

TOWN OF WEST HARTFORD CONNECTICUT

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR
JULY 1, 2016 - JUNE 30, 2017



Town of West Hartford Connecticut

Comprehensive Annual Financial Report
For the Fiscal Year
July 1, 2016 - June 30, 2017

Prepared By
Department of Financial Services
50 South Main Street
West Hartford, Connecticut 06107

TOWN OF WEST HARTFORD, CONNECTICUT
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Introductory Section

TOWN OF WEST HARTFORD, CONNECTICUT
PRINCIPAL OFFICIALS
(As of June 30, 2017)

ELECTED OFFICIALS

Town Council

Shari Cantor, Mayor
Leon Davidoff, Deputy Mayor
Denise Hall, Minority Leader
Chris Barnes
Judy Casperson
Dallas Dodge
Beth Kerrigan
Ben Wenograd
Chris Williams

Board of Education

Mark Overmyer-Velazquez, Chairperson
Tammy Exum, Vice Chairperson
Carol Blanks
Cheryl Greenberg
Dave Pauluk
Jay Sarzen
Mark Zydanowicz

Town Clerk Essie Labrot
Registrar of Voters Beth Kyle
Registrar of Voters Gail Crockett

APPOINTED OFFICIALS

Appointed by Town Council

Town Manager Ronald VanWinkle
Corporation Counsel Patrick Alair

Appointed by Board of Education

Superintendent of Schools Thomas Moore

Appointed by Town Manager

Chief, Fire Department Gary Allyn
Chief, Police Department Tracey Gove
Director of Community Services Mark McGovern
Director of Financial Services Peter Privitera
Director of Human and Leisure Services Helen Rubino-Turco
Director of Information Technology Jared Morin
Director of Plant and Facility Services Robert Palmer
Director of Public Works John Phillips
Executive Director of Human Resources Richard Ledwith

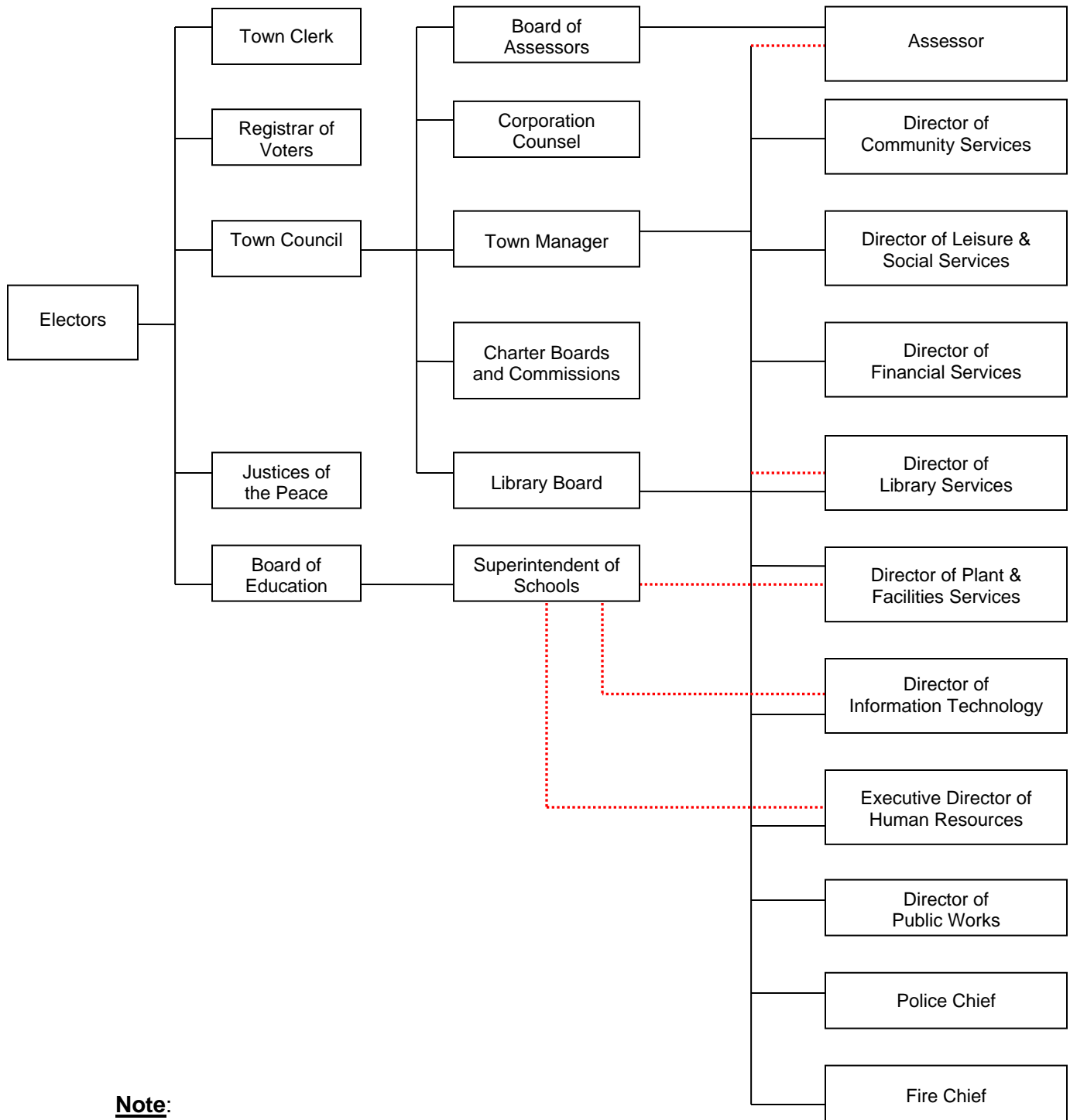
Appointed by Library Board

Director of Library Services Martha Church

Appointed by Board of Assessors

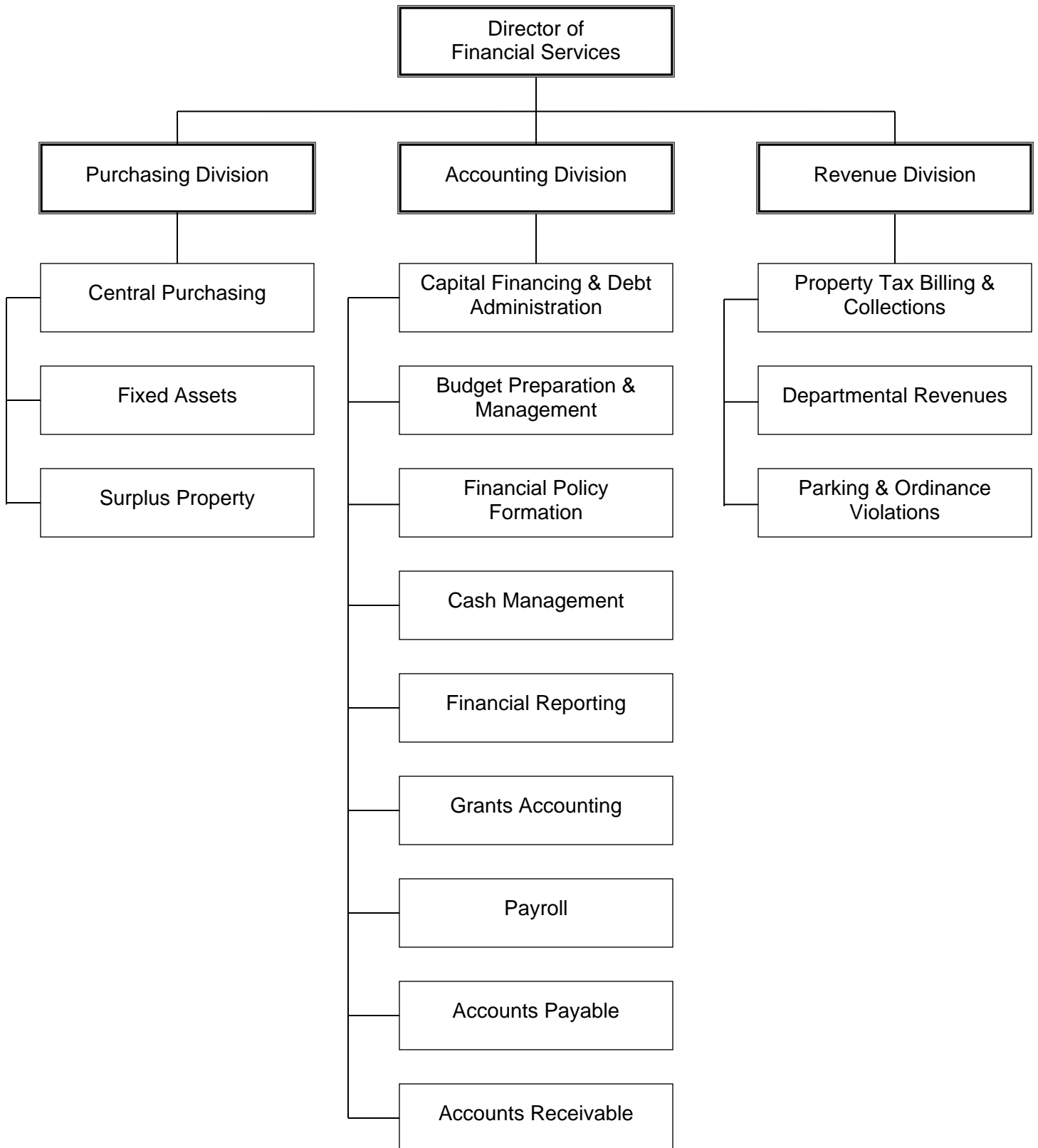
Assessor Joseph Dakers

**TOWN OF WEST HARTFORD, CONNECTICUT
TOWN GOVERNMENT
ORGANIZATIONAL CHART
Fiscal Year 2017**



Note:
Dotted Line = Indirect Report
Solid Line = Direct Report

**TOWN OF WEST HARTFORD, CONNECTICUT
TOWN GOVERNMENT
DEPARTMENTAL FUNCTIONS
Fiscal Year 2017**





Government Finance Officers Association

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

Presented to

**Town of West Hartford
Connecticut**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2016

Executive Director/CEO

December 20, 2017

Mayor, Town Council, Town Manager, Citizens and Taxpayers of the Town of West Hartford:

State law requires that all general-purpose local governments publish, within six months of the close of each fiscal year, a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) for governmental units and audited in accordance with auditing standards generally accepted in the United States of America, by a firm of licensed certified public accountants. Pursuant to that requirement, I am pleased to transmit to you the Comprehensive Annual Financial Report (CAFR) of the Town of West Hartford (Town) for the fiscal year ended June 30, 2017.

This report consists of management's representation concerning the Town's finances. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute assurance that the financial statements are free of any material misstatements.

Blum Shapiro and Company P.C., a firm of licensed certified public accountants, has issued an unqualified opinion on the Town of West Hartford's financial statements for the fiscal year ended June 30, 2017. The independent auditors' report is presented as the first component in the financial section of this report.

