538	420,641
Public Works	2,168,678	2,172,794	-	-	2,168,678	2,172,794
Culture, Recreation and Education	661,690	581,423	-	-	661,690	581,423
Conservation and Development	331,526	322,434	-	-	331,526	322,434
Interest on Long-Term Debt	477,934	708,705	-	-	477,934	708,705
Water & Sewer	-	-	1,478,892	1,790,743	1,478,892	1,790,743
Total Expenses	6,069,983	5,335,313	1,478,892	1,790,743	7,548,875	7,126,056
Increase (decrease) in Net Position	(169,640)	2,435,383	2,230,239	1,068,453	2,060,599	3,503,836
Net Position - January 1	18,041,481	17,794,960	14,832,961	17,063,200	32,874,442	34,858,160
Restatement	(76,881)	(20,270)	-	-	(76,881)	(20,270)
Net Position - January 1 - Restated	17,964,600	17,774,690	14,832,961	17,063,200	32,797,561	34,837,890
Net Position - December 31	$ 17,794,960	$ 20,210,073	$ 17,063,200	$ 18,131,653	$ 34,858,160	$ 38,341,726

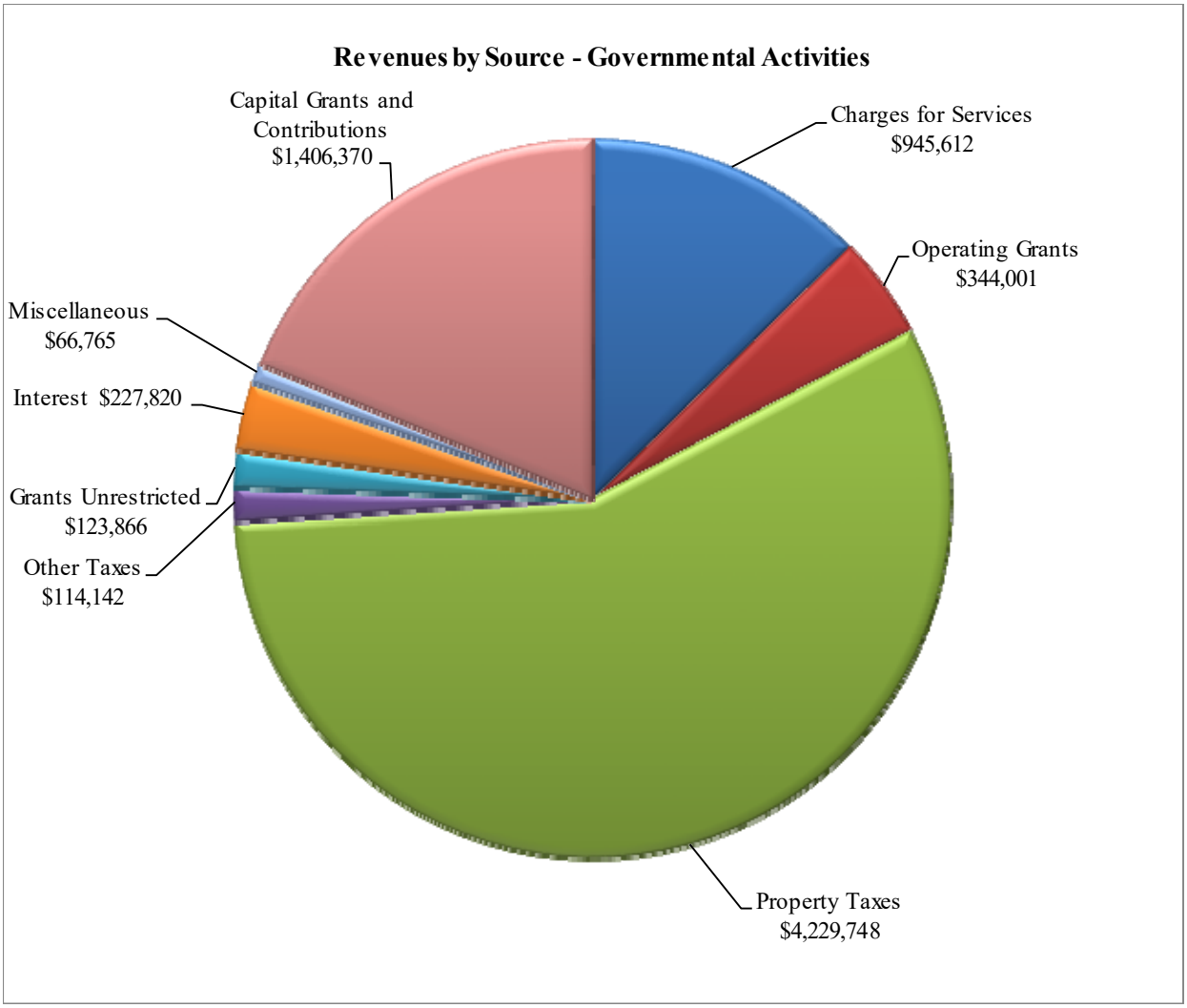
GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Governmental Activities: Governmental activities increased the Village's net position by $2,435,383. Key elements of this increase are as follows:

- Public Safety expenses decreased by $943,000 mainly due to a payment to the Fire/EMS District in the prior year. The prior year payment was primarily related to the Village's portion of the new ladder truck and ambulance.
- Conservation and Development Grants/Contributions increased by 1,336,000. This is mainly related to infrastructure paid for and installed by developers.



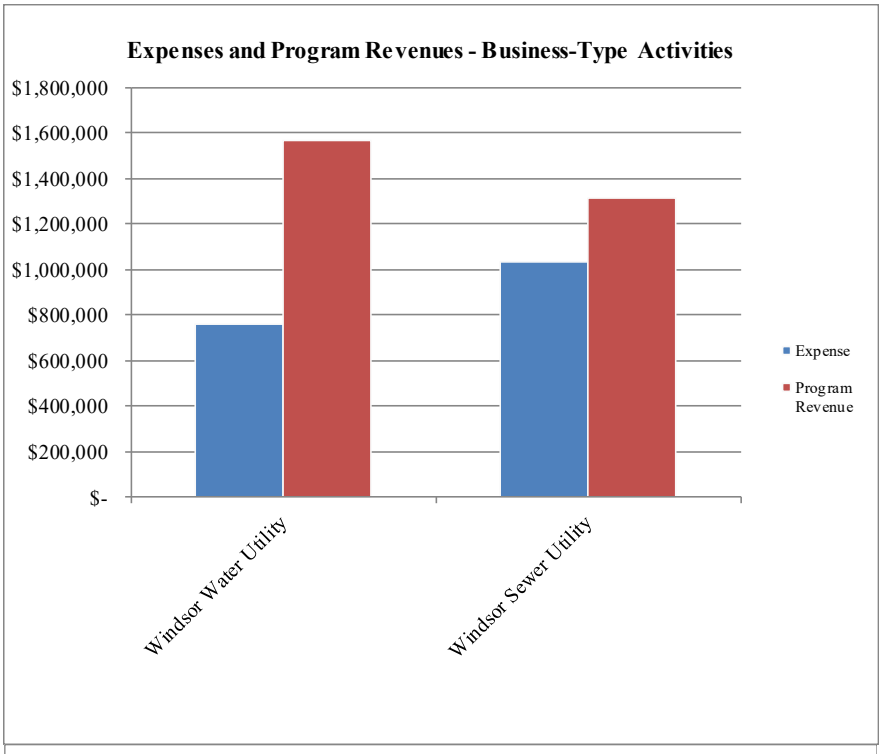
GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

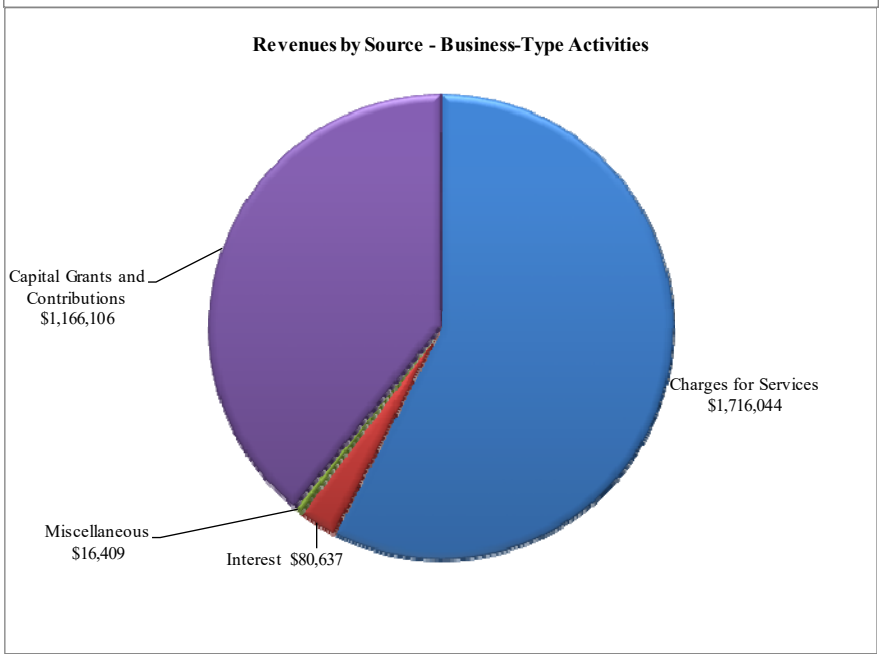


GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Business-Type Activities: Net position of the business-type activities increased by $1,068,453. The key elements of this increase were:

- Revenues from infrastructure financed and put in by developers.
- Increases in charges for services from customer growth.





FINANCIAL ANALYSIS OF THE VILLAGE OF WINDSOR'S FUNDS

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

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

As of December 31, 2019, the Village's governmental funds reported combined ending fund balances of $11,889,314, an increase of $4,554,947 from the prior year. Of the combined ending fund balance, $508,401 is nonspendable in the forms of advances receivable and prepaid expenses, $1,001,208 is restricted for impact fees, $7,509,991 is restricted for capital projects, $218,818 is restricted for parks, $382,156 for the Community Development Authority, $319,175 is restricted for debt service and $26,998 is restricted for other purposes. Committed fund balance of $24,760 is for the Token Creek Conservancy. The Village has assigned $100,000 for other purposes including emergency management, $183,822 for debt payments, $608,529 for capital projects and $326,603 for sinking funds. The general fund has an unassigned fund balance of $1,172,352 and TIF District #1 has a deficit fund balance of $493,499.

The general fund is the chief operating fund of the Village. At the end of the current year, unassigned and total fund balance of the general fund was $1,172,352 and $1,805,513, respectively. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. Unassigned fund balance represents 34% of total general fund expenditures. Total fund balance represents 53% of general fund expenditures.

During the current year, the Village's general fund balance increased by $88,536. Key factors in this decrease are as follows:

- General fund expenditures were less than the budget by $81,165, primarily in public works related to contracted engineering, wages and benefits, and contracted snow removal and salt.

- General fund revenues were more than the budget by $103,775, primarily related to interest income and other taxes.

- Culture, Recreation and Education expenditures decreased by $657,225 compared to 2018. This was primarily a result of creating a new Parkland Fees fund and reflecting park expenditures and capital outlays in the new fund.

Proprietary funds The Village's proprietary funds provide the same type of information found in the Village's government-wide financial statements, but in more detail. At December 31, 2019, the Village's proprietary funds reported combined net position of $18,131,653.

GENERAL FUND BUDGETARY HIGHLIGHTS

Differences between the original budget and the final budget did not change the amount of appropriations from the original budgeted amounts. Differences can be briefly summarized as follows:

During the year, actual revenues were more than the budgeted revenues by $103,775. The primary reasons for this variance is as follows:

- Interest Income were more than the budget by $46,012.

Actual expenditures were less than budgeted expenditures by $81,165. The primary reasons for these variances are as follows:

- Expenditures for public works were less than budget by approximately $100,300.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets The Village of Windsor's investment in capital assets for its governmental and business-type activities as of December 31, 2019 amounts to $42,139,878 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, and infrastructure and construction in progress. Infrastructure placed in service prior to January 1, 2004 (roads, storm sewers, and culverts) is included. The net increase in the Village's investment in capital assets for the current year was $5,659,861.

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

- Governmental Activities:
    - Developer financed infrastructure additions of approximately $1,336,000 that included land improvements, roads, sidewalks and storm sewer infrastructure
    - Approximately $2,000,000 in new or improvements to park lands, shelters and equipment
    - Approximately $2,140,000 in purchases of land and building for future Village revitalization projects and Village operations.
- Business-Type Activities:
    - Developer financed infrastructure additions of approximately $424,000 in the water utility and $376,000 in the sewer utility
    - Meter additions both new and replacements
    - Work in progress related to the planning for a new well.

CAPITAL ASSET AND DEBT ADMINISTRATION (Continued)

Village of Windsor's Capital Assets						
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2018	2019	2018	2019	2018	2019
Land	$ 5,906,620	$ 9,701,882	$ 180,445	$ 180,445	$ 6,087,065	$ 9,882,327
Conservation Easements	1,268,267	1,268,267	-	-	1,268,267	1,268,267
Construction in process	1,104,965	836,418	33,703	123,805	1,138,668	960,223
Building and Improvements	3,829,693	4,915,725	-	-	3,829,693	4,915,725
Equipment	1,666,227	1,707,146	2,471,256	2,471,256	4,137,483	4,178,402
Infrastructure	21,739,696	23,042,173	17,440,497	18,281,454	39,180,193	41,323,627
Total capital assets	$ 35,515,468	$ 41,471,611	$ 20,125,901	$ 21,056,960	$ 55,641,369	$ 62,528,571

Additional information on the Village of Windsor's capital assets can be found in Note 4 on page 31 through 33 of this report.

Long-term debt At December 31, 2019, the Village of Windsor had total long-term debt outstanding of $24,064,107, of which $23,660,000 was backed by the full faith of the Village.

Village of Windsor's Outstanding Debt General Obligations & Mortgage Revenue Bonds						
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2018	2019	2018	2019	2018	2019
General Obligation Debt	$ 14,010,000	$ 21,025,000	$ 2,240,000	$ 2,635,000	$ 16,250,000	$ 23,660,000
Mortgage Revenue Bonds	-	-	430,561	404,107	430,561	404,107
Total Outstanding Debt	$ 14,010,000	$ 21,025,000	$ 2,670,561	$ 3,039,107	$ 16,680,561	$ 24,064,107

During the fiscal year, the Village of Windsor's general obligation debt balance increased by $7,410,000. Additional information on the Village's long-term debt can be found in Note 5 on pages 33 through 37 of this report.

The general obligation debt outstanding of $23,660,000 is well below the allowable amount of $50,007,875 which is 5% of the valuation of taxable property as equalized for State purposes.

Economic Factors and Next Year's Budgets and Rates

Village of Windsor's financial results are dependent on several factors:

- Amount of Shared Revenue, General Transportation Aids and other grants received
- Increases in insurance, professional services and other operating costs
- Tax levy limits restrictions

All of these factors were considered in preparing the Village's budget for the 2020 fiscal year.