The Town's fiscal year 2017 audit includes an audit of all federal grants in accordance with the Single Audit Act of 1984, as amended in 1996, which provides that state and local governments expending more than \$500,000 in federal financial assistance must have a single audit for the fiscal year. The single audit consists of a financial audit, test of internal controls, and compliance audit. The single audit is in lieu of any financial and compliance audits required by any federal agency. The auditors' reports related to tests of internal controls and compliance testing have been furnished separately to the Town. In addition, the audit also includes an audit of all state financial assistance in compliance with the State Single Audit Act pursuant to Connecticut General Statutes (CGS) sections 4-230 to 4-236, inclusive (Chapter 55b). Each municipality expending more than \$100,000 in state financial assistance must have a state single audit. An audit conducted in accordance with sections 4-230 through 4-236 of the CGS shall be in lieu of any financial compliance audit of an individual state assistance program. These reports are available in the Town's separately issued single audit reports.

Management's discussion and analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.



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An Equal Opportunity/Affirmative Action Employer

PROFILE OF THE GOVERNMENT

The Town of West Hartford is an independent full-service town with sole local government taxing power within its boundaries. The Town is autonomous from any county, town, or other political subdivision of the State of Connecticut. In 1919, the Town became the first in the State to appoint a Town Manager, and it presently operates with a Council-Manager form of government. The legislative function is performed by a nine-member council, which is elected biennially. The Council formulates policies for the administration of the Town. The Town Manager is appointed by the Council to serve as the Town's Chief Executive Officer, with appointive and removal authority over department directors and other employees of the Town. The Town Manager is responsible for the implementation of policies established by the Council. An elected seven-member Board of Education appoints a Superintendent of Schools, who administers the education system of the Town.

The Town is located in central Connecticut adjacent to and west of the City of Hartford, the state capital. It is a residential suburb in the Hartford metropolitan area. The towns of Bloomfield, Newington, Farmington, and Avon also border the Town. West Hartford is approximately 100 miles southwest of Boston and approximately 100 miles northeast of New York City. The Town encompasses 22.2 square miles and has a population of 63,268.

The Town provides a comprehensive range of municipal services including police, fire, paramedic, public works, education, community development, recreation, library, cultural and historic activities, transportation, environmental land use, and housing and human services programs.

The MD&A and the basic financial statements included in this report pertain to those functions administered by the Town Manager and Superintendent of Schools and are under the jurisdiction of the Town Council. These functions encompass all activities considered to be part of (controlled by or dependent on) the financial reporting entity. Control by or dependence on the Town is determined on the basis of budget adoption, taxing authority, or outstanding debt secured by revenues or general obligations of the Town. Further information concerning the financial condition of the Town is contained in the MD&A.

In accordance with these criteria, the financial statements include the financial activities of the Town of West Hartford, the Town of West Hartford Board of Education, the Town of West Hartford Library Board and the West Hartford Center Special Services District, a discretely presented component unit. The Town of West Hartford Housing Authority and The West Hartford-Bloomfield Health District, although containing the name of the Town, are excluded from the Town's financial statements. Although the Town Council appoints members to the Board of Directors for the West Hartford Housing Authority and the West Hartford-Bloomfield Health District, the Town has no involvement in their day-to-day operations or in the determination of their operating budget. Furthermore, the Town has no obligation for debt issued by the Housing Authority or the Health District and does not fund their operating deficits.

The Metropolitan District Commission (MDC) provides water and sewer services to West Hartford and certain other municipalities. The MDC finances water service via user fees and sewer services via tax levy on the participating municipalities. Since this is a separate governmental unit, its audited annual financial statements are not included in this report, but are available from the MDC directly.

In March of 1981, the Town Council adopted a comprehensive budgeting and accounting ordinance. The ordinance sets forth the standards and practices that apply to the Town's financial management. Included in the ordinance is a provision requiring the appropriation of all funds not otherwise provided by specific law to be expended outside of budgetary operations.

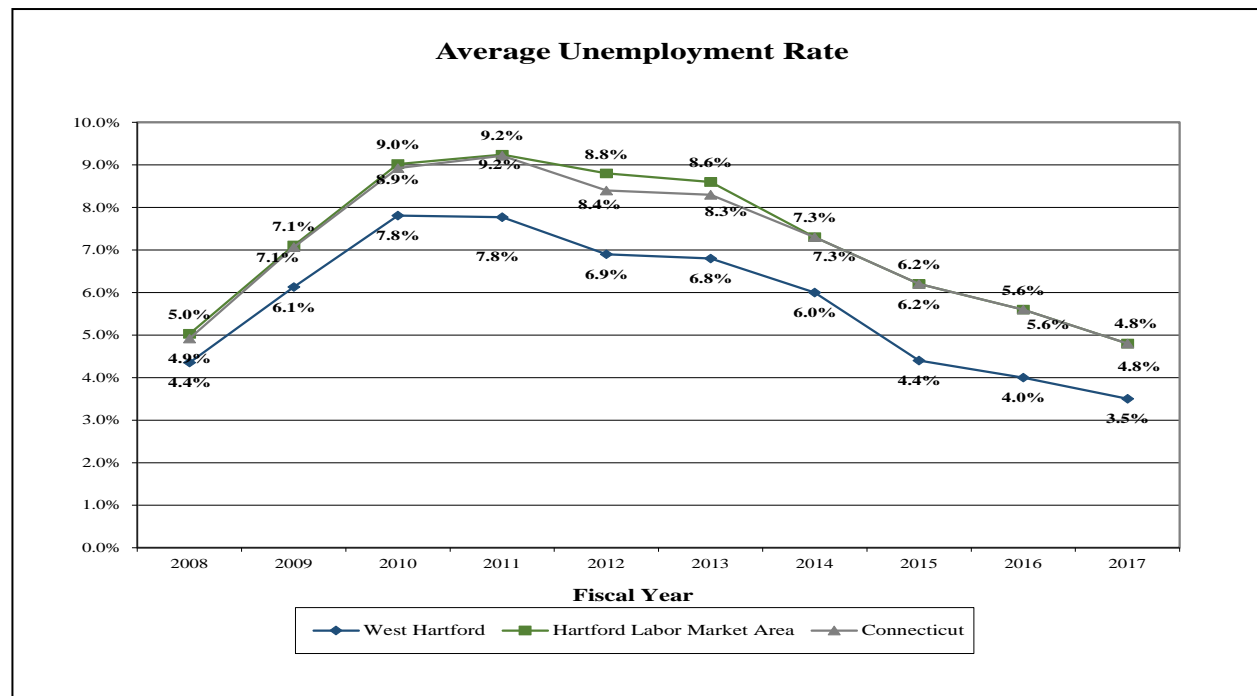
Annually, the Town Council adopts a balanced operating budget, a capital improvement budget, and a twelve-year capital improvement program (CIP). The budget calendar is outlined in Note 2 of the notes to the basic financial statements. Budget development and administration is performed by the Department of Financial Services.

The budget is legally enacted at the character of expenditure level within the department. Budgetary control is achieved through the use of a full encumbrance system, which encumbers appropriations upon the issuance of purchase orders. Commitments which could result in an over-expenditure of an appropriation at the character level are not issued until transfers or additional appropriations are made available. Encumbrances outstanding at year-end are recorded as budgetary expenditures and reported as assigned fund balance.

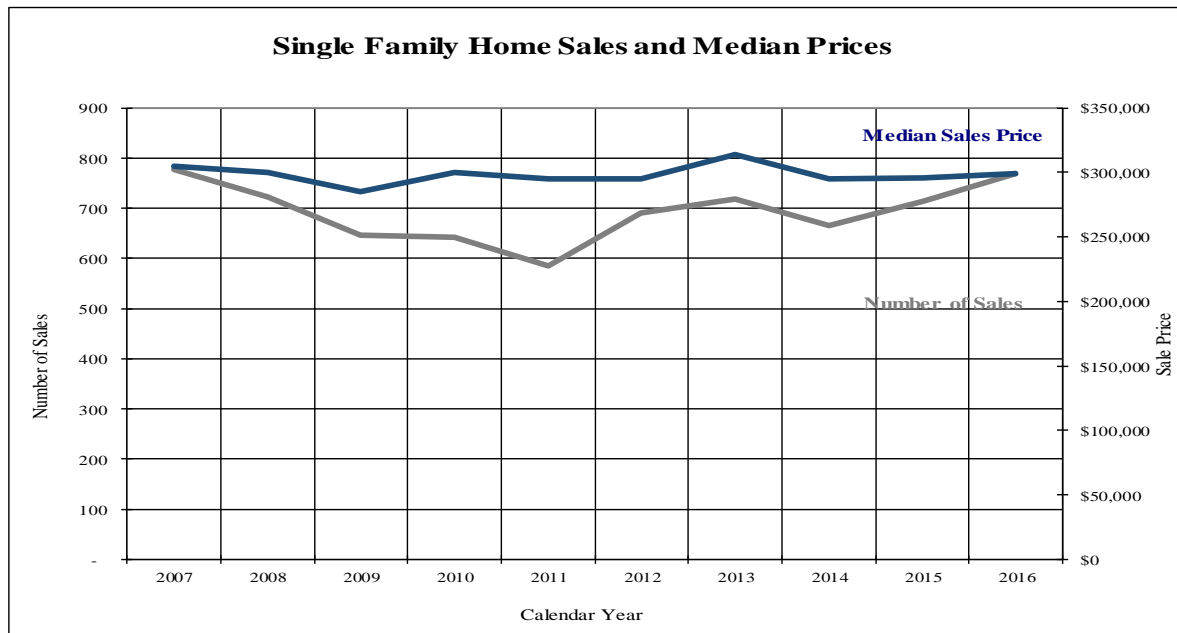
The budget is integrated into the accounting system and amended budgetary data (as presented in the financial statements for all funds with annual budgets) is compared to actual expenditures. Accordingly, budget to actual comparisons are provided in the report for each governmental fund for which an appropriated annual budget has been adopted. For the General Fund and the Community Development Block Grant (CDBG) Housing Rehabilitation Fund, this comparison is presented as part of the required supplementary information. For governmental funds with appropriated annual budgets, this comparison is presented in Exhibits B-3 to B-11.

FACTORS AFFECTING FINANCIAL CONDITION

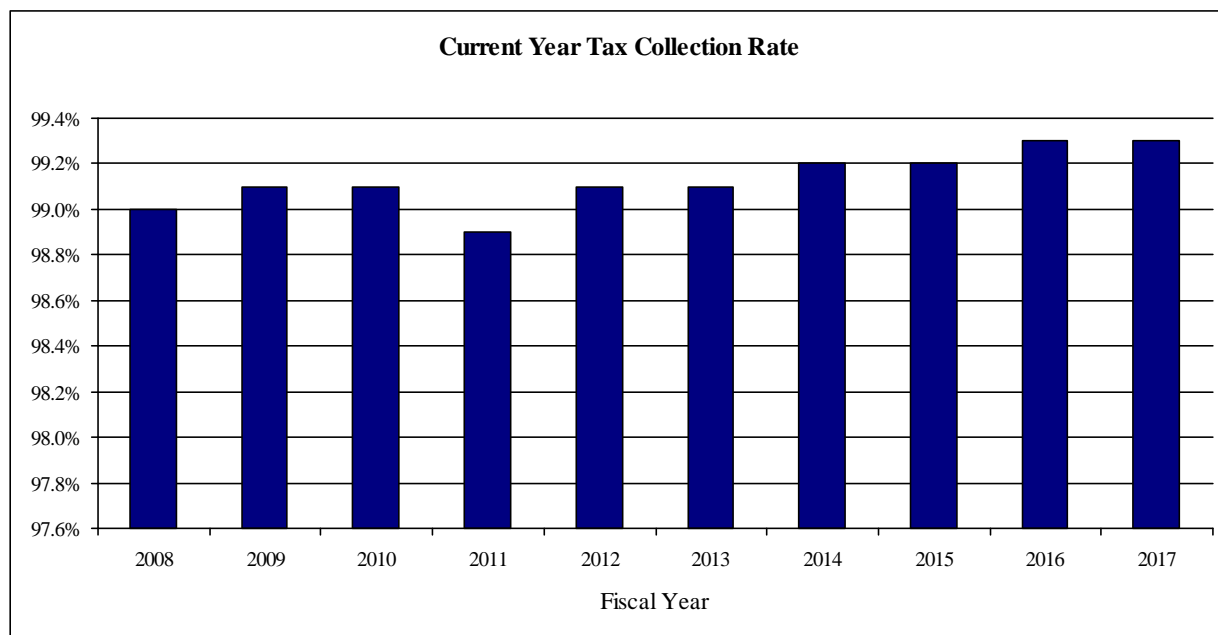
Economic condition and outlook – West Hartford experienced a more modest impact from the recession than the Hartford region and the State of Connecticut. As depicted on the chart below, unemployment rates in West Hartford have remained well below regional and state levels. The fiscal year 2017 unemployment rate for the Town declined to its lowest level in ten years, an indication that the economy continues to improve.



As illustrated, West Hartford experienced a significant decline in the annual number of single family home sales during the economic downturn. This resulted in lower conveyance tax and land record fee revenues in those years. The number of sales has been trending upward since 2011, with the exception of a slight dip in calendar year 2014. Homes in West Hartford maintained their value during this period, with median sales price relatively consistent over the timeframe presented. Buyers continue to be attracted to the excellent school system and vibrant community. Stable housing prices have insulated the community from the impact of a significant decline in value, resulting in limited foreclosure activity.



The Town achieved a property tax collection rate of 99.3% for fiscal year 2017, consistent with the prior year. Stable home prices, relatively low unemployment rates and lack of foreclosure activity contributed to strong property tax collections.



Cash management policies and practices - All funds not required to have separate bank accounts use a single consolidated account for deposits. The collected balance of the consolidated account not needed to liquidate current obligations is invested on a daily basis to meet future cash flow needs under the authority of the Town's General Investment Policy. The General Investment Policy, adopted pursuant to the authority of section 7-400 of the CGS and Chapter VI, Section 2 of the West Hartford Code, provides a policy for the investment of all Town funds except for the Pension and Other Post-Employment Benefits Trust Funds and reserves of the Risk Management Fund. As of June 30, 2017 this pool of funds is invested in various money market accounts, certificates of deposit, governmental securities and the State of Connecticut's Short-Term Investment Fund (STIF). STIF is a Standard & Poor's AAA rated investment pool of high quality, short-term money market instruments managed by the Cash Management Division of the Connecticut Office of the State Treasurer. The Town monitors the financial strength and stability of the institutions in which it holds money market accounts via national rating services.

The reserve funds of the Risk Management Fund are invested under the authority of the Town's Statement of Investment Policy for the Risk Reserve Accounts pursuant to the authority of section 7-403 of the CGS. The reserve pool consists of fifty percent of the liability reserve and one hundred percent of the prior year ending balance of the pre-funding reserve. The intent is to invest these funds in a manner which matches the duration of the investments with the cash flow needs inherent with long-term liabilities of this nature. Statutes governing the reserve pool provide for a wide variety of both fixed income and equity investment options. There can be no less than fifty percent of the pool invested in the following: United States government and agency obligations, United States Postal Service obligations, certificates of deposit, commercial paper, savings accounts, and bank acceptances. In addition, up to fifty percent of the total amount invested can be invested in equity securities.

The Town Council appointed Pension Board, governed by the Statement of Pension Plan Investment Policy, administers the funds of the employee retirement system separately. An independent custodial bank holds all of the Town's reserve pool investments.

Long-term financial planning - The Town's proactive financial management strategies and moderated effect from the economic downturn have enabled the minimization of property tax increases while maintaining long-term financial health. High quality educational and municipal services, which attract and retain residents and exemplify the character of the community, have been preserved. Policy decisions are made with a long-term financial perspective that balances the services expected by the community with residents' ability to pay. This perspective has enabled the Town to maintain its actuarially determined contributions for retirement benefits, strengthen levels of reserves, and avoid one-time budget strategies.

West Hartford will continue to encounter fiscal challenges in the coming years. State and federal budget constraints result in uncertainty of intergovernmental revenues. Retiree health and pension benefits continue to increase despite successful efforts at restructuring these benefits through collective bargaining agreements. The pressure of spending increases will continue to outpace growth in the value of taxable property resulting in higher property taxes. It will be an on-going challenge to provide a consistent level of municipal and education services while minimizing tax increases and maintaining the long-term financial health of the Town. However, it is a challenge that West Hartford is well poised to address.

AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town for its CAFR for the fiscal year ended June 30, 2016. This was the thirty-first consecutive year the Town achieved this prestigious award. In order to be awarded a Certificate of Achievement, the government must publish an easily readable and efficiently organized CAFR that satisfies both GAAP and applicable legal requirements.

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

In addition, the Town has maintained an Aaa/AAA credit rating with Moody's Investor Services and Standard and Poor's Ratings Services, respectively, since 1972, with our rating reaffirmed by both rating agencies in January 2017.

The preparation of this report could not have been accomplished without the effective and dedicated services of the staff of the Department of Financial Services. The preparation of the CAFR requires a major effort from the accounting staff and each member of the department who assisted and contributed to the preparation of this report has my sincere appreciation.

I would also like to thank the Mayor, Town Council and the Town Manager for their continued interest and support in planning and executing the financial operations of the Town.

Respectfully submitted,



Peter Privitera
Director of Financial Services

Financial Section



Accounting | Tax | Business Consulting

Independent Auditors' Report

To the Town Council
Town of West Hartford, Connecticut

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the Town of West Hartford, Connecticut, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Town of West Hartford, Connecticut'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.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 auditors consider 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, the discretely presented component unit, each major fund and the aggregate remaining fund information of the Town of West Hartford, Connecticut, as of June 30, 2017 and the respective changes in financial position and, where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Changes in Accounting Principle

As discussed in Note 10 to the financial statements, during the fiscal year ended June 30, 2017, the Town adopted new accounting guidance, GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 17, the budgetary comparison information on pages 67 through 72 and the pension and OPEB schedules on pages 73 through 79 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, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

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

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the Town of West Hartford, Connecticut, as of and for the year ended June 30, 2016 (not presented herein), and have issued our report thereon dated December 23, 2016, which contained unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund and the aggregate remaining fund information. The accompanying General Fund balance sheet as of June 30, 2016 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the 2016 financial statements. The accompanying General Fund balance sheet has been subjected to the auditing procedures applied in the audit of the 2016 basic financial statements and certain additional procedures including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the General Fund balance sheet is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2016.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2017 on our consideration of the Town of West Hartford, Connecticut's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of West Hartford, Connecticut's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of West Hartford, Connecticut's internal control over financial reporting and compliance.

Blum, Shapiro & Company, P.C.

West Hartford, Connecticut
December 20, 2017

TOWN OF WEST HARTFORD, CONNECTICUT

MANAGEMENT'S DISCUSSION AND ANALYSIS **FOR THE YEAR ENDED JUNE 30, 2017**

This discussion and analysis of the financial performance of the Town of West Hartford (the Town) is prepared by management to provide a narrative overview and analysis of the Town's financial activities for the fiscal year ended June 30, 2017. We encourage readers to consider the information presented here in conjunction with the additional information furnished in our transmittal letter, which can be found on pages v-x of this report, and the Town's financial statements, Exhibits I to IX. All amounts, unless otherwise stated, are expressed in thousands of dollars.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of the Town of West Hartford exceeded its liabilities and deferred inflows at the close of fiscal year 2017 by \$28,836, a decrease of \$8,375 from the prior year.
- The governmental activities funds reported consolidated net position of \$21,212, a reduction of \$7,266 from fiscal year 2016.
- The business-type activities of the Town had a net position of \$7,624 at fiscal year-end, a reduction of \$1,109 from the prior year.
- The Town's net investment in capital assets increased \$13,323 as construction of a new elementary school was completed.
- The Town achieved a current year property tax collection rate of 99.2% for fiscal year 2017 and delinquent tax collections continued to remain strong.

Overview of the Financial Statements

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

Government-Wide Financial Statements. The government-wide financial statements are designed to provide the reader with a broad overview of the Town's financial position in a manner similar to the private-sector.

The *statement of net position* (Exhibit I) presents information on all the Town's assets and liabilities, with the difference between the two reported as *net position*, and is one way to measure the Town's financial health. Over time, increases or decreases in net position may serve as a useful indicator as to whether the Town's financial position has improved or deteriorated.

The *statement of activities* (Exhibit II) presents changes to the Town's net position during the fiscal year presented. Changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in the statement for some items, such as uncollected taxes and earned but unused vacation leave, which will only result in cash flows of future fiscal periods.

Both of the government-wide financial statements distinguish functions of the Town that are primarily supported by property taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or most of their costs through user charges and fees (business-type activities). Both are discussed below:

- *Governmental Activities* - Most of the Town's basic services, which include general government, public safety, community maintenance, human and cultural, and education, are recorded here. Property taxes, charges for services, and state and federal grants finance most of these activities.
- *Business-Type Activities* - The Town charges user fees to customers to help cover all or a significant portion of the costs of these services.

The government-wide financial statements include not only the Town itself, but also a discretely presented component unit known as the West Hartford Center Special Services District which was established in 2004. Financial information for the discretely presented component unit is reported separately from the financial information of the primary government. The government-wide financial statements can be found on pages 18-19 of this report.

Fund Financial Statements. A fund is a grouping of related accounts used to maintain control over resources segregated for a specific objective or activity. Some funds are required to be established by Town Charter. The Town Council establishes many other funds to help control and manage financial activities for particular purposes (such as the Capital Projects Fund and the Police Private Duty Services Fund) or to show that it is meeting legal responsibilities for using grants and other money (such as grants received from the State Department of Education and the United States Department of Housing and Urban Development). The Town's funds are divided into three categories: governmental, proprietary and fiduciary.

Governmental Funds (Exhibits III and IV). The governmental fund statements provide a detailed short-term view of the Town's general government operations and the basic services it provides. These financial statements focus on the near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's short-term financing requirements. These funds are reported using the modified accrual accounting method, which measures cash and all other financial assets that can readily be converted to cash.

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. The relationship (or differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds is described in the reconciliation at the bottom of the fund financial statements. By reading both of these, readers may better understand the long-term impact of the government's short-term financing decisions.