Contacting the Village's Financial Management

This financial report is designed to provide a general overview of the Village of Windsor's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Treasurer, Village of Windsor, 4084 Mueller Road, DeForest, WI 53532.

General information relating to the Village of Windsor, Wisconsin, can be found at the Village's website, http://www.windsorwi.gov.

BASIC FINANCIAL STATEMENT

VILLAGE OF WINDSOR

Statement of Net Position
December 31, 2019

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current Assets:			
Cash and Equivalents	$ 6,531,820	$ 3,194,553	$ 9,726,373
Receivables	1,952,007	817,509	2,769,516
Internal Balances	6,298	(6,298)	-
Due (to) from Fiduciary Funds	16,756	-	16,756
Inventories	-	25,409	25,409
Prepaid Expenses	14,902	-	14,902
Total Current Assets	8,521,783	4,031,173	12,552,956
Restricted Assets:			
Restricted Cash and Cash Equivalents	8,553,819	1,753,522	10,307,341
Total Restricted Assets	8,553,819	1,753,522	10,307,341
Capital Assets:			
Land, Improvements, Construction in Process and Infrastructure in Process	11,806,567	304,250	12,110,817
Other Capital Assets, Net of Depreciation	14,512,711	15,516,350	30,029,061
Total Capital Assets	26,319,278	15,820,600	42,139,878
Other Non-Current Assets:			
Land Held for Resale	1,760,551	-	1,760,551
Investment in Joint Ventures	2,102,381	-	2,102,381
Total Other Non-Current Assets	3,862,932	-	3,862,932
Total Assets	47,257,812	21,605,295	68,863,107
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows - Pensions	507,495	90,054	597,549
Deferred Outflows - Retiree Life Insurance	19,778	-	19,778
Total Deferred Outflows	527,273	90,054	617,327
Total Assets and Deferred Outflows of Resources	$ 47,785,085	$ 21,695,349	$ 69,480,434
LIABILITIES			
Current Liabilities:			
Accounts Payable and Accrued Expenses	$ 319,551	$ 288,278	$ 607,829
Due to Other Governmental Agencies	2,269	-	2,269
Accrued Interest Payable	226,084	23,521	249,605
Current Portion of Long-Term Debt	1,425,000	231,760	1,656,760
Total Current Liabilities	1,972,904	543,559	2,516,463
Non-Current Liabilities:			
Net Pension Liability	183,730	32,603	216,333
Net OPEB Liability	147,606	-	147,606
Long-Term Debt	20,068,305	2,887,880	22,956,185
Compensated Absences	36,993	12,916	49,909
Total Non-Current Liabilities	20,436,634	2,933,399	23,370,033
Total Liabilities	22,409,538	3,476,958	25,886,496
DEFERRED INFLOWS OF RESOURCES			
Regulatory Credit	-	40,353	40,353
Tax Levy	4,860,031	-	4,860,031
Deferred Inflows - Pensions	261,400	46,385	307,785
Deferred Inflows - Retiree Life Insurance	43,502	-	43,502
Other	541	-	541
Total Deferred Inflows of Resources	5,165,474	86,738	5,252,212
NET POSITION			
Net Investment in Capital Assets	15,566,369	13,240,771	28,807,140
Restricted For:			
Special Revenues	245,816	-	245,816
Capital Projects	1,567,637	1,213,711	2,781,348
Debt Service	701,331	-	701,331
Unrestricted	2,128,920	3,677,171	5,806,091
Total Net Position	20,210,073	18,131,653	38,341,726
Total Liabilities, Deferred Inflows of Resources and Net Position	$ 47,785,085	$ 21,695,349	$ 69,480,434

See accompanying notes to the basic financial statements

VILLAGE OF WINDSOR

Statement of Activities
For the Year Ended December 31, 2019

		Program Revenue			Net (Expense) Revenue and Changes in Net Position Primary Government		
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**	**Business-Type Activities**	**Total**
Primary Government							
Governmental Activities							
General Government	$ 1,129,316	$ 119,977	$ -	$ -	$ (1,009,339)		$ (1,009,339)
Public Safety	420,641	266,044	37,130	-	(117,467)		(117,467)
Public Works	2,172,794	447,329	305,810	70,364	(1,349,291)		(1,349,291)
Health, Welfare and Sanitation	-	-	260	-	260		260
Culture, Recreation and Education	581,423	109,312	801	-	(471,310)		(471,310)
Conservation and Development	322,434	2,950	-	1,336,006	1,016,522		1,016,522
Interest on Long-Term Debt	708,705	-	-	-	(708,705)		(708,705)
Total Governmental Activities	5,335,313	945,612	344,001	1,406,370	(2,639,330)		(2,639,330)
Business-Type Activities							
Windsor Water Utility	761,374	809,183	-	759,877	-	807,686	807,686
Windsor Sewer Utility	1,029,369	906,861	-	406,229	-	283,721	283,721
Total Business-Type Activities	1,790,743	1,716,044	-	1,166,106	-	1,091,407	1,091,407
Total Primary Government	$ 5,335,313	$ 945,612	$ 344,001	$ 1,406,370	(2,639,330)	1,091,407	(1,547,923)
General Revenues:							
Taxes:							
Property taxes, levied for general purposes					2,282,559	-	2,282,559
Property taxes, levied for debt service					1,590,505	-	1,590,505
Property taxes, TIF increment					356,684	-	356,684
Room taxes					30,301	-	30,301
Other taxes					83,841	-	83,841
Grants and contributions not restricted to specific programs					123,866	-	123,866
Unrestricted investment earnings					227,820	80,637	308,457
Miscellaneous					66,765	16,409	83,174
Special item - gain(loss) on sale of assets					192,372	-	192,372
Transfers					120,000	(120,000)	-
Total General Revenues, Special Items and Transfers					5,074,713	(22,954)	5,051,759
Change in Net Position					2,435,383	1,068,453	3,503,836
Net Position - Beginning, as previously reported					17,794,960	17,063,200	34,858,160
Prior Period Adjustment - See Note 13					(20,270)	-	(20,270)
Net Position - Beginning					17,774,690	17,063,200	34,837,890
Net Position - Ending					$ 20,210,073	$ 18,131,653	$ 38,341,726

See accompanying notes to the basic financial statements

VILLAGE OF WINDSOR

Balance Sheet
Governmental Funds
December 31, 2019

	General Fund	Debt Service	TIF District #1	Capital Projects	Non-Major Governmental Funds	Total Governmental Funds
ASSETS						
Cash and Cash Equivalents	$ 1,461,860	$ 502,997	$ -	$ 608,529	$ 1,023,756	$ 3,597,142
Cash Collections - Advanced Taxes	1,756,435	928,006	250,237	-	-	2,934,678
Restricted Cash	-	-	-	7,552,091	1,001,728	8,553,819
Receivables:						
Taxes	1,090,298	660,946	178,225	-	-	1,929,469
Special Assessments	3,899	-	-	-	-	3,899
Other	18,639	-	-	-	56,574	75,213
Due from Other Funds	23,054	-	-	-	50,271	73,325
Advances Receivable	493,499	-	-	-	-	493,499
Prepaid Expenses	14,902	-	-	-	-	14,902
Total Assets	$ 4,862,586	$ 2,091,949	$ 428,462	8,160,620	$ 2,132,329	$ 17,675,946
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES (DEFICITS)						
Liabilities:						
Accounts Payable and Accrued Liabilities	$ 157,476	$ -	$ -	$ 42,100	$ 73,058	$ 272,634
Accrued Liabilities	-	-	-	-	103,488	103,488
Due to Other Funds	50,271	-	-	-	-	50,271
Payable to Other Governments	2,269	-	-	-	-	2,269
Advances Payable	-	-	493,499	-	-	493,499
Total Liabilities	210,016	-	493,499	42,100	176,546	922,161
Deferred Inflows:						
Tax Levy	2,273,262	1,588,952	428,462	-	-	4,290,676
Special Charges	573,795	-	-	-	-	573,795
Total Deferred Inflows	2,847,057	1,588,952	428,462	-	-	4,864,471
Fund Balances (Deficits):						
Nonspendable	508,401	-	-	-	-	508,401
Restricted	-	319,175	-	7,509,991	1,629,180	9,458,346
Committed	24,760	-	-	-	-	24,760
Assigned	100,000	183,822	-	608,529	326,603	1,218,954
Unassigned (Deficits)	1,172,352	-	(493,499)	-	-	678,853
Total Fund Balances	1,805,513	502,997	(493,499)	8,118,520	1,955,783	11,889,314
Total Liabilities, Deferred Inflows and Fund Balances (Deficits)	$ 4,862,586	$ 2,091,949	$ 428,462	$ 8,160,620	$ 2,132,329	$ 17,675,946

See accompanying notes to the basic financial statements

VILLAGE OF WINDSOR

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
December 31, 2019

Total fund balance, governmental funds		$ 11,889,314
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.		26,319,278
Land held for resale is capitalized on government-wide financial statements but is recorded as an expenditure when purchased on the fund financial statements. This is the amount after adjustment for sales of land.		1,760,551
Certain other long-term assets (Deferred Outflows/Inflows) are not available to pay current period expenditures or are not current obligations and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.		3,896
Investment in joint ventures are not financial resources and, therefore, are not reported in the fund statements. This amount represents the current investment in the fire district and community center.		2,102,381
The net pension liability is not a financial obligation in the current period and, therefore, is not reported in the fund financial statements.		(183,730)
The net Retiree Life Insurance OPEB liability is not due and payable in current period and, therefore, is not reported in the fund statements.		(147,606)
Pension and OPEB deferred outflows of resources and deferred inflows of resources are actuarially determined by the defined benefit pension and OPEB plans. These items are reflected in the Statement of Net Position and are being amortized with pension expense in the Statement of Activities. The deferred outflows of resources and deferred inflows of resources are not financial resources or uses and, therefore, are not reported in the fund statements.		
Deferred outflows of resources	527,273	
Deferred inflows of resources	(304,902)	222,371
Some liabilities, (such as Long-Term Debt and Accrued Interest), are not due and payable in the current period and are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Position.		
Current portion of Long-Term Debt	(1,425,000)	
Non-current portion of Long-Term Debt	(19,600,000)	
Net Discount (Premium) on Long-Term Debt	(468,305)	
Compensated Absences	(36,993)	
Accrued Interest	(226,084)	(21,756,382)
Net Position of Governmental Activities in the Statement of Net Position		$ 20,210,073

See accompanying notes to the basic financial statements

VILLAGE OF WINDSOR

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2019

	General Fund	Debt Service	TIF District #1	Capital Projects	Non-Major Governmental Funds	Total Governmental Funds
REVENUES						
Property Taxes	$ 2,192,558	$ 1,590,505	$ 356,684	$ -	$ 90,000	$ 4,229,747
Other Taxes	114,135	-	-	-	-	114,135
Intergovernmental	443,093	-	505	24,278	-	467,876
License and Permits	268,907	-	-	-	75,181	344,088
Fines, Forfeits and Penalties	11,805	-	-	-	-	11,805
Public Charges for Services	466,808	-	-	-	117,712	584,520
Interest Income	66,623	18,785	-	106,135	36,278	227,821
Miscellaneous Income	36,396	23,810	-	2,089	66,455	128,750
Total Revenues	3,600,325	1,633,100	357,189	132,502	385,626	6,108,742
EXPENDITURES						
Current:						
General Government	962,674	1,303	8,761	1,955	48,565	1,023,258
Public Safety	947,913	-	-	-	-	947,913
Public Works	1,079,254	-	-	-	180	1,079,434
Culture, Recreation and Education	407,360	-	-	-	117,188	524,548
Conservation and Development	26,779	-	266,493	-	-	293,272
Capital Outlay	-	-	4,377	4,972,383	103,007	5,079,767
Debt Service:						
Principal Repayment	-	1,306,043	-	-	-	1,306,043
Interest Expense and Fiscal Charges	-	345,065	122,175	59,885	-	527,125
Total Expenditures	3,423,980	1,652,411	401,806	5,034,223	268,940	10,781,360
Excess (Deficiency) of Revenues Over Expenditures	176,345	(19,311)	(44,617)	(4,901,721)	116,686	(4,672,618)
OTHER FINANCING SOURCES (USES)						
Proceeds from Long-Term Debt	-	-	-	8,290,000	-	8,290,000
Premium on Long-Term Debt	-	372,810	-	-	-	372,810
Transfers In	207,466	-	-	86,632	295,275	589,373
Transfers Out	(295,275)	(86,632)	-	-	(87,466)	(469,373)
Total Other Financing Sources and Uses	(87,809)	286,178	-	8,376,632	207,809	8,782,810
SPECIAL ITEM						
Proceeds from Sale of Land Held for Resale	-	-	-	444,755	-	444,755
Net Change in Fund Balances	88,536	266,867	(44,617)	3,919,666	324,495	4,554,947
Fund Balances (Deficit) - Beginning	1,716,977	236,130	(448,882)	4,198,854	1,631,288	7,334,367
Fund Balances (Deficit) - Ending	$ 1,805,513	$ 502,997	$ (493,499)	$ 8,118,520	$ 1,955,783	$ 11,889,314

See accompanying notes to the basic financial statements

VILLAGE OF WINDSOR

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2019

Net change in fund balances - total governmental funds:	$	4,554,947
Amounts reported for Governmental Activities in the Statement of Activities are different because:		
Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period.		
This is the amount by which depreciation ($1,063,312) was less than capital outlays ($4,932,870) in the current period.		3,869,558
Contributions of capital assets are recorded on the Statement of Net Position as an asset and as revenue in the statement of activities.		1,336,006
Gain (Loss) on disposal of capital assets during the period.		(42,587)
The proportionate share of the change in net position related to joint ventures reported in the Statement of Activities.		528,981
Compensated absences are reported in the governmental funds as an expenditure, but is reported as a reduction in long-term debt in the Statement of Net Position and does not affect the Statement of Activities.		
Change in compensated absences		8,408
The Statement of Activities reports only the net gain or (loss) on the sale of the land held for resale. The amount indicated here is the recovery of the basis on the sale of the land held for resale.		(209,796)
Governmental funds record revenues when they are available to pay current obligations. In contrast, such revenues are reported in the Statement of Activities when earned. This amount represents revenue recorded on the fund financial statements that was accrued in previous years.		(1,760)
Governmental funds report debt proceeds as current financial resources. In contrast, the Statement of Activities treats such issuance of debt as a liability. Governmental funds report repayment of debt principal as an expenditure, In contrast, the Statement of Activities treats such repayments as a reduction in long-term liabilities. This is the amount of principal repayments on debt ($1,275,000) and principal payments on capital leases ($31,043) less current year proceeds ($8,290,000) during the year.		(6,983,957)
Current year debt premium to be amortized over the life of the loan		(372,810)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds:		
Change in accrued interest		(178,828)
Amortization of debt discount not reflected on Governmental funds		(2,752)
Amortization of debt premium not reflected on Governmental funds		15,337
Pension and other post employment benefit expenses reported in the governmental funds represents current year required contributions into the defined benefit pension plan. Pension expense in the Statement of Activities is actuarially determined by the defined benefit pension plan as the difference between the net pension (asset) liability from the prior year to the current year, with some adjustments.		
Amount of current year required contributions into the defined benefit pension and OPEB plan		(66,812)
Actuarially determined change in net pension and OPEB (asset) liability between years, with adjustments		(18,552)
Change in Net Position of governmental activities	$	2,435,383