The Town maintains twenty-seven (27) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statements of revenues, expenditures, and changes in fund balances for the General Fund, Capital Projects Funds (comprised of the Capital Projects Fund and the Capital Non-recurring Expenditure Fund), CDBG (Community Development Block Grant) Housing Rehabilitation Fund, and the Debt Service Funds (comprised of the Debt Service Fund and the Blue Back Square Fund), all of which are considered major funds. The remaining twenty-one (21) funds are combined into a single aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the combining statements located on pages 82-87 of this report.

The Town adopts an annual appropriated budget for its General Fund. A budgetary comparison statement, showing original budget, final budget and actual results has been provided to demonstrate compliance with this budget and is located in the required supplementary information on pages 67-71 of this report.

The basic governmental fund financial statements can be found on pages 20-23.

Proprietary Funds (Exhibits V, VI and VII). The Town maintains two types of proprietary funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town's only enterprise fund is the Leisure Services Fund. *Internal service funds* are used to accumulate and allocate internal costs among various departments. The Town uses internal service funds to account for risk management costs and utility costs. Because both of these functions predominantly benefit governmental rather than business-type functions, these activities have been included within governmental activities in the government-wide financial statements. Proprietary funds are reported using the accrual basis of accounting, whereby revenues are recorded when earned and expenses are recorded when a liability is incurred.

Fiduciary Funds (Exhibits VIII and IX). The Town is the trustee, or fiduciary, for its employees' pension plan and other postemployment benefits trust plan. It is also responsible for other assets that, because of a trust arrangement, can be used only for the trust beneficiaries. All of the Town's fiduciary activities are reported in separate statements of fiduciary net position and changes in fiduciary net position. Fiduciary funds are not reflected in the government-wide financial statements as the resources for those funds are not available to support the Town's operations. The Town is responsible for ensuring that the assets reported in the fund are used for their intended purposes. The accounting method used for fiduciary funds is similar to that used for proprietary funds.

Notes to the Financial Statements. The notes provide additional information necessary to fully understand the information provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 29-66.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful tool to analyze a government's financial position. The Town's combined net position decreased from \$37,211 at the end of fiscal year 2016 to \$28,836 at the end of fiscal year 2017. The discussion below focuses on the net position (Table 1) and changes in net position (Table 2) of the Town's governmental and business-type activities.

The largest component of the Town's net position (\$207,155) is its investment in capital assets (such as land, buildings, infrastructure, vehicles, machinery and equipment), less any related debt outstanding to acquire such assets. These assets are used to provide services to citizens and thus are not available to finance future spending. Although the Town's investment in capital assets is reported net of related debt, it should be noted that resources necessary to repay this debt must be provided from other sources, as capital assets cannot be used to satisfy these liabilities.

An additional \$82 of the Town's net position represents resources subject to use restrictions by external sources. The remaining balance is unrestricted and is comprised of \$48,726 which may be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements, offset by the Town's net pension liability of \$227,127.

TABLE 1
Net Position
In Thousands

	Governmental		Business-Type		Total	
	Activities		Activities		Primary Government	
	2017	2016	2017	2016	2017	2016
Current and other assets	\$ 102,703	\$ 107,520	\$ 44	\$ 132	\$ 102,747	\$ 107,652
Capital assets, net of accumulated depreciation	354,215	341,557	12,937	13,740	367,152	355,297
Total assets	456,918	449,077	12,981	13,872	469,899	462,949
Deferred charge on refunding	1,118	1,242			1,118	1,242
Deferred outflows related to pensions	17,886	40,468	275	623	18,161	41,091
Total deferred outflows of resources	19,004	41,710	275	623	19,279	42,333
Long-term liabilities	424,218	429,861	3,601	3,730	427,819	433,591
Other liabilities	16,583	17,677	2,031	2,032	18,614	19,709
Total liabilities	440,801	447,538	5,632	5,762	446,433	453,300
Deferred inflows related to pensions	6	9			6	9
Advance property tax collections	13,903	14,762			13,903	14,762
Total deferred inflows of resources	13,909	14,771			13,909	14,771
Net Position:						
Net investment in capital assets	194,218	180,092	12,937	13,740	207,155	193,832
Restricted	82	831			82	831
Unrestricted (deficit)	(173,088)	(152,445)	(5,313)	(5,007)	(178,401)	(157,452)
Total Net Position	\$ 21,212	\$ 28,478	\$ 7,624	\$ 8,733	\$ 28,836	\$ 37,211

Governmental Activities. The net position of the Town's governmental activities decreased \$7,266 from the prior year. Investment in capital assets, net of related debt, increased \$14,126 due primarily to the continued construction of a new elementary school. Net position classified as restricted decreased \$749 while unrestricted decreased \$20,643. The variance in unrestricted net position results mainly from the change in deferred outflows related to pensions.

Total assets increased \$7,841 from the prior year due to the aforementioned investment in capital assets offset by reduced cash and investment balances on-hand as of June 30, 2017. Total deferred outflows of resources decreased \$22,706 due to the recognition of demographic/economic losses and investment losses in the Town's pension plan. Total liabilities decreased \$6,737 as the Town's net pension liability was reduced in comparison to the prior year.

Business-Type Activities. The total net position of the Town's business-type activities decreased \$1,109, the result of a reduced investment in capital assets as depreciation expense exceeded additions to capital assets in fiscal year 2017.

TABLE 2
Changes in Net Position
In Thousands

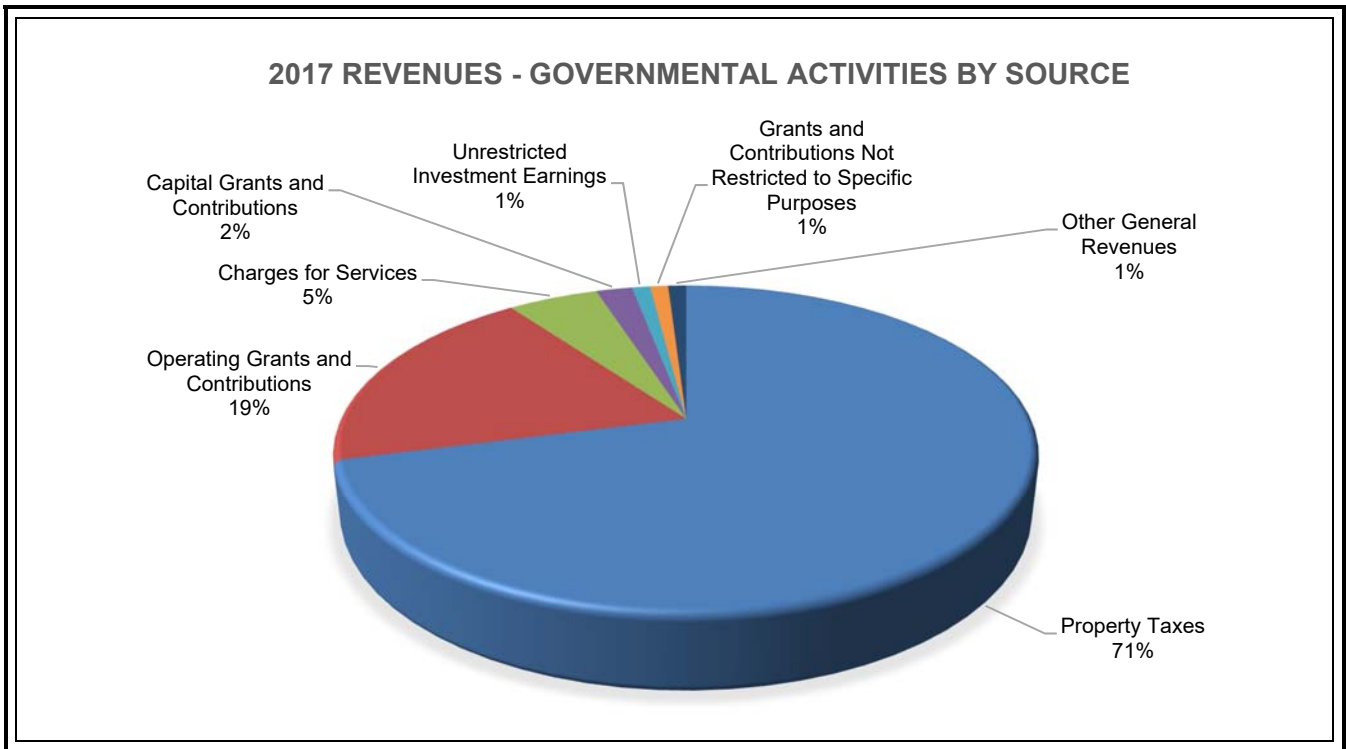
	Governmental		Business-Type		Total	
	Activities		Activities		Primary Government	
	2017	2016	2017	2016	2017	2016
Revenues:						
Program revenues:						
Charges for services	\$ 15,182	\$ 14,736	\$ 2,943	\$ 3,140	\$ 18,125	\$ 17,876
Operating grants and contributions	64,163	49,472			64,163	49,472
Capital grants and contributions	8,388	21,695	299	757	8,687	22,452
General revenues:						
Property taxes	237,427	229,698			237,427	229,698
Grants and contributions not restricted to specific purposes	4,261	2,495			4,261	2,495
Unrestricted investment earnings	2,356	1,567			2,356	1,567
Other general revenues	4,868	5,126			4,868	5,126
Total revenues	<u>336,645</u>	<u>324,789</u>	<u>3,242</u>	<u>3,897</u>	<u>339,887</u>	<u>328,686</u>
Program expenses:						
General government	15,064	13,391			15,064	13,391
Public safety	56,932	55,382			56,932	55,382
Community maintenance	40,717	39,475			40,717	39,475
Human and cultural	13,144	13,356			13,144	13,356
Education	213,041	191,683			213,041	191,683
Interest on long-term debt	4,696	4,826			4,696	4,826
Leisure services			4,668	4,503	4,668	4,503
Total program expenses	<u>343,594</u>	<u>318,113</u>	<u>4,668</u>	<u>4,503</u>	<u>348,262</u>	<u>322,616</u>
Change in net position before transfers	(6,949)	6,676	(1,426)	(606)	(8,375)	6,070
Transfers	<u>(317)</u>	<u>(321)</u>	<u>317</u>	<u>321</u>		
Change in net position	(7,266)	6,355	(1,109)	(285)	(8,375)	6,070
Net Position at Beginning of Year	<u>28,478</u>	<u>22,123</u>	<u>8,733</u>	<u>9,018</u>	<u>37,211</u>	<u>31,141</u>
Net Position at End of Year	<u>\$ 21,212</u>	<u>\$ 28,478</u>	<u>\$ 7,624</u>	<u>\$ 8,733</u>	<u>\$ 28,836</u>	<u>\$ 37,211</u>

Primary Government

Total primary government revenues increased \$11,201 or 3.4% from the prior year, while total primary government program expenses increased \$25,646 or 7.9% over the same time period. The following analysis separately considers the operations of governmental and business-type activities.

Governmental Activities

Revenues for governmental activities exclusive of transfers totaled \$336,645 for fiscal year 2017, an increase of \$11,856 over the prior year. Property taxes (71%) and operating grants and contributions (19%) were the primary revenue sources, while charges for services, capital grants and contributions, unrestricted grants, investment earnings and other general revenues combined contributed 10% of the Town's revenues.



Operating grants and contributions totaled \$64,163 in fiscal year 2017, an increase of \$14,691 or 30% from the prior year. The State of Connecticut on-behalf contribution to the State Teachers' Retirement System increased \$12,283 from the prior year, accounting for the majority of this variance. Capital grants and contributions decreased \$13,307 from the prior year, the result of a higher level of school construction grants received from the State of Connecticut in fiscal year 2016 for the construction of a new elementary school. On a government-wide basis, unrestricted investment earnings include both short-term investments in the governmental funds as well as investment income from the risk management reserve accounts. There was a favorable variance of \$789 in unrestricted investment earnings.

In order to cover the increased cost of services, the fiscal year 2017 adopted General Fund budget required an increase of \$5,584 or 2.5% in current year property tax revenue. Actual property tax revenue increased \$7,729 from the prior year due to a strong collection rate and higher than anticipated supplemental motor vehicle tax revenue.

Program expenses for governmental activities totaled \$343,594 for fiscal year 2017. Approximately 26% of program expenses were supported by program revenues with the balance funded from general revenues, primarily property taxes. Expenses for education (62%), public safety (17%), and community maintenance (12%) comprise 91% of total governmental activities program expenses, with general government, human and cultural, and interest on long-term debt comprising the remaining 9%.

2017 EXPENSES - GOVERNMENTAL ACTIVITIES BY FUNCTION

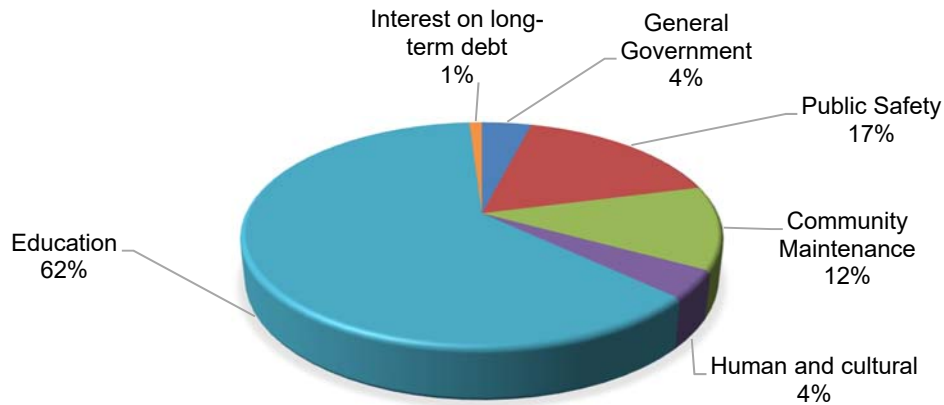
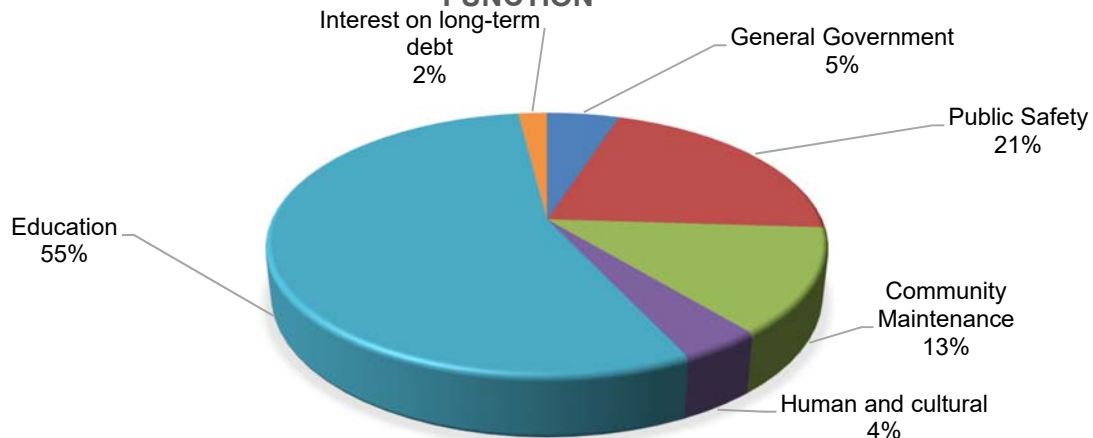


Table 3 presents the total cost and net cost of services (total cost less revenues from non-tax sources directly related to the individual function) for each of the Town's six major functions: education, public safety, community maintenance, human and cultural, general government, and interest on long-term debt. The net cost shows the financial burden placed on the Town's taxpayers by function.

TABLE 3
Cost of Governmental Activities by Function
In Thousands

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Education	\$ 213,041	\$ 191,683	\$ 140,188	\$ 120,026
Public safety	56,932	55,382	53,134	52,189
Community maintenance	40,717	39,475	34,495	32,578
Human and cultural	13,144	13,356	10,356	10,880
General government	15,064	13,391	12,992	11,711
Interest on long-term debt	4,696	4,826	4,696	4,826
Total	<u>\$ 343,594</u>	<u>\$ 318,113</u>	<u>\$ 255,861</u>	<u>\$ 232,210</u>

2017 NET COST OF SERVICES - GOVERNMENTAL ACTIVITIES BY FUNCTION



Business-Type Activities

Revenues from business-type activities decreased \$655 from the prior year due to reductions in capital contributions (\$458) and charges for services (\$197). Program expenses increased \$165 while net transfers were consistent with the prior year with a variance of \$4. The change in net assets for fiscal year 2017 was a net reduction of \$1,109 from the prior year.

FUND FINANCIAL ANALYSIS

As noted earlier, the Town uses fund accounting to control and manage financial activities for a particular purpose or to demonstrate compliance with legal requirements.

Governmental Funds

As of June 30, 2017, the Town's governmental funds (as presented in the Balance Sheet - Exhibit III) reported a combined fund balance of \$41,558. This represents a slight increase of \$671 or 1.6% from the prior year. Based upon fund balance classification under GASB 54, \$21,801 or 52.5% is unassigned and comprised of fund balance of the General Fund (\$21,811) offset by a small negative fund balance (\$10) in the Technology Investment Fund. An additional \$16,755 or 40.3% is committed, or constrained for a specific purpose by the Town Council. The remainder is comprised of non-spendable (\$321), restricted (\$2,088), and assigned (\$593) fund balance, as defined in footnote 1.

For fiscal year 2017, the total net change in fund balances for governmental funds (Exhibit IV) was an increase of \$671. Included in this total is an increase of \$753 for the General Fund. Factors affecting the General Fund are discussed below in the General Fund Highlights section. Fund balance of the Capital Project Funds increased \$738, reflecting intergovernmental revenue of \$7,678 for school and infrastructure projects, transfers in of \$3,643, charges for services of \$189 and miscellaneous revenues from sale of assets and reimbursements of \$729, with corresponding capital expenditures of \$28,106, and transfers out of \$395. Also reflected in the Capital Projects Funds is the issuance of \$17,000 in general obligation bonds. The CDBG Housing Rehabilitation Fund had no change to fund balance, while the Debt Service Funds had a net reduction to fund balance of \$648. Non-major Governmental Funds experienced a net decrease in fund balance of \$151, as detailed by fund in Exhibit B-2. Significant changes in fund balance were seen in the Parking Lot Fund (\$128), Drug Enforcement Fund (\$37), Cafeteria Fund (\$29), School Special Programs Fund (-\$125), School Interscholastic Sports Fund (\$77), Police Private Duty Fund (-\$137), and Cemetery Operating Fund (-\$166), while the remaining non-major governmental funds experienced modest changes totaling a net decrease of \$6.

Proprietary Funds

The Town's proprietary fund statements (Exhibits V-VII) provide the same type of information found in the government-wide financial statements, but in more detail. Total net position of proprietary funds was \$23,165 at year-end, a decrease of \$5,193 from the prior year. Net position of the Internal Service Funds decreased \$4,084 due to higher than anticipated employee benefit claims in the Risk Management Fund and a planned reduction in net position of the Utilities Services Fund. As mentioned previously, the Leisure Services Fund experienced a reduction of \$1,109.

General Fund Highlights

Over the course of the year, the Town Council approved budget revisions for factors not known during the budget process. Tables 4 and 5 highlight the changes from the original adopted budget to the final amended budget for fiscal year 2017 and the variance between the final budget and actual results.

TABLE 4
Summary of General Fund Budget
Original and Final Estimated Revenues vs. Actual
In Thousands

Revenue	Budget		Change	Actual Revenue	Over/ (Under) Final Budget
	Original	Final			
Property taxes	\$ 233,344	\$ 236,544	\$ 3,200	\$ 236,917	\$ 373
Federal	33	461	428	374	(87)
State	26,691	26,787	96	26,417	(370)
Charges for services	5,472	5,474	2	5,374	(100)
Local revenues	1,132	1,232	100	1,226	(6)
Income on investments	384	384		377	(7)
Transfers in	874	874		593	(281)
Total	\$ 267,930	\$ 271,756	\$ 3,826	\$ 271,278	\$ (478)

General Fund Budgetary Amendments

The General Fund's final estimated revenues increased \$3,826 or 1.4% from the original adopted budget.

- Estimated revenues from property taxes increased \$3,200, and were used to fund a year-end contribution to the Capital Non-recurring Expenditure (CNRE) Fund.
- Additional federal grants totaling \$428 were appropriated during the fiscal year: a Federal Emergency Management Agency grant (\$63) for Fire department training; Police grants (\$265) relating to underage drinking, distracted driving and driving under the influence; and, Dial-a-Ride grants (\$100).
- Estimated intergovernmental revenue from the State of Connecticut increased \$96 due to grants awarded during the year including recycling grants of \$77 and a library grant of \$13.
- The increase in local revenues of \$100 resulted from the appropriation of prior year tax overpayments to fund consulting services and a contribution to a local non-profit agency that constructed a playground for children of all abilities.

General Fund Revenue Variance

When compared to final estimated revenues, total revenue was \$478 less than budgeted. Property tax revenue exceeded budget by \$373 due to strong collection of current year taxes and a higher than anticipated supplemental motor vehicle levy. The Town achieved a property tax collection rate of 99.2% for fiscal year 2017 and demonstrated strong collection of delinquent taxes. Successful collection of property taxes has been critical to the financial health of the Town.

Federal revenue was lower than estimated (\$87) due to the timing of expenditures for reimbursement grants in the Police department. The unexpended portion of these grants will be carried forward to the fiscal year 2018 budget. Actual state revenue was \$370 less than the final budget. This resulted primarily from a reduction in municipal revenue sharing grants (\$2,967) offset by a favorable variance (\$2,756) in the education cost sharing grant in accordance with the state's adopted budget. Charges for services fell short of budget by \$100. Favorable variances were achieved in conveyance tax (\$71), paramedic services (\$27) and admission fees to leisure facilities (\$39), offset by lower than anticipated building permit revenue (-\$62), the timing of fire occupancy permits and plan review fees (-\$99), and a shortfall in parking violation revenue (-\$98) due to higher compliance rates with the Town's new parking kiosks.