See accompanying notes to the basic financial statements

VILLAGE OF WINDSOR

Statement of Net Position
Proprietary Funds
December 31, 2019

	Enterprise Funds		
	Windsor Water Utility	**Windsor Sewer Utility**	**Total**
ASSETS			
Current Assets:			
Cash and Cash Equivalents	$ 1,042,452	$ 2,152,101	$ 3,194,553
Receivables:			
Special Assessments	643,881	4,071	647,952
Accounts	73,520	96,037	169,557
Inventories	25,409	-	25,409
Total Current Assets	1,785,262	2,252,209	4,037,471
Restricted Assets:			
Restricted Cash and Cash Equivalents	1,753,522	-	1,753,522
Total Restricted Assets	1,753,522	-	1,753,522
Capital Assets:			
Land and Improvements	127,420	53,025	180,445
Construction Work in Progress	123,805	-	123,805
Other Capital Assets	13,345,590	7,407,120	20,752,710
Less: Accumulated Depreciation	(2,835,119)	(2,401,241)	(5,236,360)
Net Capital Assets	10,761,696	5,058,904	15,820,600
Total Assets	14,300,480	7,311,113	21,611,593
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Pension Outflows	70,838	19,216	90,054
Total Deferred Outflows of Resources	70,838	19,216	90,054
Total Assets and Deferred Outflows of Resources	$ 14,371,318	$ 7,330,329	$ 21,701,647

See accompanying notes to the basic financial statements

VILLAGE OF WINDSOR

Statement of Net Position
Proprietary Funds
December 31, 2019

	Enterprise Funds		
	Windsor Water Utility	**Windsor Sewer Utility**	**Total**
LIABILITIES			
Current Liabilities:			
Accounts Payable	$ 97,306	$ 190,397	$ 287,703
Accrued Liabilities	575	-	575
Accrued Interest Payable	23,521	-	23,521
Due to Other Funds	4,937	1,361	6,298
Current Portion of G.O. and Revenue Bonds Payable	231,760	-	231,760
Total Current Liabilities	358,099	191,758	549,857
Non-Current Liabilities:			
Net Pension Liability	25,646	6,957	32,603
Long-Term Debt:			
G.O. and Revenue Bonds Payable	2,887,880	-	2,887,880
Total Long-Term Debt	2,887,880	-	2,887,880
Other Liabilities			
Compensated Absences	11,025	1,891	12,916
Total Other Liabilities	11,025	1,891	12,916
Total Non-Current Liabilities	2,924,551	8,848	2,933,399
Total Liabilities	3,282,650	200,606	3,483,256
DEFERRED INFLOWS OF RESOURCES			
Other Deferred Credits	40,353	-	40,353
Deferred Pension Inflows	36,487	9,898	46,385
Total Deferred Inflows of Resources	76,840	9,898	86,738
NET POSITION			
Net Investment in Capital Assets	8,181,867	5,058,904	13,240,771
Restricted For Capital Projects	1,213,711	-	1,213,711
Unrestricted	1,616,250	2,060,921	3,677,171
Total Net Position	11,011,828	7,119,825	18,131,653
Total Liabilities, Deferred Inflows of Resources and Net Position	$ 14,371,318	$ 7,330,329	$21,701,647

See accompanying notes to the basic financial statements

Village of Windsor

Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2019

	Enterprise Funds		
	Windsor Water Utility	**Windsor Sewer Utility**	**Total**
OPERATING REVENUES			
Charges for Services	$ 800,724	$ 785,495	$ 1,586,219
Other Operating Revenues	2,629	118,666	121,295
Total Operating Revenues	803,353	904,161	1,707,514
OPERATING EXPENSES			
Operation and Maintenance	395,601	886,146	1,281,747
Depreciation	292,849	143,223	436,072
Total Operating Expenses	688,450	1,029,369	1,717,819
Operating Income (Loss)	114,903	(125,208)	(10,305)
NON-OPERATING REVENUES (EXPENSES)			
Interest and Investment Revenue	40,816	39,822	80,638
Miscellaneous Non-Operating Revenue	22,238	2,700	24,938
Interest Expense	(72,924)	-	(72,924)
Total Non-Operating Revenues (Expenses)	(9,870)	42,522	32,652
Income (Loss) Before Transfers and Special Items	105,033	(82,686)	22,347
Capital Contributions - Developers	464,947	375,949	840,896
Impact and Connection Fees	294,930	30,280	325,210
Transfers Out	(120,000)	-	(120,000)
Change in Net Position	744,910	323,543	1,068,453
Net Position - Beginning	10,266,918	6,796,282	17,063,200
Total Net Position - Ending	$ 11,011,828	$ 7,119,825	$ 18,131,653

See accompanying notes to the basic financial statements

VILLAGE OF WINDSOR

Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2019

	Enterprise Funds		
	Windsor Water Utility	**Windsor Sewer Utility**	**Total**
Cash Flows from Operating Activities:			
Receipts from customers	$ 803,644	$ 1,055,024	$ 1,858,668
Payments (to) from others	4,937	1,892	6,829
Payments to suppliers	(153,941)	(807,699)	(961,640)
Payments to employees	(174,472)	(47,871)	(222,343)
Taxes paid	(129,268)	(2,538)	(131,806)
Net cash provided (used) by operating activities	350,900	198,808	549,708
Cash Flows from Capital and Related Financing Activities:			
Acquisition and construction of plant assets	(69,193)	-	(69,193)
Proceeds from long-term debt	495,000	-	495,000
Impact fees and special assessments collected	727,410	30,280	757,690
Principal payments on long-term debt	(126,456)	-	(126,456)
Interest paid	(68,321)	-	(68,321)
Net cash provided (used) by capital and related financing activities	958,440	30,280	988,720
Cash Flows from Investing Activities:			
Investment of proceeds from long-term debt	(569,393)	-	(569,393)
Interest Income	78,606	39,822	118,428
Net cash provided (used) by investing activities	(490,787)	39,822	(450,965)
Net increase (decrease) in cash and equivalents	818,553	268,910	1,087,463
Cash and Equivalents, Beginning of year	1,408,027	1,883,191	3,291,218
Cash and Equivalents, End of year	$ 2,226,580	$ 2,152,101	$ 4,378,681
Reconciliation to Balance Sheet			
Cash and cash equivalents	$ 1,042,452	$ 2,152,101	$ 3,194,553
Restricted cash	1,753,522	-	1,753,522
Non cash equivalents	(569,394)	-	(569,394)
Total	$ 2,226,580	$ 2,152,101	$ 4,378,681

See accompanying notes to the basic financial statements

VILLAGE OF WINDSOR

Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2019

	Enterprise Funds		
	Windsor Water Utility	**Windsor Sewer Utility**	**Total**
Reconciliation of operating income (loss) to net cash provided (used) by operating activities			
Operating Income (loss)	$ 114,903	$ (125,208)	$ (10,305)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:			
Tax equivalent transfer	(120,000)	-	(120,000)
Joint meter allocation	7,811	(7,811)	-
Miscellaneous non-operating revenues (expenses)	35,928	2,700	38,628
Depreciation	292,849	143,223	436,072
Pension expenses	8,559	2,266	10,825
Changes in Assets and Liabilities:			
Customer accounts receivable	(826)	147,704	146,878
Other accounts receivable	1,117	3,159	4,276
Due from/to other funds	4,937	1,892	6,829
Other assets	33	38	71
Accounts payable	(5,436)	29,484	24,048
Accrued liabilities	11,025	1,361	12,386
Net cash provided (used) by operating activities	$ 350,900	$ 198,808	$ 549,708
Noncash Capital and Related Financing			
Capital Included in Accounts Payable	$ 60,657	$ -	$ 60,657
Capital Contributions - Plant Financed by Developers	$ 427,157	$ 193,538	$ 620,695

See accompanying notes to the basic financial statements

VILLAGE OF WINDSOR

Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2019

	Community Center	Half-Century Club	Tax Collection	Total Fiduciary Funds
ASSETS				
Cash and Cash Equivalents	$ 580,340	$ 83,216	$ 9,066,996	$ 9,730,552
Receivables:				
Taxes Receivable	-	-	6,481,832	6,481,832
Other Receivables	8,687	26	-	8,713
Prepaid Expenses	11,754	-	-	11,754
Total Receivables	600,781	83,242	15,548,828	16,232,851
Investments:				
Other Investments	-	50,695	-	50,695
Total Investments	-	50,695	-	50,695
Capital Assets, Net	-	1,596,590	-	1,596,590
Total Assets	$ 600,781	$ 1,730,527	$ 15,548,828	$ 17,880,136
LIABILITIES				
Accounts Payable	$ 13,478	$ 3,512	$ -	$ 16,990
Accrued Liabilities	20,114	-	-	20,114
Due to Other Funds	16,756	-	-	16,756
Due to Other Governments	-	-	15,548,828	15,548,828
Total Liabilities	50,348	3,512	15,548,828	15,602,688
NET POSITION				
Restricted for Other Organizations	550,433	1,727,015	-	2,277,448
TOTAL NET POSITION	$ 550,433	$ 1,727,015	$ -	$ 2,277,448

See accompanying notes to the basic financial statements

VILLAGE OF WINDSOR

Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended December 31, 2019

	Community Center	Half-Century Club	Tax Collection	Total Fiduciary Funds
ADDITIONS				
Property Tax Collections for Other Governments	$ -	$ -	$ 11,823,026	$ 11,823,026
Operating Grants and Contributions	488,557	67,972	-	556,529
Charges for Services	8,778	-	-	8,778
Interest Income	7,519	3,142	-	10,661
Miscellaneous	17,851	2,531	-	20,382
Total Additions	522,705	73,645	11,823,026	12,419,376
DEDUCTIONS				
Payments of Taxes to Other Governments	-	-	11,823,026	11,823,026
Operating Expenses	460,586	73,583	-	534,169
Total Deductions	460,586	73,583	11,823,026	12,357,195
Net Increase (Decrease) in Fiduciary Net Position	62,119	62	-	62,181
Net Position - Beginning	488,314	1,726,953	-	2,215,267
Net Position - Ending	$ 550,433	$ 1,727,015	$ -	$ 2,277,448

See accompanying notes to the basic financial statements

1. Summary of Significant Accounting Policies

The accounting policies of the Village of Windsor (formerly the Town of Windsor), Wisconsin conform to generally accepted accounting principles as applicable to governmental units.

A. Reporting Entity

This report includes all of the funds of the Village of Windsor. The reporting entity for the Village consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government. This report does not contain the Madison Metropolitan Sewer District, Windsor Lake District, and Oak Springs Lake District which the Village does not consider component units. See Note 10 regarding intergovernmental agreements.

Incorporation

On November 3, 2015, the Town of Windsor residents passed a referendum to legally incorporate as a village. The Village of Windsor was officially incorporated as of November 9, 2015. Under incorporation as a Village, all utility districts within the boundaries of the Village become a utility(ies) of the newly formed Village. There were (4) operating sanitary districts as of the date of incorporation that dissolved by operation of law at the time of incorporation. The financial statements presented report all funds of the Village, including the sanitary districts that are reported as proprietary/business-type funds.

Component Units

Community Development Authority

The financial statements include the Village's Community Development Authority (CDA) as a component unit. The CDA is a legally separate organization. The board of the CDA is appointed by the Village board. The CDA meets the criteria of a component unit of the Village. As a component unit, the Authority's financial statements have been presented as a blended entity in the basic financial statements. It was blended since the Village issued debt to purchase land for the benefit on the CDA. The information presented is for the fiscal year ended December 31, 2019.

1. Summary of Significant Accounting Policies (Continued)
B. Government-Wide and Fund Financial Statements

Government-wide financial statements are basic financial statements required for all governmental units. The Statement of Net Position and the Statement of Activities are the two required statements. Both statements are prepared on the full accrual basis. The modified accrual basis of accounting continues to be the appropriate basis of accounting for governmental fund financial statements.

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type 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 and services.

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

Fund Financial Statements

Fund financial statements of the reporting entity are organized into individual funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, deferred outflows, liabilities, deferred inflows, net position/fund equity, revenues, and expenditure/expenses.

In addition, all funds in the fund financial statements are reported as proprietary, governmental, or fiduciary funds. The definitions for these types of activities are discussed in other portions of Note 1.

Funds are organized as major funds or non-major funds within the governmental and proprietary statements. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

a. Total assets and deferred outflows, liabilities and deferred inflows, revenues, or expenditures/ expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type and;

b. Total assets and deferred outflows, liabilities and deferred inflows, revenues or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

c. In addition, any other governmental or proprietary fund that the Village believes is particularly important to financial statement users may be reported as a major fund.

1. Summary of Significant Accounting Policies (Continued)
B. Government-Wide and Fund Financial Statements (Continued)

Governmental Funds

The Village reports the following major governmental funds:

General Fund – accounts for the Village's primary operating activities. It is used to account for all financial resources except those required to be accounted for in another fund.

Debt Service Fund – used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related charges.

Tax Incremental Financing District No. 1 (TIF District #1) – transactions of the Village's tax incremental districts are accounted for capital project funds along with capital outlay projects for which the Village borrowed money.

Capital Projects Fund – accounts for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

The Village, in addition to the major funds identified above, reports the following non-major funds:

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to or committed for expenditures for specified purposes. The Village accounts for activity of the Developer Charge-back and Parkland Fees Funds as Special Revenue Funds. These funds are managed by the Village.

Other Capital Projects Funds – The Non-Major Capital Project Funds include the Purchase of Development Rights Fund, the Capital Projects Reserve/Replacement Fund and the Impact Fee Fund.

Community Development Authority Fund ("CDA") – accounts for the CDA's primary operating activities.

Proprietary Funds

Proprietary funds are used to account for operations a) that are financed and operated in a manner similar to private business enterprise – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or b) where the governing body has decided that periodic determination of revenues earned, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The following proprietary funds are included in these statements:

Windsor Water Utility – accounts for the operation of the water system (Major Fund)
Windsor Sewer Utility – accounts for the operation of the sewer system (Major Fund)

1. Summary of Significant Accounting Policies (Continued)
B. Government-Wide and Fund Financial Statements (Continued)

Fiduciary Funds

Fiduciary funds consist of pension (and other employee benefit) trust funds, private-purpose trust funds, investment trust funds, and custodial funds. Fiduciary funds should be used only to report resources held for individuals, private organizations, or other governments. A fund is presented as a fiduciary fund when all of the following criteria are met: a) The government *controls* the assets that finance the activity, b) Assets are *not* generated from the *government's own-source revenues* or from government-mandated or voluntary nonexchange transactions, c) Assets are administered through a *qualifying trust or* the government does *not* have *administrative involvement* and the assets are *not* generated from the *government's delivery of goods or services* to the beneficiaries, *or* the assets are for the benefit of *entities that are not part of the government's reporting entity.*

The Village reports the following fiduciary funds:

Custodial Funds - used to account for assets held by the Village in a trustee capacity or as an agent for individuals, private organizations, and/or other governmental units. The Village has the following custodial funds: Community Center, Half Century Club and the Tax Collection Fund. The Village accounts for tax collections payable to overlying taxing jurisdictions in a custodial fund.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Measurement focus refers to what is being measured, basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

Goverent-Wide Financial Statements

The government-wide Statement of Net Position and Statement of Activities are reported using the economic resources measurement focus and 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 used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred inflows. Grants and similar items are recognized as revenue when earned.