While positive variances were experienced in rental income (\$18) and workers' compensation reimbursements (\$308), overall local revenues fell slightly short of estimate (-\$6) due to management's decision to postpone use of budgeted prior year tax overpayments as a revenue source. Income on investments varied slightly (-\$7) from budget, while transfers in from other funds were \$281 less than expected due to suspension of the State funded LoCIP (Local Capital Improvement Program) due to bonding restrictions.

TABLE 5
Summary of General Fund Budget - Original and Final
Appropriations vs. Actual
In Thousands

Department	Original	Final	Change	Actual Expenditure	(Over)/ Under Final Budget
Town Clerk	\$ 276	\$ 281	\$ 5	\$ 277	\$ 4
Town Council	369	419	50	417	2
Town Manager	287	363	76	363	-
Corporation Counsel	435	509	74	509	-
Registrar of Voters	295	305	10	305	-
Information Technology	883	896	13	896	-
Financial Services	2,266	2,364	98	2,364	-
Assessment	700	714	14	714	-
Human Resources	453	453	-	449	4
Fire	11,012	11,648	636	11,648	-
Police	14,980	15,124	144	14,790	334
Community Development	2,746	2,746	-	2,702	44
Public Works	11,491	11,011	(480)	10,888	123
Facilities	2,144	2,143	(1)	2,022	121
Library	3,410	3,423	13	3,306	117
Leisure and Social Services	3,024	3,124	100	2,993	131
Education	152,963	152,963	-	152,763	200
Debt and Sundry	42,356	42,116	(240)	42,072	44
Transfers Out	17,840	21,154	3,314	21,154	-
Total	\$ 267,930	\$ 271,756	\$ 3,826	\$ 270,632	\$ 1,124

Changes to departmental budgets resulted from resolutions relating to grant funds, transfers between departments, allocation of the contingency for union contracts in negotiation, and transfer of current year surplus to the CNRE Fund. Significant variances between the original and amended budget result from the following:

- The Town Council budget increased \$50 due to a contribution to a non-profit organization for construction of a playground for children of all abilities.
- The budget for the Town Manager's office increased \$76 due to costs associated with the retirement of the Town Manager.
- The Corporation Counsel budget increased \$74 due to termination costs associated with the retirement of two long-term employees.
- The budget of the Financial Services department increased \$98 due to software costs associated with the Town's new financial management system.

- The final budget of the Fire department was \$636 higher than that originally adopted. The unexpended portion of a grant from the Federal Emergency Management Agency (\$63) was carried forward from the prior year. An allocation from the contingency for settlement of the Fire Union contract (\$219) is reflected. In addition, the department's budget was increased to cover overtime and termination costs.
- The Police department budget increased \$144, reflecting the appropriation of traffic safety grants. The unexpended portion of these grants will be carried forward to fiscal year 2018.
- The Department of Public Works budget had a net reduction of \$480 during fiscal year 2017. An increase of \$92, primarily for recycling grants, was offset by significant reductions in program expenses. Savings were achieved in solid waste disposal, contractual services, street light maintenance, and street maintenance supplies.
- The budget of the Department of Leisure and Social Services increased \$100 due to appropriations for grants relating to the Dial-a-Ride program.
- The Debt and Sundry budget was reduced \$240 due primarily to allocation of the contingency to the Fire department for settlement of the Fire Union contract.
- The final budget for transfers to other funds had a net increase of \$3,314 from the original budget. Current year surplus funded a transfer of \$3,200 to the CNRE Fund. In addition, the transfer to the Private School Services Fund was increased \$114 to meet the costs of required services.

General Fund Expenditure Variance

In comparison to final appropriations, actual expenditures were \$1,124 less than budgeted. Significant favorable variances were achieved in several departments. The Police department had savings (\$334) in gasoline costs, vehicle and equipment maintenance, and payroll due to position vacancies. Public Works generated savings (\$123) in personal services due to a concerted effort to limit overtime and temporary payroll expenditures. Facilities Services achieved savings (\$121) by under-filling a vacant position and sharing a position with the Board of Education. The Library reduced its spending ((\$117) in personal services through hiring lags and reduced temporary payroll. Leisure and Social Services was \$131 under budget due to a vacant position, contractual savings and unexpended grant funds. The Board of Education had savings (\$200) in the area of benefit contributions. Other departments had minor favorable variances as noted in Table 5.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2017 the Town had \$367.1 million (net of accumulated depreciation) invested in a broad range of capital assets including land, land improvements, buildings, park facilities, vehicles, furniture and equipment, and infrastructure (such as roads, bridges, dams, storm sewers, and traffic signals) as detailed in Table 6. This amount represents a net increase of \$11.8 million, or 3.3%, from the prior year.

TABLE 6
Capital Assets at Year-end
Net of Depreciation
In Millions

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2017	2016	2017	2016	2017	2016
Land	\$ 10.6	\$ 10.6	\$	\$	\$ 10.6	\$ 10.6
Construction in progress	76.4	65.5	1.6	1.6	78.0	67.1
Buildings and land improvements	173.9	174.0	11.2	12.1	185.1	186.1
Furniture and equipment	4.5	3.4	0.1		4.6	3.4
Vehicles	3.5	3.9			3.5	3.9
Infrastructure	85.3	84.2			85.3	84.2
Total Capital Assets	\$ 354.2	\$ 341.6	\$ 12.9	\$ 13.7	\$ 367.1	\$ 355.3

This increase is primarily due to construction of a new Charter Oak Elementary School at an estimated cost of \$45,000,000, 80% being borne by the State of Connecticut. The school was under construction in the beginning of fiscal year 2017 and opened to students for the 2016-2017 academic year. The Town has no plans to fund current operations from the proceeds of debt issuance. Detailed information about the Town's capital assets is presented in note 5 to the basic financial statements.

Long-Term Debt

On June 30, 2017, the Town had \$150,455 in bonds outstanding versus \$148,675 at the end of the prior year.

Table 7
Outstanding Debt at Year-End
In Millions

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2017	2016	2017	2016	2017	2016
General Obligation Bonds (backed by the Town)	\$ 150.5	\$ 148.7	\$ -	\$ -	\$ 150.5	\$ 148.7

The increase in outstanding debt results from the issuance of \$17,000 in general obligation bonds in February 2017, offset by principal payments on existing debt of \$15,220 made during fiscal year 2017. Long-term debt is discussed in greater detail in note 7 to the financial statements. The Town's general obligation bonds continue to carry the highest ratings awarded by both Moody's Investors Services, Inc. and Standard & Poor's Financial Services, LLC (Aaa and AAA, respectively). These ratings, which have been assigned to the Town since 1972, were reaffirmed by the rating agencies in January 2017.

The State limits the amount of general obligation debt towns can issue based upon a State mandated formula calculated on the type of debt and tax base. The Town's total debt, as calculated by State guidelines, is significantly below the \$1.66 billion State imposed limit. The Town has adopted its own capital financing guidelines which state that annual debt service as a percentage of General Fund expenditures shall not exceed 10%, and is targeted to be 8% or less. Actual debt service for fiscal year 2017, inclusive of debt service of the Blue Back Square Fund, was 7.5% of General Fund expenditures. The General Fund portion of debt service was 6.1% of General Fund expenditures. More information on the Town's debt is available in Tables 8, 9 and 10 in the statistical section of this document.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The fiscal year 2018 budget process focused on providing the exceptional level of services that residents and visitors expect, while limiting the increase in local taxes. Doing so was particularly challenging as significant uncertainty existed regarding State aid levels and growth in the Grand List was insufficient to support the cost increases of town services. The fiscal year 2018 General Fund budget totals \$285,374, and represents an increase of \$17,091 or 6.4% over fiscal year 2017, at the time of adoption. The municipal services portion of the budget totals \$108,141, an increase of \$9,220 or 9.3%. The education budget totals \$159,858, an increase of \$6,575 or 4.3%. The capital financing portion of the budget for both municipal and education services is \$17,375, an increase of \$1,296 or 8.1%.

The fiscal year 2018 budget maintains town and education services with the following assumptions and policy decisions reflected in the adopted budget:

- Grand List increase of approximately \$259.1 million, or 4.3%, due to revaluation;
- A current year property tax collection rate of 99.1%;
- Reduction in the statewide mill rate for motor vehicles to 32.00 mills;
- Inclusion of the Governor's original fiscal year 2018 proposal for State Aid with an offsetting \$7 million contingency to address any potential shortfall;
- Modest increases in non-current year tax revenue estimates;
- Current services budget with no new programs or staff;
- Full funding of the actuarially determined contribution to the Town's Pension Plan; and,
- An increase in the contribution to the Retiree Health Reserve.

In order to finance the budget, an increase in current year property tax revenue of \$16,529 or 7.2% was required. Approximately \$1,859 will be generated as a result of growth in the Grand List, effectively reducing the tax increase for existing taxpayers to 6.4%. In order to generate the necessary property tax revenue, a mill rate on real and personal property of 41.04 was adopted, an increase over the prior year of 1.53 mills or 3.9%. At the time of budget adoption, a fiscal year 2018 statewide mill rate of 32.00 was in effect for motor vehicles.

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

This financial report is designed to provide citizens, taxpayers, customers, investors and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Department of Financial Services, Town of West Hartford, 50 South Main Street, West Hartford, Connecticut 06107, (860) 561-7460, or visit the Town's website at <http://www.westhartfordct.gov>.

Basic Financial Statements

TOWN OF WEST HARTFORD, CONNECTICUT
STATEMENT OF NET POSITION
JUNE 30, 2017
(In Thousands)

	Primary Government			Component Unit
	Governmental	Business-Type		West Hartford
	Activities	Activities	Total	Special
				Services District
Assets:				
Cash and cash equivalents	\$ 61,359	\$ 1	\$ 61,360	\$ 14
Investments	29,114		29,114	
Receivables, net	11,870	19	11,889	20
Due from fiduciary funds	118		118	
Inventories	239		239	
Prepaid items	3	24	27	
Capital assets:				
Assets not being depreciated	86,949	1,616	88,565	
Assets being depreciated, net	267,266	11,321	278,587	
Total assets	456,918	12,981	469,899	34
Deferred Outflows of Resources:				
Deferred charge on refunding	1,118		1,118	
Deferred outflows related to pensions	17,886	275	18,161	
Total deferred outflows of resources	19,004	275	19,279	-
Liabilities:				
Accounts and other payables	8,179	59	8,238	
Payroll liabilities	6,838	49	6,887	
Other current liabilities	792		792	9
Internal balances	(1,469)	1,469	-	
Unearned revenue	2,243	454	2,697	25
Noncurrent liabilities:				
Due within one year	30,937	43	30,980	
Due in more than one year	393,281	3,558	396,839	
Total liabilities	440,801	5,632	446,433	34
Deferred Inflows of Resources:				
Deferred inflows related to pensions	6		6	
Advance property tax collections	13,903		13,903	
Total deferred inflows of resources	13,909		13,909	-
Net Position:				
Net investment in capital assets	194,218	12,937	207,155	
Restricted for:				
Perpetual care:				
Nonexpendable	82		82	
Unrestricted	(173,088)	(5,313)	(178,401)	
Total Net Position	\$ 21,212	\$ 7,624	\$ 28,836	\$ -

The accompanying notes are an integral part of the financial statements

TOWN OF WEST HARTFORD, CONNECTICUT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017
(In Thousands)

		Net (Expense) Revenue and Changes in Net Assets						
Functions/Programs	Expenses	Program Revenues			Primary Government			Component Unit
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	West Hartford Special Services District
Primary Government:								
Governmental activities:								
General government	\$ 15,064	\$ 1,570	\$ 5	\$ 497	\$ (12,992)	\$	\$ (12,992)	\$
Public safety	56,932	3,333	402	63	(53,134)		(53,134)	
Community maintenance	40,717	5,064	724	434	(34,495)		(34,495)	
Human and cultural	13,144	1,523	1,212	53	(10,356)		(10,356)	
Education	213,041	3,692	61,820	7,341	(140,188)		(140,188)	
Interest on long-term debt	4,696				(4,696)		(4,696)	
Total governmental activities	343,594	15,182	64,163	8,388	(255,861)	-	(255,861)	-
Business-type activities:								
Leisure services	4,668	2,943		299		(1,426)	(1,426)	
Total Primary Government	\$ 348,262	\$ 18,125	\$ 64,163	\$ 8,687	(255,861)	(1,426)	(257,287)	-
Component Unit:								
West Hartford Special Services District	\$ 4,558	\$ 2,845	\$ -	\$ -				(1,713)
General revenues:								
Property taxes					237,427		237,427	1,703
Grants and contributions not restricted to specific programs					4,261		4,261	
Unrestricted investment earnings					2,356		2,356	10
Miscellaneous					4,868		4,868	
Transfers					(317)	317		
Total general revenues and transfers					248,595	317	248,912	1,713
Change in net position								
Net Position at Beginning of Year					(7,266)	(1,109)	(8,375)	-
Net Position at End of Year					28,478	8,733	37,211	-
					\$ 21,212	\$ 7,624	\$ 28,836	\$ -

The accompanying notes are an integral part of the financial statements

TOWN OF WEST HARTFORD, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2017
(In Thousands)

	General	Capital Project Funds	CDBG Housing Rehabilitation Fund	Debt Service Funds	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 34,059	\$ 10,330	\$ 43	\$ 3,022	\$ 7,791	\$ 55,245
Investments	10,211					10,211
Receivables, net	3,444	238	2,937	2	2,013	8,634
Due from other funds	2,457					2,457
Inventories	193				46	239
Total Assets	<u>\$ 50,364</u>	<u>\$ 10,568</u>	<u>\$ 2,980</u>	<u>\$ 3,024</u>	<u>\$ 9,850</u>	<u>\$ 76,786</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts and other payables	\$ 2,847	\$ 1,981	\$ 35	\$	\$ 252	\$ 5,115
Payroll liabilities	6,503				324	6,827
Due to other funds					870	870
Other liabilities	792					792
Unearned revenue	1,347		8		888	2,243
Total liabilities	<u>11,489</u>	<u>1,981</u>	<u>43</u>	<u>-</u>	<u>2,334</u>	<u>15,847</u>
Deferred inflows of resources:						
Unavailable revenue - property taxes	2,174					2,174
Unavailable revenue - school building grants	253					253
Unavailable revenue - loans receivable			2,937		114	3,051
Advance property tax collections	13,903					13,903
Total deferred inflows of resources	<u>16,330</u>	<u>-</u>	<u>2,937</u>	<u>-</u>	<u>114</u>	<u>19,381</u>
Fund balances:						
Nonspendable	193				128	321
Restricted					2,088	2,088
Committed		8,587		3,024	5,144	16,755
Assigned	541				52	593
Unassigned	21,811				(10)	21,801
Total fund balances	<u>22,545</u>	<u>8,587</u>	<u>-</u>	<u>3,024</u>	<u>7,402</u>	<u>41,558</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 50,364</u>	<u>\$ 10,568</u>	<u>\$ 2,980</u>	<u>\$ 3,024</u>	<u>\$ 9,850</u>	<u>\$ 76,786</u>

(Continued on next page)

TOWN OF WEST HARTFORD, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2017
(In Thousands)

Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Position:

Amounts reported for governmental activities in the statement of net position (Exhibit I) are
different because of the following:

Fund balances - total governmental funds (Exhibit III)	\$ 41,558
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Capital assets used in governmental activities are not financial
resources and, therefore, are not reported in the funds:

Governmental capital assets	\$ 601,211	
Less accumulated depreciation	<u>(246,996)</u>	
Net capital assets		354,215

Other long-term assets and deferred outflows of resources are
not available to pay for current-period expenditures and,
therefore, are not recorded in the funds:

Property tax receivables greater than 60 days	2,174
Interest receivable on property taxes	877
Housing loans receivable	3,052
Interest receivable on housing loans	683
Deferred charges	1,118
Receivable from the state for school construction projects	253
Deferred outflows related to pensions	17,886

Internal service funds are used by management to charge the costs of
risk management and utility services to individual funds. The assets and
liabilities of the internal service funds are reported with governmental
activities in the statement of net position.

15,541

Long-term liabilities and deferred inflows of resources, are not due and
payable in the current period and, therefore, are not reported in the funds:

Bonds and notes payable	(150,455)
Interest payable on bonds and notes	(2,183)
Compensated absences	(22,084)
Other postemployment obligations	(8,336)
Bond premium	(5,954)
Net pension liability	(227,127)
Deferred inflows related to pensions	<u>(6)</u>

Net Position of Governmental Activities (Exhibit I)	<u>\$ 21,212</u>
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The accompanying notes are an integral part of the financial statements

TOWN OF WEST HARTFORD, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017
(In Thousands)

	General	Capital Project Funds	CDBG Housing Rehabilitation Fund	Debt Service Funds	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:						
Property taxes	\$ 236,916	\$	\$	\$	\$	\$ 236,916
Intergovernmental	59,758	7,678	170		8,369	75,975
Charges for services	5,374	189	1	19	9,270	14,853
Income on investments	377			1	373	751
Miscellaneous	1,227	729		3,350	937	6,243
Total revenues	<u>303,652</u>	<u>8,596</u>	<u>171</u>	<u>3,370</u>	<u>18,949</u>	<u>334,738</u>
Expenditures:						
Current:						
General government	6,300				21	6,321
Public safety	26,445				2,016	28,461
Community maintenance	15,591				2,891	18,482
Human and cultural	6,309		192		1,594	8,095
Education	185,537				13,647	199,184
Debt and sundry	42,094			20,435		62,529
Capital outlay	62	28,106			239	28,407
Total expenditures	<u>282,338</u>	<u>28,106</u>	<u>192</u>	<u>20,435</u>	<u>20,408</u>	<u>351,479</u>
Excess (Deficiency) of Revenues over Expenditures	<u>21,314</u>	<u>(19,510)</u>	<u>(21)</u>	<u>(17,065)</u>	<u>(1,459)</u>	<u>(16,741)</u>
Other Financing Sources (Uses):						
Transfers in	593	3,643		15,988	1,966	22,190
Transfers out	(21,154)	(395)		(250)	(658)	(22,457)
Issuance of bonds		17,000				17,000
Bond premium				679		679
Total other financing sources (uses)	<u>(20,561)</u>	<u>20,248</u>	<u>-</u>	<u>16,417</u>	<u>1,308</u>	<u>17,412</u>
Net Change in Fund Balances	753	738	(21)	(648)	(151)	671
Fund Balances at Beginning of Year	<u>21,792</u>	<u>7,849</u>	<u>21</u>	<u>3,672</u>	<u>7,553</u>	<u>40,887</u>
Fund Balances at End of Year	<u>\$ 22,545</u>	<u>\$ 8,587</u>	<u>\$ -</u>	<u>\$ 3,024</u>	<u>\$ 7,402</u>	<u>\$ 41,558</u>

(Continued on next page)

TOWN OF WEST HARTFORD, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2017
(In Thousands)

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

Amounts reported for governmental activities in the statement of activities (Exhibit II) are different because:

Net change in fund balances - total governmental funds (Exhibit IV)	\$ 671
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Governmental funds report capital outlays as expenditures. In the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital outlay	27,307
Depreciation expense	(14,336)

The statement of activities reports losses arising from the trade-in or disposal of existing capital asset to acquire new capital assets. Conversely, governmental funds do not report any gain or loss on a trade-in or disposal of capital assets.	(313)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds, and revenues recognized in the funds are not reported in the statement of activities:

School building grant receipts	(121)
Property tax receivable - accrual basis change	385
Property tax interest and lien revenue - accrual basis change	126
Housing loans accrued interest	55
Housing loans receivable	(6)
Change in deferred outflows related to pensions	(22,582)
Change in deferred inflows related to pension	3

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are amortized and deferred in the statement of activities. The details of these differences in the treatment of long-term debt and related items are as follows:

Bond proceeds	(17,000)
Bond premium	(679)
Bond principal payments	15,220

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Compensated absences	(917)
Accrued interest	(85)
Amortization of deferred charge on refunding	(124)
Amortization of bond premiums	717
Other postemployment obligations	(55)
Change in net pension liability	8,552

Internal service funds are used by management to charge costs to individual funds. The net revenue of certain activities of internal services funds is reported with governmental activities.	(4,084)
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Change in Net Position of Governmental Activities (Exhibit II)	\$ (7,266)
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The accompanying notes are an integral part of the financial statements

TOWN OF WEST HARTFORD, CONNECTICUT
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
JUNE 30, 2017
(In Thousands)

	Business-Type Activities Leisure Services Fund	Governmental Activities Internal Service Funds
Assets:		
Current:		
Cash and cash equivalents	\$ 1	\$ 6,113
Investments		18,903
Receivables, net	19	1,678
Prepaid items	24	3
Total current assets	<u>44</u>	<u>26,697</u>
Noncurrent:		
Capital assets:		
Assets not being depreciated	1,616	
Assets being depreciated, net	11,321	
Total noncurrent assets	<u>12,937</u>	<u>-</u>
Total assets	<u>12,981</u>	<u>26,697</u>
Deferred Outflows of Resources:		
Deferred outflows related to pensions	<u>275</u>	
Liabilities:		
Current:		
Accounts and other payables	59	883
Payroll liabilities	49	11
Due to other funds	1,469	
Risk management claims		5,856
Unearned revenue	454	
Compensated absences	43	
Total current liabilities	<u>2,074</u>	<u>6,750</u>
Noncurrent:		
Compensated absences	63	
Net pension liability	3,495	
Risk management claims		4,406
Total noncurrent liabilities	<u>3,558</u>	<u>4,406</u>
Total liabilities	<u>5,632</u>	<u>11,156</u>
Net Position:		
Invested in capital assets	12,937	
Unrestricted	<u>(5,313)</u>	<u>15,541</u>
Total Net Position	<u>\$ 7,624</u>	<u>\$ 15,541</u>