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. “Measurable” means the amount of the transaction can be determined. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the Village considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences, and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

2. Summary of Significant Accounting Policies (Continued)
C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Fund Financial Statements (Continued)

Property taxes are recorded in the year levied as receivables and deferred inflows. They are recognized as revenues in the succeeding year when services financed by the levy are being provided.

Intergovernmental aids and grants are recognized as revenues in the period the Village is entitled to the resources and the amounts are available. Amounts owed to the Village, which are not available, are recorded as receivables and deferred inflows. Amounts received prior to the entitlement period are also recorded as deferred inflows.

Special assessments are recognized as revenues when they become measurable and available as current assets. Annual installments due in future years are reflected as receivables and deferred inflows. Delinquent special assessments being held for collection by the county are reported as receivables and deferred inflows in the general fund.

Revenues susceptible to accrual include property taxes, miscellaneous taxes, public charges for services, special assessments, and interest. Other general revenues such as fines and forfeitures, inspection fees, recreation fees, and miscellaneous revenues are recognized when received in cash or when measurable and available under the criteria described above.

The Village reports deferred inflows on its governmental funds balance sheet. Deferred inflows arise from taxes levied in the current year, which are for subsequent year's operations. For governmental fund financial statements, deferred inflows arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred inflows also arise when resources are received before the Village has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Village has a legal claim to the resources, the liability for deferred inflow is removed from the balance sheet and revenue is recognized.

Proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and accrual basis of accounting, as described previously in this note. The proprietary funds distinguish operating revenues and expenses form nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary funds' principal ongoing operations. The principal operating revenues of the water and sewer utilities are charged to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

1. Summary of Significant Accounting Policies (Continued)
D. Assets, Liabilities, and Net Position or Equity

1) Cash and Cash Equivalents/Investments

The Village has pooled the cash resources of its funds in order to maximize investment opportunities. Each fund's portion of total cash and investments is reported as cash and cash equivalents/investments by the Village's individual major funds, and in the aggregate for non-major and custodial funds.

All deposits of the Village are made in board designated official depositories and are secured as required by State Statute. The Village may designate, as an official depository, any bank or savings association. Also, the Village may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

Investments with remaining maturities at the time of purchase of one year or less are stated at amortized cost which approximates fair value. Investments with a maturity of more than one year at acquisition and nonmoney market investments are carried at fair value as determined by quoted market prices.

See Footnote 2 for additional information.

2) Taxes Receivable

Property taxes are levied prior to the end of the calendar year and are due and collectible in the following year. Property taxes attach as an enforceable lien as of January 1. The Village's portion of taxes is recorded as a receivable in the general fund. The County acts as the collecting agency for all Village taxes. Since Village property taxes are not considered available until January 1 of the year following the levy, they are recorded as deferred inflows in the funds budgeted therefore. Taxes are levied in December on the assessed value as of the prior January 1.

Property tax calendar – 2019 tax roll

Lien date and levy date	December, 2019
Tax Bills mailed	December, 2019
Payment in full, or	January 31, 2020
First installment due	January 31, 2020
Second installment due	July 31, 2020
Personal property taxes in full	January 31, 2020
Tax sale – 2019 delinquent real estate taxes	October, 2022

3) Allowance for Uncollectible Accounts

General fund accounts receivable have been adjusted for all known uncollectible accounts. No allowance was determined to be necessary for delinquent personal property taxes at year-end. Delinquent real estate taxes as of July 31 are paid in full by the county, which assumes the collection thereof.

1. Summary of Significant Accounting Policies (Continued)
D. Assets, Liabilities, and Net Position or Equity (Continued)

4) Special Assessments

Assessments against property owners for public improvements are generally not subject to full settlement in the year levied. Deferred special assessments are placed on tax rolls on an installment basis. Revenue from special assessments recorded in governmental funds is recognized as collections are made or as current installments are placed on tax rolls. Special assessments of enterprise funds are recorded as non-operating revenue at the time of assessment, if subject to collection. Deferred special assessments, those not subject to collection, are recorded as deferred inflow until such time they are subject to collection.

Uncollected installments placed on prior year tax rolls are held for collection by Dane County and are remitted to the Village upon collection by the County. These delinquent installments are financed by the general fund.

5) Inventories and Prepaid Items

Inventories

Governmental fund inventory items are charged to expenditure accounts when purchased. Year-end inventory was not material. Inventories of proprietary funds are generally used for construction and/or for operation and maintenance work. They are not for resale. They are valued at cost using the weighted average method and are charged to construction and/or operation and maintenance expense when used.

Prepaid

Expenditures paid in advance of the period the expenditure is incurred are recorded as prepaid assets.

6) Capital Assets

Government-Wide Statements

In the government-wide financial statements, fixed assets are accounted for as capital assets. Capital assets are defined by the government as tangible and intangible assets that have useful lives that extend beyond a single reporting period. Capitalization thresholds for capitalizing individual fixed assets and groups of fixed assets is $5,000. Land and non-depreciable land improvements are all recorded.

All capital assets are valued at historical cost or estimated historical cost if actual amounts are unavailable. Donated fixed assets are recorded at their estimated fair value at the date of donation.

Governmental units are required to account for all capital assets, including infrastructure, in the government-wide statements. Retroactive reporting of all major general infrastructure assets is encouraged but not required. Infrastructure acquired prior to 2005 has been recorded.

1. Summary of Significant Accounting Policies (Continued)
D. Assets, Liabilities, and Net Position or Equity (Continued)

6) Capital Assets (Continued)

General Fixed Assets
Fixed assets acquired or constructed for general governmental services are recorded as expenditures in the fund from which the disbursements are made. Generally accepted accounting principles require that these fixed assets be capitalized at cost in the government-wide financial statements. Contributed fixed assets are to be recorded in the government-wide financial statements at fair market value at the time received. Interest incurred during construction is not capitalized.

Depreciation on governmental fixed assets is calculated using the straight-line method based on the estimated useful life of assets. The estimated useful life of assets is determined by industry standards as recommended by GASB.

Proprietary Fund Fixed Assets

Assets in the enterprise fund are capitalized at cost or fair value at date of contribution or acquisition.

Normal repairs and maintenance that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining lives of the related assets. Net interest costs incurred for long-term debt issued for construction purposes is capitalized during the period of construction. Net interest cost consists of interest expense on long-term debt proceeds. No interest was capitalized in 2019.

Depreciation is charged over the estimated service life of the assets using the straight-line method. Annual depreciation charges are determined using the average utility plant in service and rates ranging from 1.0% to 26.70% for the water utility and from 1.0% to 20.0% for the sewer utility, depending on the various classes of property, in the respective utilities.

7) Pensions

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

1. Summary of Significant Accounting Policies (Continued)
D. Assets, Liabilities, and Net Position or Equity (Continued)

8) Other Post-Employment Benefits (OPEB)

The fiduciary net position of the Local Retiree Life Insurance Fund (LRLIF) has been determined using the flow of economic resources measurement focus and the accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other post-employment benefits, OPEB expense, and information about the fiduciary net position of the LRLIF and additions to/deductions from LRLIFs fiduciary net position have been determined on the same basis as they are reported by LRLIF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

9) Debt Issuance Costs / Discounts

In governmental funds, debt issuance costs and discounts are recognized as expenditures in the current period. For the government-wide financial statements, only debt discounts are deferred and amortized over the term of the debt issue.

10) Compensated Absences

Under terms of employment, Village employees are granted vacations and sick leave in varying amounts. Regular full-time employees who retire from the Village employment under the provisions of the Wisconsin Retirement System will receive credit for accrued, unused sick leave up to a maximum of 240 hours to be used by the Village for purposes of paying the premium for continued health insurance coverage for the employee and his/her dependents for any plan in which the employee is participating at the time of his/her retirement. Employees will not be credited with any pro-rated amount of sick leave for the year in which retirement occurs. Accrued, unused sick leave is not otherwise paid out at termination for employees who are not retiring. A liability has been recorded in the government-wide financial statements for accumulated unused sick leave.

11) Deferred Outflows and Inflows of Resources

Deferred outflow of resources represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred inflow of resources represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

12) Long-Term Obligations

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term obligations consist primarily of notes and bond payable, and accrued compensated absences.

Proceeds of long-term debt issues not recorded as fund liabilities are reflected as “Other Financing Sources” in the operating statement of the recipient fund. Retirement of these issues is reported as an expenditure of the debt service fund in the year in which the debt matures or is repaid, whichever is earlier.

1. Summary of Significant Accounting Policies (Continued)
D. Assets, Liabilities, and Net Position or Equity (Continued)

13) Equity Classifications

Government-Wide Statements

Equity is classified as Net Position and displayed in three components:

a. Net Investment in Capital Assets – Consists of capital assets including restricted 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.
b. Restricted Net Position – Consists of net position with constraints placed on their 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.
c. Unrestricted Net Position – All other net position that does not meet the definition of "restricted" or "net investment in capital assets".

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

Fund Financial Statements

Government fund equity is classified as fund balance.

In the fund financial statements, governmental fund balance is presented in five possible categories:

Nonspendable – resources which cannot be spent because they are either a) not in spendable form or; b) legally or contractually required to be maintained intact.

Restricted – resources with constraints placed on the use of resources are either a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

Committed – resources which are subject to limitation the government imposes upon itself at its highest level of decision making, and that remain binding unless removed in the same manner.

Assigned – resources neither restricted nor committed for which a government has a stated intended use as established by the Village Board or a body or official to which the Village Board has delegated the authority to assign amounts for specific purposes.

Unassigned – resources which cannot be properly classified in one of the other four categories. The General Fund is the only fund that reports a positive unassigned fund balance amount. Unassigned balances also include negative balances in the governmental funds reporting resources restricted for specific programs.

When restricted and other fund balance resources are available for use, it is the Village's practice to use restricted resources first, followed by committed, assigned, and unassigned amounts, respectively.

1. Summary of Significant Accounting Policies (Continued)
D. Assets, Liabilities, and Net Position or Equity (Continued)

13) Equity Classifications (Continued)

Any excess revenues and other financing sources over expenditures and other financing uses at the end of the fiscal year will be added to the General Fund unassigned fund balance. Windsor will work to achieve and then maintain an unassigned fund balance in the General Fund to provide for unanticipated expense of a non-recurring nature. It is Windsor's goal to maintain a General Fund unassigned fund balance at a range of not less than 25% to 30% of the current operating budget.

Windsor's long-term goal is to maintain an unassigned General Fund balance that would alleviate the need to borrow short-term for operation cash flow needs. Unassigned fund balance in the General Fund that exceeds this goal may be used for one-time expenditures or unforeseen costs (e.g., uninsured damages). The General Fund unassigned fund balance is not intended to be used for recurring costs, which should be included in the operating budget.

14) Land Held for Resale

The government-wide financial statements include land held for resale. This represents the original cost of land purchased by the Village's CDA and held for resale back to a developer. The value of the asset has been adjusted and reduced to the cost of the remaining number of acres.

15) Claims and Judgments

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. Claims and judgments that would normally be liquidated with expendable available financial resources are recorded during the year as expenditures in the governmental funds. If they are not to be liquidated with expendable available financial resources, no liability is recognized in the governmental fund statements. The related expenditure is recognized when the liability is liquidated. Claims and judgments are recorded in the government-wide statements as expenses when the related liabilities are incurred. There were no significant claims or judgments at year-end.

E. Utility Rates – Proprietary Funds

The Village of Windsor Sewer Utilities operate under service rules which are established by the Village Board. The Water Utilities operate under service rules which are established by the Public Service Commission of Wisconsin. Water rate charges are regulated by the Public Service Commission. Billings are made to customers on a monthly basis for water and sewer service.

F. Income Taxes

The Village of Windsor Water and Sewer Utilities are municipal utilities. Municipal utilities are exempt from income taxes and therefore no income tax liability is recorded.

1. Summary of Significant Accounting Policies (Continued)

G. Budgetary Information

Budgets

The Village's budget is adopted in accordance with Chapter 65 of the Wisconsin Statutes. Changes to appropriations authorized in the adopted budget generally require a vote of two-thirds of the entire membership of the governing body. Budgetary expenditure control is exercised at the individual account level.

Budget amounts include appropriations authorized in the original budget, any board approved amendments, appropriations of restricted resources received for funding specific expenditures and designated portions of the beginning balance of the general fund's equity expected to finance expenditures of the current fiscal year. Unused appropriations lapse at year-end unless specifically carried over for financing subsequent year expenditures.

The General Fund includes special revenue funds that do not meet the criteria of an individual fund under GASB 54. The budgetary comparison schedule on page 55 does not include these special revenue funds. A reconciliation is provided to reconcile to the Statement of Revenues, Expenditures and Changes in Fund Balance on page 6.

H. Inter-fund Transactions

Quasi-external transactions are accounted for as revenues, expenditures or expenses.

Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other inter-fund transactions, except quasi-external transactions and reimbursements, are reported as transfers.

I. Tax Incremental Financing District

The Village has one Tax Incremental District (TID). TID's are authorized by Section 66.1105 of the Wisconsin Statutes. It is a method by which the Village can recover its project costs in the designated district of the Village. Those costs are recovered through tax increments, which are placed on the tax rolls. The transactions of the TID are shown in the TIF District No. 1 fund, a major fund.

J. Limitations on the Village Tax Levy

As part of Wisconsin's Act 28 (2009), legislation was passed that limits the Village's future tax levies. Generally, the Village is limited to its prior tax levy dollar amount (excluding TIF districts), increased by the greater of the percentage change in the Village's equalized value due to new construction, or 0%. Changes in debt service from one year to the next are generally exempt from this limit.

1. Summary of Significant Accounting Policies (Continued)

K. Change in Accounting Principle

Effective January 1, 2019, the Village adopted provisions of GASB statement No. 84, Fiduciary Activities. GASB No. 84 on Fiduciary Activities, establishes general criteria for determining what activities should be reported in the fiduciary funds and requires the recognition of a liability when an event has occurred that requires the disbursement of fiduciary resources. Implementation of GASB No. 84 Fiduciary Activities replaces Agency Fund types with Custodial Funds for the accumulation of assets for entities outside the government's reporting entity. Unlike Agency Funds, Custodial Funds present a statement of net position and a statement of changes in net position. The statement of changes in fiduciary net position reports additions and deductions for taxes collected and distributed on behalf of or to other governments.

2. Cash and Cash Equivalents/Investments

As previously discussed, cash for all Village funds are pooled for investment purposes. At December 31, 2019, the cash and investments consist of the following:

Village Deposits		Risks
Petty Cash/Cash on Hand	$ 200	
Money Market Fund	796,229	Custodial Credit
Deposits with Financial Institutions	17,968,529	Custodial Credit
Wisconsin Local Government Investment Pool	3,280,597	Credit/Interest Rate
Debt Securities	6,196,902	Credit/Interest Rate
Mutual Funds	580,000	Credit
Certificates of Deposit	941,809	Custodial Credit/Interest Rate
Total Cash and Investments	$ 29,764,266	

Cash and investments as of December 31, 2019 are classified in the accompanying financial statements as follows:

Government-Wide Statement of Net Position	
Cash and Equivalents	$ 9,726,373
Restricted Cash and Equivalents	10,307,341
Fiduciary Statement of Net Position	
Cash and Equivalents	9,730,552
	$ 29,764,266

2. Cash and Cash Equivalents/Investments (Continued)

Investments Authorized by Wisconsin Statutes

Investment of Village funds is restricted by State Statutes. Available investments are limited to:

(1) Deposits in any credit union, bank, savings bank, trust company or savings and loan association which is authorized to transact business in this State;
(2) Bonds or securities issued or guaranteed as to principal and interest by the federal government, or by a commission, board or other instrumentality of the federal government;
(3) Bonds or securities of any county, drainage district, VTAE district, village, city, town, or school district of this State;
(4) Any security which matures or which may be tendered for purchase at the option of the holder within not more than seven years of the date on which it is acquired, if that security has a rating which is the highest or second highest rating category assigned by Standard & Poor's Corporation, Moody's investor service or other similar nationally recognized rating agency or if that security is senior to, or on a parity with, a security of the same issuer which has such a rating;
(5) Bonds or securities issued under the authority of the municipality;
(6) The local government pooled-investment fund as established under Section 25.50 of the Wisconsin Statutes;
(7) Agreements in which a public depository agrees to repay funds advanced to it by the Village plus interest, if the agreement is secured by bonds or securities issued or guaranteed as to principal and interest by the federal government;
(8) Securities of an open-end management investment company or investment trust, subject to various conditions and investment options;
(9) Repurchase agreements with public depositories, with certain conditions;
(10) Bonds issued by the University of Wisconsin Hospital and Clinics Authority, and the Wisconsin Aerospace Authority.

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 rates.

The Village's investment policy states that it will minimize this risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity. The Village's investments included the following:

		Investment Maturities			
Investment Type	**Fair Value**	**Less Than 6 Months**	**6 Months to 1 Year**	**1 Year to 5 Years**	**More Than 5 Years**
Local Government Investment Pool	$ 3,280,597	$ 3,280,597	$ -	$ -	$ -
Debt Securities	6,196,902	4,302,530	1,894,372	-	-
Certificates of Deposit	941,809	107,028	170,236	664,545	-
Total	$ 10,419,308	$ 7,690,154	$ 2,064,609	$ 664,545	$ -

2. Cash and Cash Equivalents/Investments (Continued)

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. State law limits investments in commercial paper, corporate bonds and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. The Village's formal investment policy limits this risk by limiting investments to the type of securities permitted by state statutes. As of December 31, 2019, the Village's investments were rated as follows:

Investment Type	Rating	Fair Value
Local Government Investment Pool	Unrated	$ 3,280,597
Mortgage Bond	AA+	1,607,162
Mortgage Bond	AAA	1,101,835
United States Treasury Bills	AAA	649,649
United States Treasury Notes	AA+	2,838,256
Mutual Funds	AAA	580,000
		$ 10,057,499

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Village would 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 custodial risk for investments is the risk that, in the event of failure of the counterparty (e.g. broker-dealer) to a transaction, the Village would not be able to recover the value of its investment of collateral securities that are in the possession of another party. The Village does not have an investment policy for custodial credit risk.

Deposits in each local and area bank are insured by the FDIC in the amount of $250,000 for time and savings accounts and $250,000 for demand deposit accounts. Bank accounts and the local government investment pool are also insured by the State Deposit Guarantee Fund in the amount of $400,000. However, due to the relatively small size of the Guarantee Fund in relationship to the total deposits covered and other legal implications, recovery of material principal losses may be significant to individual organizations.

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board (SWIB). The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. All investments are valued at amortized cost by the SIF for purposes of calculating earnings to each participant. Specifically, the SIF distributes income to pool participants monthly, based on their average daily share balance. Distributions include interest income based on stated rates (both paid and accrued), amortization of discounts and premiums on a straight-line basis, realized investment gains and losses calculated on an amortized cost basis, and investment expenses. This method does not distribute to participants any unrealized gains or losses generated by the pool's investments. Detailed information about the SIF is available in separately issued financial statements available at http://www.doa.state.wi.us/Divisions/Budget-and-Finance/LGIP. Participants in the LGIP have the right to withdraw their funds in total on one day's notice.

2. Cash and Cash Equivalents/Investments (Continued)

At December 31, 2019, the fair value of the Village's share of the LGIP's assets was substantially equal to the amount reported above. Information on derivatives was not available to the Village.

SWIB may invest in obligations of the U.S. Treasury and its agencies, Commercial Paper, Bank Time Deposits/Certificates of Deposit, Bankers' Acceptances, Asset Backed Securities and Repurchase Agreements secured by the U.S. Government or its agencies and other instruments authorized under State Investment Fund investment guidelines.

Investment allocation in the LGIP as of December 31, 2019 was: 88.05% in U.S. Government Securities, 2.7% in Certificates of Deposit and Bankers' Acceptances and 9.25% in Commercial Paper and Corporate Notes. The Wisconsin State Treasurer updates the investment allocations on a monthly basis.

As of December 31, 2019, none of the Village's deposits with financial institutions were in excess of federal and state depository insurance limits. Deposits were exposed to custodial credit risk as follows:

Insured by Federal Deposit Insurance	$ 15,670,551
Insured State Deposit Insurance	741,070
	$ 16,411,621

Fluctuating cash flows during the year due to tax collections, receipt of state aids and proceeds from borrowing may have resulted in temporary balances during the year exceeding uninsured amounts at the balance sheet date.

Concentration of Credit Risk

The Village does not have a policy for concentration of credit risk. No Village investment represents 5% or more of the total investments.

Restricted Cash

The following schedule details the restricted cash at December 31, 2019:

	Governmental Funds	Business-Type Funds	
		Water Utility	Sewer Utility
Impact Fees	$ 1,001,728	$ 705,131	$ -
Unspent Bond Proceeds	7,552,091	539,811	-
Water Replacement Fund	-	508,580	-
	$ 8,553,819	$ 1,753,522	$ -

3. Fair Value Measurement

Financial assets required to be measured on a recurring basis are classified under a three-tier hierarchy for fair value investments. Fair value is the amount that would be received to sell an asset, or paid to settle a liability, in an orderly transaction between market participants at the measurements date.

The Village uses the following hierarchical disclosure framework:

Level 1 – Measurement based upon quoted prices for identical assets in an active market as of the reporting date.

Level 2 – Measurement based upon marketplace inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices in active markets for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in inactive markets, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Measurement based on the Village's assumptions about a hypothetical marketplace because observable market inputs are not available as of the reporting date.

The Village uses appropriate valuation techniques based on the available inputs to measure the fair values of its assets and liabilities. When available, the Village measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs have the lowest priority.

	Assets at Fair Value as of December 31, 2019			
	Fair Value	Level 1	Level 2	Level 3
Mutual Funds	$ 580,000	$ 580,000	$ -	$ -
Mortgage Bonds	2,708,997	-	2,708,997	-
Treasury Notes & Bills	3,487,905	-	3,487,905	-
	$ 6,776,902	$ 580,000	$ 6,196,902	$ -

4. Capital Assets

Capital asset activity in the governmental activities for the year ended December 31, 2019 was as follows:

	Balance 1/1/19	Additions	Retirements	Balance 12/31/19
Governmental Activities				
Non-depreciable Capital Assets:				
Land and Improvements	$ 5,906,620	$ 3,795,262	$ -	$ 9,701,882
Conservation Easements	1,268,267	-	-	1,268,267
Construction in Progress	1,104,965	2,502,065	2,770,612	836,418
Total Non-depreciable Capital Assets	8,279,852	6,297,327	2,770,612	11,806,567
Capital Assets Being Depreciated:				
Buildings and Improvements	3,829,693	1,220,197	134,165	4,915,725
Equipment	1,666,227	219,487	178,568	1,707,146
Infrastructure	21,739,696	1,302,477	-	23,042,173
Total Capital Assets Being Depreciated	27,235,616	2,742,161	312,733	29,665,044
Total Capital Assets	$ 35,515,468	$ 9,039,488	$ 3,083,345	$ 41,471,611
Less: Accumulated Depreciation for:				
Buildings and Improvements	$ 1,683,557	$ 166,474	$ 107,465	$ 1,742,566
Equipment	884,138	173,068	162,681	894,525
Infrastructure	11,791,472	723,770	-	12,515,242
Total Accumulated Depreciation	14,359,167	1,063,312	270,146	15,152,333
Capital Assets Net of Depreciation	$ 21,156,301	$ 7,976,176	$ 2,813,199	$ 26,319,278

Depreciation expense was charged to functions as follows:

Governmental Activities	
General Government	$ 68,570
Public Safety	3,456
Public Works	818,308
Conservation and Development	5,017
Culture, Recreation and Education	167,961
Total Governmental Activities Depreciation Expense	$ 1,063,312

4. Capital Assets (Continued)

Capital assets activity in the business-type activities for the year ended December 31, 2018 was as follows:

	Balance 1/1/19	Additions	Retirements	Balance 12/31/19
Business-Type Activities				
Water Utility				
Non-depreciable Capital Assets:				
Land	$ 127,420	$ -	$ -	$ 127,420
Construction Work in Progress	33,703	90,102	-	123,805
Total Non-depreciable Capital Assets	161,123	90,102	-	251,225
Capital Assets Being Depreciated:				
Source of Supply	571,827	-	-	571,827
Pumping Equipment	1,937,634	-	-	1,937,634
Water Treatment	8,155	-	-	8,155
Transmission and Distribution	10,171,184	467,408	2,400	10,636,192
Administrative and General Assets	191,782	-	-	191,782
Total Capital Assets Being Depreciated	12,880,582	467,408	2,400	13,345,590
Total Capital Assets	13,041,705	557,510	2,400	13,596,815
Less: Accumulated Depreciation	(2,536,356)	(300,660)	(1,897)	(2,835,119)
Capital Assets Net of Depreciation	$ 10,505,349	$ 256,850	$ 503	$ 10,761,696

	Balance 1/1/19	Additions	Retirements	Balance 12/31/19
Business-Type Activities				
Sewer Utility				
Non-depreciable Capital Assets:				
Land	$ 53,025	$ -	$ -	$ 53,025
Total Non-depreciable Capital Assets	53,025	-	-	53,025
Capital Assets Being Depreciated:				
Collection	6,697,486	375,949	-	7,073,435
Pumping Equipment	224,019	-	-	224,019
Administrative and General Assets	109,666	-	-	109,666
Total Capital Assets Being Depreciated	7,031,171	375,949	-	7,407,120
Total Capital Assets	7,084,196	375,949	-	7,460,145
Less: Accumulated Depreciation	(2,265,829)	(135,412)	-	(2,401,241)
Capital Assets Net of Depreciation	$ 4,818,367	$ 240,537	$ -	$ 5,058,904

4. Capital Assets (Continued)

Depreciation expense was charged to functions as follows:

Business-Type Activities:	
Water Utility	$ 292,849
Sewer Utility	143,223
Total	$ 436,072

5. Long-Term Obligations

Long-term obligations activity for the year ended December 31, 2019 was as follows:

	Balance 1/1/19	Increases	Decreases	Balance 12/31/19
Governmental Activities				
Bonds, Notes and Other Payables:				
General Obligation Bonds and Notes	$ 13,165,000	$ 6,290,000	$ 1,170,000	$ 18,285,000
Notes from Direct Borrowing	845,000	2,000,000	105,000	2,740,000
Capital Lease Obligations	31,043	-	31,043	-
Add/(Subtract) Deferred Amounts For:				
(Discounts)/Premiums	108,080	372,810	12,585	468,305
Sub-Total	14,149,123	8,662,810	1,318,628	21,493,305
Other Liabilities:				
Compensated Absences	45,401	-	8,408	36,993
Total Other Liabilities	45,401	-	8,408	36,993
Total Governmental Activities Long-Term Liabilities	$ 14,194,524	$ 8,662,810	$ 1,327,036	$ 21,530,298
Business-Type Activities				
General Obligation Bonds and Notes	$ 2,240,000	$ 545,000	$ 150,000	$ 2,635,000
Direct Borrowing - Revenue Bonds	430,561	-	26,454	404,107
Add/(Subtract) Deferred Amounts For:				
(Discounts)/Premiums	56,752	30,099	6,318	80,533
Sub-Total	2,727,313	575,099	182,772	3,119,640
Other Liabilities:				
Compensated Absences	-	12,916	-	12,916
Total Other Liabilities	-	12,916	-	12,916
Total Business-Type Activities Long-Term Liabilities	$ 2,727,313	$ 588,015	$ 182,772	$ 3,132,556

5. Long-Term Obligations (Continued)

Payments on the bonds and notes payable that pertain to the Village's governmental activities are made by the debt service funds, except for TIF debt. The compensated absences liability attributable to the governmental activities will be liquidated primarily by the General Fund and the liability attributable to the business-type activities will be liquidated by the Water and Sewer utilities.

General Obligation Debt

All general obligation notes and bond payable are backed by the full faith and credit of the Village. Notes and bonds in the governmental funds will be retired by future property tax levies and revenues accumulated by the debt service fund. Business-type activities debt is payable by revenues from user fees of those funds, or if the revenues are not sufficient, by future tax levies.

Cities, Villages, and Townships are statutorily limited to using 5% of their equalized value to borrow general obligation debt. According to these state statutes, the Village of Windsor is limited to borrowing $50,007,875. General obligation debt subject to this limit is $23,660,000 leaving the Village with an available debt margin of $26,347,875 as of December 31, 2019.

General obligation long-term debt issues outstanding at December 31, 2019 and total debt outstanding were as follows:

Original Amount	Date of Issue	Year of Maturity	Interest Rate	Outstanding Principal	Amount Due Within One Year
Governmental Activities					
$ 2,160,000	2/16/2015	2025	0.5-2.3%	$ 1,300,000	$ 275,000
500,000	3/31/2015	2025	2.47%	300,000	50,000
3,000,000	10/7/2015	2035	3.0-4.125%	3,000,000	75,000
690,000	6/21/2016	2026	2.00-2.75%	35,000	5,000
550,000	2/2/2017	2027	2.65%	440,000	55,000
5,975,000	9/5/2018	2038	3.0-3.375%	5,870,000	180,000
2,240,000	9/5/2018	2023	2.6-3.0%	1,790,000	450,000
6,290,000	9/26/2019	2032	3.00%	6,290,000	335,000
1,300,000	10/4/2019	2029	3.75%	1,300,000	-
700,000	12/13/2019	2029	3.75%	700,000	-
Total Governmental Activities -- General Obligation Debt				$ 21,025,000	$ 1,425,000
Business-Type Activities					
Water Utility					
$ 1,280,000	6/21/2016	2029	2.00-3.00%	$ 1,025,000	$ 95,000
1,180,000	7/12/2017	2035	1.20-3.25%	1,065,000	60,000
545,000	6/29/2019	2032	3.00%	545,000	50,000
Total Business-Type Activities -- General Obligation Debt				$ 2,635,000	$ 205,000

5. Long-Term Obligations (Continued)

General Obligation Debt (Continued)

The annual payments necessary to retire the general obligation debt including interest are as follows:

	Governmental Activities General Obligation Debt		
Year	Principal	Interest	Total
2020	$ 1,320,000	$ 635,865	$ 1,955,865
2021	1,250,000	521,200	1,771,200
2022	1,260,000	488,425	1,748,425
2023	1,280,000	452,619	1,732,619
2024	955,000	415,344	1,370,344
2025-2029	5,720,000	1,594,988	7,314,988
2030-2034	4,885,000	673,638	5,558,638
2035-2038	1,615,000	123,431	1,738,431
Total	$ 18,285,000	$ 4,905,509	$ 23,190,509

	Governmental Activities Notes from Direct Borrowings		
Year	Principal	Interest	Total
2020	$ 105,000	$ 19,183	$ 124,183
2021	271,141	119,913	391,054
2022	305,830	82,516	388,346
2023	313,361	72,277	385,638
2024	321,028	31,909	352,937
2025-2029	1,423,640	149,353	1,572,993
Total	$ 2,740,000	$ 475,151	$ 3,215,151

	Business-Type Activities General Obligation Debt		
Year	Principal	Interest	Total
2020	$ 205,000	$ 72,762	$ 277,762
2021	200,000	61,091	261,091
2022	195,000	56,568	251,568
2023	200,000	51,850	251,850
2024	205,000	46,779	251,779
2025-2029	1,075,000	151,094	1,226,094
2030-2034	480,000	44,900	524,900
2035	75,000	1,219	76,219
Total	$ 2,635,000	$ 486,262	$ 3,121,262

5. Long-Term Obligations (Continued)

Revenue Debt

Business-type activities revenue bonds are payable only from revenue derived from the operation of the water and sewer utilities. Revenue debt outstanding at December 31, 2019 is as follows:

Original Amount	Date of Issue	Year of Maturity	Interest Rate	Outstanding Principal	Amount Due Within One Year
Business-Type Activities					
Water Utility					
$ 500,000	6/12/2013	2033	1.155%	$ 404,107	$ 26,760
Total Business-Type Activities -- Revenue Debt				$ 404,107	$ 26,760

Debt service requirements to maturity are as follows:

	Business-Type Activities Revenue Debt - Direct Borrowings		
Year	Principal	Interest	Total
2020	$ 26,760	$ 4,513	$ 31,273
2021	27,069	4,202	31,271
2022	27,382	3,888	31,269
2023	27,698	3,569	31,267
2024	28,018	3,248	31,266
2025-2029	145,019	11,281	156,299
2030-2033	122,162	2,842	125,004
Total	$ 404,107	$ 33,542	$ 437,649

5. Long-Term Obligations (Continued)

Revenue Debt (Continued)

The Village issued revenue bonds that require restrictive provisions and covenants. The more major provisions require that reserves be maintained and that the net revenues for each fiscal year provide debt coverage at least equal to 110% in the Water Fund.

The following is the bond reserves of the Water Fund and the calculations of the coverage as of December 31, 2019:

	Windsor Water Utility
Bond Reserves	
Replacement Account	$ 508,580
Total	$ 508,580
Coverage Covenant Calculation	
Gross Revenue	$ 803,353
Other Revenues	63,054
Operation and Maintenance Expenses - (Excluding Depreciation)	(395,601)
Net Revenues	$ 470,806
Maximum annual debt service	$ 31,273
Percent Coverage	1505%
Percent Coverage Required	110%

6. Interfund Transactions

The following interfund payables and receivables were outstanding as of December 31, 2019.

Receivable Fund	Payable Fund	Amount	Purpose
General	Community Center (Custodial)	$ 16,756	Operations
General	TIF District #1	493,499	Cash shortfall
CDA	General	50,271	Operations
General	Water Utility	4,937	Reimbursement
General	Sewer Utility	1,361	Reimbursement
Sub-Total - Fund Financial Statements		566,824	
Less: Fund Eliminations		(543,770)	
Less: Interfund with Custodial Funds		(16,756)	
Total - Government-Wide Statement of Net Position		$ 6,298	

For the Statement of Net Position, interfund balances which are owed within the governmental or business activities are netted and eliminated.

The following are interfund transfers that occurred:

Receivable Fund	Payable Fund	Amount	Purpose
General Fund	Water Utility	$ 120,000	Tax Equivalent
General Fund	Impact Fee Fund	87,466	Reimbursement
Parkland Fees Fund	General Fund	245,004	Prior Park Fees Collected
Capital Projects	Debt Service	86,632	Proceeds from Land Sales
CDA	General Fund	50,271	Operations
Sub-Total - Governmental Fund Financial Statements		589,373	
Less: Fund Eliminations		(469,373)	
Total Transfers - Government-Wide Statement of Activities		$ 120,000	

For the Statement of Activities, inter-fund transfers within the governmental activities or business-type activities are netted and eliminated.

7. Leases

Lease of Village Hall - Lessor

On September 4, 2003, the Village entered into a lease with the Dane County Sheriff's Department for occupancy of approximately 2,500 square feet of the existing Village Hall for the period of January 1, 2004 through August 31, 2004. Effective September 1, 2004, the Dane County Sheriff's Department occupied approximately 7,000 square feet of the remodeled Village Hall. The Village occupies and maintains the remaining portion of the building.

The lease term is for twenty-one years commencing January 1, 2004 and ending midnight of the 31st day of December 2024. Effective January 1, 2005, the lease calls for the Sheriff's Department to pay $12,700 a quarter, on the first day of January, April, July, and October through 2024. The Village received $50,800 in lease payments in 2019.

Lease of Village Owned Property - Lessor

During 2019 the Village purchased several properties for the purpose of acquiring land for future Village revitalization projects. Several of these properties had tenant rental agreements that transferred to the Village. Most of the remaining rental agreements as of December 31, 2019 are set to expire during 2020 or are on a month to month lease. Rental income from these properties during 2019 was $27,075.

8. Defined Benefit Pension Plan

Plan description. The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 1200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

ETF issues a standalone Comprehensive Annual Financial Report (CAFR), which can be found at http://etf.wi.gov/publications/cafr.htm.

Vesting. For employees beginning participation on or after January 1, 1990, and no longer actively employed on or after April 24, 1998, creditable service in each of five years is required for eligibility for a retirement annuity. Participants employed prior to 1990 and on or after April 24, 1998, and prior to July 1, 2011, are immediately vested. Participants who initially became WRS eligible on or after July 1, 2011, must have five years of creditable service to be vested.

Benefits provided. Employees who retire at or after age 65 (54 for protective occupations and 62 for elected officials and executive service retirement plan participants, if hired on or before 12/31/2016) are entitled to a retirement benefit based on a formula factor, their final average earnings, and creditable service.

Final average earnings is the average of the participant's three highest annual earnings periods. Creditable service includes current service and prior service for which a participant received earnings and made contributions as required. Creditable service also includes creditable military service. The retirement benefit will be calculated as a money purchase benefit based on the employee's contributions plus matching employer's contributions, with interest, if that benefit is higher than the formula benefit.

Vested participants may retire at or after age 55 (50 for protective occupations) and receive an actuarially-reduced benefit. Participants terminating covered employment prior to eligibility for an annuity may either receive employee-required contributions plus interest as a separation benefit or leave contributions on deposit and defer application until eligible to receive a retirement benefit.

The WRS also provides death and disability benefits for employees.

8. Defined Benefit Pension Plan (Continued)

Post-Retirement Adjustments. The Employee Trust Funds Board may periodically adjust annuity payments from the retirement system based on annual investment performance in accordance with s. 40.27, Wis. Stat. An increase (or decrease) in annuity payments may result when investment gains (losses), together with other actuarial experience factors, create a surplus (shortfall) in the reserves, as determined by the system's consulting actuary. Annuity increases are not based on cost of living or other similar factors. For Core annuities, decreases may be applied only to previously granted increases. By law, Core annuities cannot be reduced to an amount below the original, guaranteed amount (the "floor") set at retirement. The Core and Variable annuity adjustments granted during recent years are as follows:

Year	Core Fund Adjustment	Variable Fund Adjustment
2009	(2.1%)	(42.0%)
2010	(1.3)	22.0
2011	(1.2)	11.0
2012	(7.0)	(7.0)
2013	(9.6)	9.0
2014	4.7	25.0
2015	2.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0
2018	2.4	17.0

Contributions. Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for general category employees, including teachers, and Executives and Elected Officials. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

During the reporting period, the WRS recognized $65,711 in contributions from the Village.

Contribution rates as of December 31, 2019 are:

Employee Category	Employee	Employer
General (including teachers, executives, and elected officials)	6.55%	6.55%
Protective with Social Security	6.55%	10.55%
Protective without Social Security	6.55%	14.95%

8. Defined Benefit Pension Plan (Continued)

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

At December 31, 2019 the Village reported a liability (asset) of $216,333 for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of December 31, 2017 rolled forward to December 31, 2018. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Village's proportion of the net pension liability (asset) was based on the Village's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2018, the Village's proportion was 0.00608072%, which was an increase of 0.00044217% from its proportion measured as of December 31, 2017.

For the year ended December 31, 2019, the Village recognized pension expense of $143,062.

At December 31, 2019, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 168,490	$ (297,830)
Changes of assumptions	36,465	-
Net difference between projected and actual earnings on pension plan investments	315,939	-
Changes in proportion and difference between Village contributions and proportionate share of contributions	7,573	(9,955)
Village contributions subsequent to the measurement date	69,082	-
Total	$ 597,549	$ (307,785)

8. Defined Benefit Pension Plan (Continued)

$69,082 reported as deferred outflows related to pension resulting from the Village's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ended December 31:	Net Deferred Outflows (Inflows) of Resources
2020	$ 79,130
2021	19,146
2022	36,459
2023	85,947
2024	-
	$ 220,682

Actuarial assumptions. The total pension liability in the December 31, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2017
Measurement Date of Net Pension Liability (Asset):	December 31, 2018
Actuarial Cost Method:	Entry Age
Asset Valuation Method:	Fair Market Value
Long-Term Expected Rate of Return:	7.0%
Discount Rate:	7.0%
Salary Increases:	
Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality:	Wisconsin 2018 Mortality Table
Post-Retirement Adjustments*	1.9%

** No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 21.9% is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate..*

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. Based on this experience study, actuarial assumptions used to measure the Total Pension Liability changed from prior year, including the discount rate, long-term expected rate of return, post-retirement adjustment, wage inflation rate, mortality and separation rates. The Total Pension Liability for December 31, 2018 is based upon a roll-forward of the liability calculated from the December 31, 2017 actuarial valuation.

8. Defined Benefit Pension Plan (Continued)

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

Asset Allocation Targets and Expected Returns
As of December 31, 2018

Core Fund Asset Class	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
Global Equities	49	8.1	5.5
Fixed Income	24.5	4	1.5
Inflation Sensitive Assets	15.5	3.8	1.3
Real Estate	9	6.5	3.9
Private Equity/Debt	8	9.4	6.7
Multi-Asset	4	6.7	4.1
Total Core Fund	110	7.3	4.7
Variable Fund Asset Class			
U.S. Equities	70	7.6	5.0
International Equities	30	8.5	5.9
Total Variable Fund	100	8	5.4

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.5%
Asset Allocations are managed within established ranges; target percentages may differ from actual monthly allocations.

Single Discount rate. A single discount rate of 7.00% was used to measure the Total Pension Liability, as opposed to a discount rate of 7.20% for the prior year. This single discount rate is based on the expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 3.71%. Because of the unique structure of WRS, the 7.00% expected rate of return implies that a dividend of approximately 1.9% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

8. Defined Benefit Pension Plan (Continued)

Sensitivity of the Village's proportionate share of the net pension liability (asset) to changes in the discount rate. The following presents the Village's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.00 percent, as well as what the Village's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease to Discount Rate (6.00%)	Current Discount Rate (7.00%)	1% Increase to Discount Rate (8.00%)
Village's proportionate share of the net pension liability (asset)	$ 859,729	$ 216,333	$ (262,082)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at http://etf.wi.gov/publications/cafr.htm.

Allocation of Pension Plan Disclosures

Pension amounts are allocated between governmental and proprietary funds based on the percentage of required contributions or retirement expenses accounted for in each fund type.

9. Other Postemployment Benefits – Multi-Employer Life Insurance Plan

Plan description. The LRLIF is a multiple-employer defined benefit OPEB plan. LRLIF benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. The Wisconsin Department of Employee Trust Funds (ETF) and the Group Insurance Board have statutory authority for program administration and oversight. The plan provides post-employment life insurance benefits for all eligible employees.

OPEB Plan Fiduciary Net Position. ETF issues a standalone Comprehensive Annual Financial Report (CAFR), which can be found at http://etf.wi.gov/publications/cafr.htm

Benefits provided. The LRLIF plan provides fully paid up life insurance benefits for post-age 64 retired employees and pre-65 retirees who pay for their coverage.

Contributions.
The Group Insurance Board approves contribution rates annually, based on recommendations from the insurance carrier. Recommended rates are based on an annual valuation, taking into consideration an estimate of the present value of future benefits and the present value of future contributions. A portion of employer contributions made during a member's working lifetime funds a post-retirement benefit.

Employers are required to pay the following contributions based on employee contributions for active members to provide them with Basic Coverage after age 65. There are no employer contributions required for pre-age 65 annuitant coverage. If a member retires prior to age 65, they must continue paying the employee premiums until age 65 in order to be eligible for the benefit after age 65.

9. Other Postemployment Benefits – Multi-Employer Life Insurance Plan (Continued)

Contribution rates as of December 31, 2019 are:

Coverage Type	Employer Contribution
50% Post Retirement Coverage	40% of employee contribution
25% Post Retirement Coverage	20% of employee contribution

Employee contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating employees must pay monthly contribution rates per $1,000 of coverage until the age of 65 (age 70 if active). The employee contribution rates in effect for the year ended December 31, 2018 are as listed below:

Life Insurance Employee Contribution Rates* For the year ended December 31, 2018		
Attained Age	**Basic**	**Supplemental**
Under 30	$0.05	$0.05
30-34	0.06	0.06
35-39	0.07	0.07
40-44	0.08	0.08
45-49	0.12	0.12
50-54	0.22	0.22
55-59	0.39	0.39
60-64	0.49	0.49
65-69	0.57	0.57
*Disabled members under age 70 receive a waiver-of-premium benefit.		

During the reporting period, the LRLIF recognized $1,102 in contributions from the employer.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs

At December 31, 2019, the LRLIF Employer reported a liability (asset) of $147,606 for its proportionate share of the net OPEB liability (asset). The net OPEB liability (asset) was measured as of December 31, 2018, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of December 31, 2017 rolled forward to December 31, 2018. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Village's proportion of the net OPEB liability (asset) was based on the Village's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2018, the Village's proportion was .057204%, which was a decrease of .001714% from its proportion measured as of December 31, 2017.

For the year ended December 31, 2018, the Village recognized OPEB expense of $14,227.

9. Other Postemployment Benefits – Multi-Employer Life Insurance Plan (Continued)

At December 31, 2019, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEBs from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ (7,488)
Changes of assumptions	14,084	(31,995)
Net differences between projected and actual earnings on OPEB plan investments	3,527	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,197	(4,019)
Employer contributions subsequent to the measurement date	970	-
Totals	$ 19,778	$ (43,502)

$970 reported as deferred outflows related to OPEB resulting from the Village employer's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (asset) in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended December 31:	Net Deferred Outflows (Inflows) of Resources
2020	$ (3,341)
2021	(3,341)
2022	(3,341)
2023	(3,837)
2024	(4,347)
Thereafter	(6,487)
Total	$ (24,694)

Actuarial assumptions. The total OPEB liability in the January 1, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	January 1, 2018
Measurement Date of Net OPEB Liability (Asset)	December 31, 2018
Actuarial Cost Method:	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield:	4.10%
Long-Term Expected Rated of Return:	5.00%
Discount Rate:	4.22%
Salary Increases Inflation: Seniority/Merit:	 3.00% 0.1% - 5.6%
Mortality:	Wisconsin 2018 Mortality Table

9. Other Postemployment Benefits – Multi-Employer Life Insurance Plan (Continued)

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. Based on this experience study, actuarial assumptions used to measure the Total OPEB Liability changed from prior year, including the discount rate, wage inflation rate, mortality and separation rates. The Total OPEB Liability for December 31, 2018 is based upon a roll-forward of the liability calculated from the December 31, 2017 actuarial valuation.

Long-term expected Return on Plan Assets. The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. Investments for the LRLIF are held with Securian, the insurance carrier. Interest is calculated and credited to the LRLIF based on the rate of return for a segment of the insurance carriers' general fund, specifically 10-year A-Bonds (as a proxy, and not tied to any specific investments). The overall aggregate interest rate is calculated using a tiered approach based on the year the funds were originally invested and the rate of return for that year. Investment interest is credited based on the aggregate rate of return and assets are not adjusted to fair market value. Furthermore, the insurance carrier guarantees the principal amounts of the reserves, including all interest previously credited thereto.

Local OPEB Life Insurance
Asset Allocation Targets and Expected Returns
As of December 31, 2018

Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return
US Government Bonds	Barclays Government	1%	1.44%
US Credit Bonds	Barclays Credit	40%	2.69%
US Long Credit Bonds	Barclays Long Credit	4%	3.01%
US Mortgages	Barclays MBS	54%	2.25%
US Municipal Bonds	Bloomberg Barclays Muni	1%	1.68%
Inflation			2.30%
Long-Term Expected Rate of Return			5.00%

Single Discount rate. A single discount rate of 4.22% was used to measure the Total OPEB Liability for the current year, as opposed to a discount rate of 3.63% for the prior year. The Plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the Total OPEB Liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payment to the extent that the plan's fiduciary net position is projected to be insufficient. The plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through December 31, 2036.

9. Other Postemployment Benefits – Multi-Employer Life Insurance Plan (Continued)

Sensitivity of the Village's proportionate share of the net OPEB liability (asset) to changes in the discount rate. The following presents the Village's proportionate share of the net OPEB liability (asset) calculated using the discount rate of 4.22 percent, as well as what the Village's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (3.22 percent) or 1-percentage-point higher (5.22 percent) than the current rate:

	1% Decrease to Discount Rate (3.22%)	Current Discount Rate (4.22%)	1% Increase to Discount Rate (5.22%)
Village's proportionate share of the net OPEB liability (asset)	$ 209,979	$ 147,606	$ 99,499

OPEB plan fiduciary net position. Detailed information about the OPEB plan's fiduciary net position is available in separately issued financial statements available at http://etf.wi.gov/publications/cafr.htm.

10. Inter-municipal Agreements

Fire Protection

The Village of Windsor, along with the Village of DeForest have entered into an agreement for Fire and EMS services for these two municipalities. Additional municipalities are provided fire protection and emergency services through service contracts.

Each municipality appoints the Village President to the Fire and EMS District Board. Costs are to be shared based upon the equalized values of the respective municipalities. The Village has an equity interest in the District equal to its percentage share of participation. Any participating municipality may withdraw from the District provided 18 months written notice is given to the other municipalities and the District. The withdrawing municipality is due their equity interest in the Fire District equipment and assets less any proportionate share of debt and lease expenditures due.

The Village's equity interest of $1,181,703 is recorded in the government-wide Statement of Position. Changes in the equity interest are reported on the Statement of Activities.

The equalized valuation percentage for the participating municipalities is as follows:

	2019
Village of Windsor	43%
Village of DeForest	57%
	100%

The Village's share of Fire and EMS District costs in 2019 amounted to $362,805, excluding fire insurance dues of $37,130. The latest budget figures indicate the Village's portion of the 2020 budget to be $453,175. The Fire District issues separate financial statements.

10. Inter-municipal Agreements (Continued)

Community Center

The Village of Windsor together with the Town of Vienna and Village of DeForest entered into an agreement regarding the programs and operation of the DeForest Area Community and Senior Center (the "Center"). The agreement was executed on July 6, 1993. The Center provides services to seniors in the Windsor / DeForest area and provides a community center for local community events. In 2003, the Village began acting as the fiscal agent for the Center. The Village pays its bills and the employees of the Center are included in the Village's payroll. The cash of the Center is included in the Village's financials as custodial fund.

The communities share in the operation of the Center based upon the proportionate share of a community's population located in the center's service area to the total population of the area served. For 2019, the communities shared in the operations of the center, approximately as follows:

	2019
Village of Windsor	42%
Village of DeForest	55%
Town of Vienna	3%
Total	100.0%

The agreement specifies that the Center is to be governed by a nine (9) member commission including one member of the Village of Windsor Board of Trustees and two (2) Village residents appointed by the Village President. Costs are to be shared by the municipalities based on the populations of the respective municipalities.

The purpose of the commission is to provide oversight over the operations of the DeForest Area Community and Senior Center and the programs and services for the senior citizens of the participating municipalities. The agreement between the villages and the township is a continuing agreement and automatically renews from year to year. The commission has the authority to adopt its own budget and control the financial affairs of the Center. However, either the Windsor Village Board or the DeForest Village Board have the authority to veto the commission's budget. The Village made a payment totaling $243,999 to the Center in 2019. The latest budget figures indicate the Village's portion of the 2020 Community Center budget is $248,769. The Village believes that the Center will continue to provide services in the future at similar rates. Financial information of the center as of December 31, 2019 is available at the Village of Windsor village hall and at the Center's office.

The Village has an equity interest in the Center equal to its percentage share of participation. The equity interest relative to financial assets is reported in the governmental activities column of the government-wide Statement of Net Position. Changes in the equity interest are reported on the Statement of Activities. At December 31, 2019 the equity interest was $920,678.

11. Fund Balance

The following restrictions and assignments of fund balance were made:

	Nonspendable	Restricted	Committed	Assigned	Unassigned	Total
General Fund						
Cash Management	$ -	$ -	$ -	$ -	$ 180,000	$ 180,000
Prepaid Expenses	14,902	-	-	-	-	14,902
Advances Receivable	493,499	-	-	-	-	493,499
Emergency Management	-	-	-	100,000	-	100,000
Token Creek Conservancy	-	-	24,760	-	-	24,760
Unassigned	-	-	-	-	992,352	992,352
Total General Fund	$ 508,401	$ -	$ 24,760	$ 100,000	$ 1,172,352	$ 1,805,513
Debt Service Fund						
Debt Service	$ -	$ 319,175	$ -	$ 183,822	$ -	$ 502,997
Total Debt Service Fund	$ -	$ 319,175	$ -	$ 183,822	$ -	$ 502,997
TIF District #1						
TIF Fund	$ -	$ -	$ -	$ -	$ (493,499)	$ (493,499)
Total TIF District #1	$ -	$ -	$ -	$ -	$ (493,499)	$ (493,499)
Capital Projects Fund						
Capital Projects Fund	$ -	$ 7,509,991	$ -	$ 608,529	$ -	$ 8,118,520
Total Capital Projects Fund	$ -	$ 7,509,991	$ -	$ 608,529	$ -	$ 8,118,520
Non-Major Funds						
Community Development Authority	$ -	$ 382,156	$ -	$ -	$ -	$ 382,156
Developer Charge-Back	-	13,888	-	-	-	13,888
Purchase of Development Rights Fund	-	13,110	-	-	-	13,110
Parkland Fees	-	218,818	-	-	-	218,818
Capital Projects Reserve/Replacement	-	-	-	326,603	-	326,603
Impact Fee Fund	-	1,001,208	-	-	-	1,001,208
Total Non-Major Funds	$ -	$ 1,629,180	$ -	$ 326,603	$ -	$ 1,955,783
Total	$ 508,401	$ 9,458,346	$ 24,760	$ 1,218,954	$ 678,853	$ 11,889,314

Deficit Fund Balance

The deficit in the TIF District #1 is anticipated to be covered by future tax increment.

12. Net Position

Net position reported on the government-wide Statement of Net Position at December 31, 2019 includes the following:

Governmental Activities	
Net Investment in Capital Assets	
Capital assets, net	$ 26,319,278
Less: Current portion of long-term debt	(1,425,000)
Less: Long-term debt outstanding	(19,600,000)
Plus: Unspent bond proceeds	7,552,091
Plus: Debt not related to capital assets	2,720,000
Total Net Investment in Capital Assets	15,566,369
Restricted Net Position	
Special Revenues	245,816
Capital Projects	1,567,637
Debt Service	701,331
Total Restricted Net Position	2,514,784
Unrestricted Net Position	2,128,920
Total Net Position	$ 20,210,073

Business-Type Activities	Water	Sewer	
Net Investment in Capital Assets	Utility	Utility	Total
Capital Assets, net	$ 10,761,696	$ 5,058,904	$ 15,820,600
Less: related long-term debt outstanding	(3,119,640)	-	(3,119,640)
Unspent Bond Proceeds	539,811	-	539,811
Net Investment in Capital Assets	8,181,867	5,058,904	13,240,771
Restricted Net Position			
Replacement Funds	508,580	-	508,580
Impact Fees	705,131	-	705,131
Total Restricted Net Position	1,213,711	-	1,213,711
Unrestricted Net Position	1,616,250	2,060,921	3,677,171
Total Net Position	$ 11,011,828	$ 7,119,825	$ 18,131,653

13. Prior Period Adjustment

Prior implementation of GASB Statement Nos. 68 and 75 included allocations of the Village's WRS pension asset and Retiree Life Insurance OPEB to the DeForest Area Community Center. Additional clarification was provided that concludes these GASB statements are applicable to the "Employer". As the Village is the employer of all of the Community Center employees, the corresponding assets, deferred outflows, liabilities and deferred inflows should remain with the Village. The restatement above is the amounts previously allocated to the Community Center in the prior year. A prior period adjustment has been recorded effective January 1, 2019, as follows:

	Governmental Activities
Net Position - As Stated December 31, 2018	$ 17,794,960
Allocation of WRS Pension	50,873
Allocation of OPEB Retiree Life Insurance	(71,143)
Net Position - As restated January 1, 2019	$ 17,774,690

14. Tax Abatements

Developer Commitments and Incentives

The Village has a developer incentive obligation dated July 28, 2015, that is a pay-as-you-go agreement where the Village has agreed to pay a developer up to $355,000 contingent upon the developer meeting several conditions. Once these conditions are met, the Village will make annual payments equal to 60% of the project increment revenue generated in the TIF district. No liability has been accrued in the financial statements as there are various conditions that need to be met annually. The Village made the first payments during 2019 totaling $175,304, leaving $179,695 left as a potential future payment.

The Village has a second developer incentive obligation dated December 7, 2017, that is a pay-as-you-go agreement where the Village has agreed to pay a developer up to $500,000 contingent upon the developer meeting several conditions. Once these conditions are met, the Village will make annual payments equal to 60% of the project increment revenue generated in the TIF district. No liability has been accrued in the financial statements as there are various conditions that need to be met annually. The Village made the first payment during 2019 totaling $91,190, leaving $408,810 left as a potential future payment.

15. Risk Management

The Village is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; error and omissions; workers compensation; and health care of its employees. All risks are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded the commercial coverage in any of the past three years.

16. Subsequent Events and Commitments

Subsequent Debt

On March 19, 2020, the Village issued $7,765,000 in general obligation bonds. These bonds carry an interest rate of 2.0% to 3.0% with final maturity on March 1, 2040. The bonds are being issued for various capital projects and water utility projects.

Construction Commitment

During 2020 the Village entered into several construction projects and contact commitments. The following projects were approved and started in 2020:

- Public Works and Police Facilities - $4,880,000
- Annual Road Construction Projects - $652,500
- County Highway DM Reconstruction Project - $2,820,000

Projects and Improvements

In 2020, the Village has approved the following projects, equipment purchases and improvements:

- Various property purchases for future Village revitalization plans - $1,075,000
- Patrol/Plow Truck and Attachment Equipment - $175,500

Other

The recent spread of the COVID-19 coronavirus has created economic uncertainty internationally. The potential of COVID-19 having a financial and economic impact on the Village is a possibility, although no such impact is known at this time.

17. Future Accounting Standards

GASB has adopted GASB Statement No. 87, Leases. When this becomes effective, application of this standard may restate portions of these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF WINDSOR

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (with Variances) - General Fund
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Property Taxes	$ 2,070,006	$ 2,070,006	$ 2,070,003	$ (3)
Other Taxes	75,058	75,058	114,135	39,077
Intergovernmental	397,294	441,065	442,292	1,227
License and Permits	248,350	248,350	268,907	20,557
Fines, Forfeits and Penalties	20,000	20,000	11,805	(8,195)
Public Charges for Services	473,799	473,799	464,623	(9,176)
Interest Income	17,200	17,200	63,212	46,012
Miscellaneous Income	11,000	11,000	25,276	14,276
Total Revenues	3,312,707	3,356,478	3,460,253	103,775
EXPENDITURES				
Current:				
General Government	978,220	978,220	962,674	15,546
Public Safety	944,401	906,240	947,913	(41,673)
Public Works	1,133,709	1,179,647	1,079,254	100,393
Culture, Recreation and Education	264,749	264,749	263,571	1,178
Conservation and Development	32,500	32,500	26,779	5,721
Total Expenditures	3,353,579	3,361,356	3,280,191	81,165
Excess (Deficiency) of Revenues Over Expenditures	(40,872)	(4,878)	180,062	184,940
OTHER FINANCING SOURCES (USES)				
Transfers In	90,000	205,201	207,466	(2,265)
Transfers Out	(48,960)	(48,960)	(295,275)	(246,315)
Total Other Financing Sources and Uses	41,040	156,241	(87,809)	(248,580)
Net Change in Fund Balances	168	151,363	92,253	(59,110)
Fund Balances - Beginning	1,605,563	1,605,563	1,605,563	-
Fund Balances - Ending	$ 1,605,731	$ 1,756,926	$ 1,697,816	$ (59,110)

Reconciliation of Fund Balance:		
Budgetary Fund Balance		$ 1,697,816
Perspective Differences:		
Revenues not included in budgetary basis, but included in Statement of Revenues, Expenditures, and Changes in Fund Balance	140,074	
Expenditures not included in budgetary basis, but included in Statement of Revenues, Expenditures, and Changes in Fund Balance	(143,789)	
Beginning fund balance of funds not included in budgetary basis, but included in Statement of Revenues, Expenditures, and Changes in Fund Balance	111,412	
		107,697
Fund Balance per Statement of Revenues, Expenditures, and Changes in Fund Balance		$ 1,805,513

See accompanying notes to the required supplementary information

VILLAGE OF WINDSOR
WISCONSIN RETIREMENT SYSTEM SCHEDULES
December 31, 2019

Schedule of Proportionate Share of the Net Pension Liability (Asset)
As of the Measurement Date

Year ended December 31,	Proportion of the net pension liability (asset)	Proportionate share of the net pension liability (asset)	Covered-employee payroll	Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total pension liability (asset)
2018	0.00608072%	$ 216,333	$ 980,754	22.06%	96.45%
2017	0.00563855%	(167,415)	905,549	(18.49%)	102.93%
2016	0.00589392%	48,580	829,789	5.85%	99.12%
2015	0.00555326%	90,239	809,490	11.15%	98.20%
2014	0.00549710%	(135,024)	780,090	(17.31%)	102.74%

Schedule of Village's Contributions
For the Year Ended

Year ended December 31,	Contractually required contributions	Contributions in relation to the contractually required contributions	Contribution deficiency (excess)	Covered-employee payroll	Contributions as a percentage of covered-employee payroll
2019	$ 69,082	$ (69,082)	$ -	$ 1,054,689	6.55%
2018	65,711	(65,711)	-	980,755	6.70%
2017	61,577	(61,577)	-	905,549	6.80%
2016	55,045	(55,045)	-	829,789	6.63%
2015	27,251	(27,251)	-	809,490	3.37%

See accompanying notes to the required supplementary information

REQUIRED SUPPLEMENTARY INFORMATION
Village of Windsor
Local Retiree Life Insurance Fund Schedules
December 31, 2019

SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET) AS OF THE MEASUREMENT DATE

Year ended December 31,	Proportion of the net OPEB liability (asset)	Proportionate share of the net OPEB liability (asset)	Covered-employee payroll	Proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total OPEB liability (asset)
2018	0.05720400%	$ 147,606	$ 947,000	15.59%	48.69%
2017	0.05891800%	177,260	2,477,670	7.15%	44.81%

SCHEDULE OF VILLAGE'S CONTRIBUTIONS FOR THE YEAR ENDED

Year ended December 31,	Contractually required contributions	Contributions in relation to the contractually required contributions	Contribution deficiency (excess)	Covered-employee payroll	Contributions as a percentage of covered-employee payroll
2019	$ 970	$ (970)	$ -	$ 1,048,450	0.09%
2018	1,078	(1,078)	-	961,851	0.11%

See accompanying notes to the required supplementary information

1. Budgetary Comparison Schedule

A. Basis of Accounting

The General Fund budgetary comparison schedule has been presented on the modified accrual basis of accounting, which is consistent with accounting principles generally accepted in the United States of America. See Note 1(G) in the notes to the financial statements for more information on the Village's budgetary information.

B. Excess Expenditures over Appropriations

The Village controls expenditures at the department level. Some individual line items experienced expenditures which exceeded appropriations. The detail of those items can be found in the Village's year-end budget to actual report. One expenditure function reported excess of actual expenditures over budget for the year ended December 31, 2019 as follows:

	Excess Expenditures
Public Safety	$ 41,673

2. Wisconsin Retirement System Schedules

Governmental Accounting Standards Board Statement No. 68 requirements have been implemented prospectively, therefore, the illustrations do not present similar information for the 5 preceding years.

Changes of benefit terms

There were no changes of benefit terms for any participating employer in WRS.

Changes of assumptions

Actuarial assumptions are based upon an experience study conducted in 2018 using experience from 2015 – 2017. Based on the experience study conducted in 2018, actuarial assumptions used to develop Total Pension Liability changed, including the discount rate, long-term expected rate of return, post-retirement adjustment, wage inflation rate, mortality and separation rates.

3. Local Retiree Life Insurance Schedules

Governmental Accounting Standards Board Statement No. 75 requirements have been implemented prospectively, therefore, the illustrations do not present similar information for the 8 preceding years.

Changes of benefit terms

There were no changes of benefit terms for any participating employer in LRLIF.

Changes of assumptions

Actuarial assumptions are based upon an experience study conducted in 2018 using experience from 2015 – 2017. Based on the experience study conducted in 2018, actuarial assumptions used to develop Total OPEB Liability changed, including the discount rate, wage inflation rate, and mortality and separation rates.

SUPPLEMENTARY INFORMATION

VILLAGE OF WINDSOR

Combining Balance Sheet
Non-Major Governmental Funds
December 31, 2019

	Special Revenue Funds		Capital Projects Funds			CDA	Total
	Parkland Fees	Developer Chargeback Fund	Purchase of Development Rights	Capital Projects Reserve / Replacement	Impact Fee	Community Development Authority	Non-Major Governmental Funds
ASSETS							
Cash and Cash Equivalents	$ 218,818	$ 75,937	$ 13,110	$ 376,971	$ -	$ 338,920	$ 1,023,756
Restricted Cash	-	-	-	-	1,001,728	-	1,001,728
Receivables:							
Other	-	56,574	-	-	-	-	56,574
Due from Other Funds	-	-	-		-	50,271	50,271
Total Assets	$ 218,818	$ 132,511	$ 13,110	$ 376,971	$ 1,001,728	$ 389,191	$ 2,132,329
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES							
Liabilities:							
Accounts Payable & Accrued Liabilities	$ -	$ 15,135	$ -	$ 50,368	$ 520	$ 7,035	$ 73,058
Accrued Liabilities	-	103,488	-	-	-	-	103,488
Total Liabilities	-	118,623	-	50,368	520	7,035	176,546
Fund Balances:							
Restricted	218,818	13,888	13,110	-	1,001,208	382,156	1,629,180
Assigned	-	-	-	326,603	-	-	326,603
Total Fund Balances	218,818	13,888	13,110	326,603	1,001,208	382,156	1,955,783
Total Liabilities, Deferred Inflows and Fund Balances	$ 218,818	$ 132,511	$ 13,110	$ 376,971	$ 1,001,728	$ 389,191	$ 2,132,329

VILLAGE OF WINDSOR

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended December 31, 2019

	Special Revenue Funds		Capital Projects Funds			CDA	Total
	Parkland Fees	Developer Chargeback Fund	Purchase of Development Rights	Capital Projects Reserve / Replacement	Impact Fee	Community Development Authority	Non-Major Governmental Funds
REVENUES							
Property Taxes	$ -	$ -	$ -	$ 90,000	$ -	$ -	$ 90,000
License and Permits	-	-	-	-	70,364	4,817	75,181
Public Charges for Services	90,087	-	-	-	27,625	-	117,712
Interest Income	915	340	263	6,499	21,970	6,291	36,278
Miscellaneous Income	-	-	-	63,505	-	2,950	66,455
Total Revenues	91,002	340	263	160,004	119,959	14,058	385,626
EXPENDITURES							
Current:							
General Government	-	-	-	10,403	14,331	23,831	48,565
Public Works	-	-	-	-	-	180	180
Culture, Recreation and Education	117,188	-	-	-	-	-	117,188
Capital Outlay	-	-	-	103,007	-	-	103,007
Total Expenditures	117,188	-	-	113,410	14,331	24,011	268,940
Excess (Deficiency) of Revenues Over Expenditures	(26,186)	340	263	46,594	105,628	(9,953)	116,686
OTHER FINANCING SOURCES (USES)							
Transfers In	245,004	-	-	-	-	50,271	295,275
Transfers Out	-	-	-	-	(87,466)	-	(87,466)
Total Other Financing Sources and Uses	245,004	-	-	-	(87,466)	50,271	207,809
Net Change in Fund Balances	218,818	340	263	46,594	18,162	40,318	324,495
Fund Balances - Beginning	-	13,548	12,847	280,009	983,046	341,838	1,631,288
Fund Balances - Ending	$ 218,818	$ 13,888	$ 13,110	$ 326,603	$ 1,001,208	$ 382,156	$ 1,955,783

Village of Windsor

Debt Repayment Summary
Governmental Activities
Principal Payments
December 31, 2019

Year	2015 GO	2015 GO	2015 GO	2016 GO	2017 GO	2018 GO	2018 GO	2019 GO	2019 GO	2019 GO	Total GO Debt
2020	$ 275,000	$ 75,000	$ 50,000	$ 5,000	$ 55,000	$ 180,000	$ 450,000	$ 335,000	$ -	$ -	$ 1,425,000
2021	275,000	100,000	50,000	5,000	55,000	165,000	450,000	255,000	105,139	61,002	1,521,141
2022	250,000	125,000	50,000	5,000	55,000	205,000	450,000	225,000	130,852	69,978	1,565,830
2023	200,000	125,000	50,000	5,000	55,000	185,000	440,000	325,000	135,759	72,602	1,593,361
2024	150,000	125,000	50,000	5,000	55,000	265,000	-	410,000	140,754	75,274	1,276,028
2025	150,000	150,000	50,000	5,000	55,000	255,000	-	430,000	146,128	78,148	1,319,276
2026	-	175,000	-	5,000	55,000	395,000	-	490,000	151,608	81,078	1,352,686
2027	-	200,000	-	-	55,000	400,000	-	575,000	157,293	84,119	1,471,412
2028	-	200,000	-	-	-	425,000	-	605,000	163,157	87,255	1,480,412
2029	-	200,000	-	-	-	430,000	-	630,000	169,310	90,545	1,519,855
2030	-	225,000	-	-	-	325,000	-	630,000	-	-	1,180,000
2031	-	225,000	-	-	-	325,000	-	675,000	-	-	1,225,000
2032	-	250,000	-	-	-	325,000	-	705,000	-	-	1,280,000
2033	-	275,000	-	-	-	325,000	-	-	-	-	600,000
2034	-	275,000	-	-	-	325,000	-	-	-	-	600,000
2035	-	275,000	-	-	-	325,000	-	-	-	-	600,000
2036	-	-	-	-	-	325,000	-	-	-	-	325,000
2037	-	-	-	-	-	340,000	-	-	-	-	340,000
2038	-	-	-	-	-	350,000	-	-	-	-	350,000
	$ 1,300,000	$ 3,000,000	$ 300,000	$ 35,000	$ 440,000	$ 5,870,000	$ 1,790,000	$ 6,290,000	$ 1,300,000	$ 700,000	$ 21,025,000

Village of Windsor

Debt Repayment Summary
Governmental Activities
Interest Payments
December 31, 2019

Year	2015 GO	2015 GO	2015 GO	2016 GO	2017 GO	2018 GO	2018 GO	2019 GO	2019 GO	2019 GO	Total GO
2020	$ 21,569	$ 116,094	$ 7,523	$ 863	$ 11,660	$ 180,294	$ 52,125	$ 264,921	$ -	$ -	$ 655,047
2021	17,375	113,844	6,252	738	10,203	174,894	39,525	174,825	70,521	32,938	641,113
2022	12,925	110,844	5,001	613	8,745	169,944	26,475	167,625	44,807	23,962	570,941
2023	8,675	107,094	3,751	481	7,288	163,794	13,200	159,375	39,900	21,338	524,896
2024	5,063	103,344	2,508	344	5,830	158,244	-	148,350	4,905	18,667	447,253
2025	1,725	98,344	1,250	206	4,373	150,294	-	135,750	29,531	15,793	437,266
2026	-	92,344	-	69	2,915	142,644	-	121,950	24,051	12,862	396,835
2027	-	85,344	-	-	1,458	130,794	-	105,975	18,366	9,822	351,758
2028	-	77,344	-	-	-	118,794	-	88,275	12,502	6,686	303,600
2029	-	69,344	-	-	-	106,044	-	69,750	6,349	3,395	254,882
2030	-	61,344	-	-	-	93,144	-	50,850	-	-	205,338
2031	-	52,344	-	-	-	83,394	-	31,275	-	-	167,013
2032	-	43,344	-	-	-	73,644	-	10,575	-	-	127,563
2033	-	33,344	-	-	-	63,894	-	-	-	-	97,238
2034	-	22,344	-	-	-	54,144	-	-	-	-	76,488
2035	-	11,344	-	-	-	43,988	-	-	-	-	55,331
2036	-	-	-	-	-	33,425	-	-	-	-	33,425
2037	-	-	-	-	-	22,863	-	-	-	-	22,863
2038	-	-	-	-	-	11,813	-	-	-	-	11,813
	$ 67,331	$ 1,198,000	$ 26,285	$ 3,313	$ 52,470	$ 1,976,044	$ 131,325	$ 1,529,496	$ 250,932	$ 145,464	$ 5,380,660

Village of Windsor

Debt Repayment Summary
Proprietary Funds
Principal Payments
December 31, 2019

Year	Water 2013 CWFL	Water 2016 GO	Water 2017 GO	Water 2019 GO	Total Debt
2020	$ 26,760	$ 95,000	$ 60,000	$ 50,000	$ 231,760
2021	27,069	95,000	65,000	40,000	227,069
2022	27,382	95,000	65,000	35,000	222,382
2023	27,698	100,000	65,000	35,000	227,698
2024	28,018	105,000	65,000	35,000	233,018
2025	28,341	105,000	65,000	35,000	233,341
2026	28,669	110,000	70,000	35,000	243,669
2027	29,000	110,000	70,000	45,000	254,000
2028	29,335	120,000	70,000	45,000	264,335
2029	29,674	90,000	60,000	45,000	224,674
2030	30,016	-	65,000	45,000	140,016
2031	30,363	-	65,000	50,000	145,363
2032	30,714	-	65,000	50,000	145,714
2033	31,069	-	70,000	-	101,069
2034	-	-	70,000	-	70,000
2035	-	-	75,000	-	75,000
	$ 404,107	$ 1,025,000	$ 1,065,000	$ 545,000	$ 3,039,107

Village of Windsor

Debt Repayment Summary
Proprietary Funds
Interest Payments
December 31, 2019

Year	Water 2013 CWFL	Water 2016 GO	Water 2017 GO	Water 2019 GO	Total Interest
2020	$ 4,513	$ 25,198	$ 24,925	$ 22,640	$ 77,275
2021	4,202	22,823	24,019	14,250	65,293
2022	3,888	20,448	22,995	13,125	60,455
2023	3,569	17,885	21,890	12,075	55,419
2024	3,248	15,066	20,688	11,025	50,026
2025	2,922	12,179	19,388	9,975	44,464
2026	2,593	9,223	17,950	8,925	38,691
2027	2,260	6,060	16,375	7,725	32,420
2028	1,923	3,150	14,713	6,375	26,161
2029	1,582	945	13,088	5,025	20,640
2030	1,238	-	11,444	3,675	16,356
2031	889	-	9,656	2,250	12,795
2032	536	-	7,788	750	9,074
2033	179	-	5,763	-	5,942
2034	-	-	3,575	-	3,575
2035	-	-	1,219	-	1,219
	$ 33,542	$ 132,975	$ 235,473	$ 117,815	$ 519,804