The accompanying notes are an integral part of the financial statements

TOWN OF WEST HARTFORD, CONNECTICUT
STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN FUND NET POSITION - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2017
(In Thousands)

	Business-Type Activities	Governmental Activities
	Leisure Services Fund	Internal Service Funds
Operating Revenues:		
Fund premiums	\$	\$ 46,284
Charges for services	2,916	
Employee contributions		7,497
Other	27	186
Total operating revenues	<u>2,943</u>	<u>53,967</u>
Operating Expenses:		
Administrative expense		376
Personal services	1,176	
Employee benefits		48,213
Insurance and program services		6,247
Utilities	450	4,714
Other operating expense	1,897	
Depreciation	1,145	
Total operating expenses	<u>4,668</u>	<u>59,550</u>
Operating Income (Loss)	(1,725)	(5,583)
Nonoperating Revenue:		
Income on investments		<u>1,549</u>
Income (Loss) Before Contributions and Transfers	(1,725)	(4,034)
Capital contributions	299	
Transfers in	317	
Transfers out		<u>(50)</u>
Change in Net Position	(1,109)	(4,084)
Net Position at Beginning of Year	<u>8,733</u>	<u>19,625</u>
Net Position at End of Year	\$ <u><u>7,624</u></u>	\$ <u><u>15,541</u></u>

The accompanying notes are an integral part of the financial statements

TOWN OF WEST HARTFORD, CONNECTICUT
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2017
(In Thousands)

	Business-Type Activities Leisure Services Fund	Governmental Activities Internal Service Funds
Cash Flows from Operating Activities:		
Cash received from employees	\$	\$ 7,497
Cash received from operating funds		46,284
Cash received from customers	3,001	
Cash payments to employees for services	(948)	
Cash payments to suppliers for goods and services	(2,354)	(11,232)
Cash payment to providers benefits		(47,704)
Other operating receipts	27	192
Net cash provided by (used in) operating activities	<u>(274)</u>	<u>(4,963)</u>
Cash Flows from Noncapital Financing Activities:		
Transfers from other funds	317	
Transfers to other funds		(50)
Net cash flows provided by (used in) noncapital financing activities	<u>317</u>	<u>(50)</u>
Cash Flows from Capital and Related Financing Activities:		
Acquisition of capital assets	<u>(43)</u>	
Cash Flows from Investing Activities:		
Gain on investments		109
Purchase of investments		(181)
Net cash provided by (used in) investing activities	<u>-</u>	<u>(72)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	-	(5,085)
Cash and Cash Equivalents at Beginning of Year	<u>1</u>	<u>11,198</u>
Cash and Cash Equivalents at End of Year	\$ <u><u>1</u></u>	\$ <u><u>6,113</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:		
Operating income (loss)	\$ (1,725)	\$ (5,583)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation	1,145	
Change in assets and liabilities:		
(Increase) decrease in receivables	85	459
(Increase) decrease in prepaid items	3	(1)
(Increase) decrease in deferred outflows	348	
Increase (decrease) in accounts and other payables	(6)	97
Increase (decrease) in payroll liabilities	10	6
Increase (decrease) in pension liability	(130)	
Increase (decrease) in risk management claim liability		59
Increase (decrease) in due to other funds	<u>(4)</u>	
Net Cash Provided by (Used in) Operating Activities	\$ <u><u>(274)</u></u>	\$ <u><u>(4,963)</u></u>
Noncash Investing and Capital Financing Activities:		
Net increase (decrease) in fair value of investments	\$ <u><u>-</u></u>	\$ <u><u>1,036</u></u>
Contribution of Capital Assets from Town	\$ <u><u>299</u></u>	\$ <u><u>-</u></u>

The accompanying notes are an integral part of the financial statements

TOWN OF WEST HARTFORD, CONNECTICUT
STATEMENT OF NET POSITION - FIDUCIARY FUNDS
JUNE 30, 2017
(In Thousands)

	Pension and Other Employee Benefit Trust Funds	Student Activity Fund
Assets:		
Cash and cash equivalents	\$ 2,241	\$ 914
Investments:		
Mutual funds	150,487	
Common stock	31,668	
Alternative investments	13,045	
Receivables:		
Interest and dividends	22	
Total assets	197,463	\$ 914
Liabilities:		
Accounts and other payables	262	\$ 914
Due to other funds	118	
Total liabilities	380	
Net Position:		
Restricted for Pension and OPEB Benefits	\$ 197,083	

The accompanying notes are an integral part of the financial statements

TOWN OF WEST HARTFORD, CONNECTICUT
STATEMENT OF CHANGES IN NET POSITION - FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2017
(In Thousands)

	Pension and Other Employee Benefit Trust Funds
Additions:	
Contributions:	
Employer	\$ 21,807
Plan members	3,162
Total contributions	<u>24,969</u>
Investment income (loss):	
Net change in fair value of investments	20,402
Interest	6
Dividends	3,735
Total investment income (loss)	<u>24,143</u>
Less investment expense	<u>(330)</u>
Net investment income (loss)	<u>23,813</u>
Total additions	<u>48,782</u>
Deductions:	
Benefits	28,080
Administration	305
Total deductions	<u>28,385</u>
Change in Net Position	20,397
Net Position at Beginning of Year	<u>176,686</u>
Net Position at End of Year	<u>\$ 197,083</u>

The accompanying notes are an integral part of the financial statements

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017
(In Thousands)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of West Hartford, Connecticut (the Town) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant policies of the Town are described below.

A. Reporting Entity

The Town was incorporated in 1854. The Town operates under a Council-Manager form of government and provides the following services as authorized by its Charter: public safety, community maintenance, human and cultural resources, education and general government.

The primary government includes the Town of West Hartford, the Town of West Hartford Board of Education and the Town of West Hartford Library Board, as the Town exercises legal powers on their behalf. All functions included in the primary government are under the jurisdiction of the Town Council and administered by the Town Manager as determined on the basis of budget adoption. The West Hartford-Bloomfield Health District, the West Hartford Housing Authority and the Metropolitan District Commission (MDC), a quasi-municipal corporation that provides water and sewer services to West Hartford and other member communities, are excluded from this report.

Discretely Presented Component Unit

Pursuant to Chapter 105A of the Connecticut General Statutes, the Town established a special service district to be known as "West Hartford Center Special Service District." The purpose of the West Hartford Center Special Service District shall be to promote the economic and general welfare of the citizens and property owners of West Hartford both within and without such district through the preservation, enhancement, protection and development of the economic health and vitality of West Hartford. This legally separate entity is included as a component unit due to its close relationship to, or financial integration with the Town. This entity has its own separate corporate powers and cannot be reported as a component unit of another entity. The governing body of the special service district is substantially the same as the governing body of the Town. The Town is not responsible for the operational management of the special service district and the services provided by the district are not provided entirely to the Town or exclusively benefit the Town.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town. The effect of interfund activity has been removed from these statements where appropriate. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items that do not meet the criteria for program revenues are reported instead as general revenues.

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017
(In Thousands)

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the Proprietary Fund and Pension Trust Fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues, including property taxes, to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

Charges for services, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Only the portion of housing loans receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received.

The Town reports the following major governmental funds:

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

The Capital Project Funds are used to account for financial resources to acquire or construct major capital facilities, other than those financed by proprietary funds.

The Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term principal, interest and related costs.

The CDBG Housing Rehabilitation Fund accounts for housing loan activity under the federal grant program. The major source of revenue for this fund is federal assistance.

The Town reports the following major proprietary fund:

The Leisure Services Fund accounts for recreation activities of the Town.

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Additionally, the Town reports the following fund types:

The Internal Service Funds account for the risk management activities and utilities services of the Town.

The Pension and Other Employee Benefit Trust Funds account for the activities of the defined benefit pension plans and Other Post Employment Benefits Trust Fund, which accumulate resources for pension and health benefit payments to qualified employees upon retirement.

The Agency Fund is used to account for assets held by the Town in an agent capacity for student activities. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operation.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes and other charges between certain Town functions because the elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include property taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Leisure Services Fund, the Town's Risk Management Fund and the Utility Services Fund are charges to internal and external customers for sales and services. Operating expenses for the enterprise fund and internal service funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed. Unrestricted resources are used in the following order: committed, assigned then unassigned.

D. Deposits and Investments

Cash and cash equivalents consist of cash in banks and short-term investments in certificates of deposits having an original maturity of 90 days or less, money market accounts and the State of Connecticut's Short-Term Investment Fund (STIF), which has legislative approval for municipal use. The Town uses a pooled investment account for all funds except the Pension Trust Fund to maximize cash management opportunities. Section 18-41 of the Town code requires apportionment of interest income, which is done on a monthly basis, based on the average daily cash balance of all funds in the pooled cash account.

Investments are reported at fair value.

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E. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." All trade and property tax receivables are shown net of an allowance for uncollectibles.

Property taxes are levied on July 1 on all assessed property on the Grand List as of October 1 prior to the beginning of the fiscal year. Taxes are due July 1; however, at the discretion of the Town, and for the convenience of the taxpayer, real estate and business personal property tax bills are payable in two installments - July 1 and January 1. Motor vehicle taxes are due in one installment on July 1. Supplemental motor vehicle taxes (for vehicles registered between October 1 and August 1) are due in one installment on January 1. Taxes become delinquent one month after the installment is due. Delinquent taxes are billed at least four times a year, with interest charged at the rate of 1.5% per month retroactive to the original due date.

In accordance with state law, the oldest outstanding tax is collected first. Prior to June 30 of each year, liens are automatically placed on outstanding real estate tax accounts, with legal demands and alias tax warrants used in the collection of personal property and motor vehicle tax bills. Delinquent motor vehicle and personal property accounts are transferred to a suspense account after three years, at which time they cease to be carried as receivables.

Real estate, motor vehicle and personal property accounts are no longer collectible 15 years after due date in accordance with State Statutes. An amount of \$468 has been established as an allowance for uncollectible taxes at June 30, 2017. This represents 15.2% of all property taxes receivable.

F. Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

G. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$5,000 (\$100,000 for infrastructure) (amounts not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

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Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is not included as part of the capitalized value of the assets constructed.

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

Assets	Years
Buildings	25-50
Land improvements	20
Vehicles	5-15
Furniture and equipment	3-20
Infrastructure	15-60

H. Deferred Outflows/Inflows of Resources

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

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

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I. Compensated Absences

A limited amount of vacation earned may be accumulated by employees until termination of their employment, at which time they are paid for accumulated vacation. Vacation leave liability is valued using current salary costs, as well as any salary-related payments that are directly and incrementally connected with leave payments to employees. (The calculation includes any nonvested leave earned by employees that are considered likely to vest for both sick and vacation leave). Sick leave is accrued and is contingent upon absences being caused by employees' future illnesses or retirements. The sick leave calculation is also based on current salary costs as well as salary-related payments.

Eligible Town employees earn 15 days of sick leave per year and 10-25 days of vacation per year depending on the employees' length of service. A maximum of 150 days of sick leave and 50 days of vacation leave may be accrued. An employee leaving the employ of the Town is entitled to be paid a maximum of 50 days for vacation and 70-100 days unused sick leave upon retirement, based upon union contract.

Board of Education employees earn 10-18 days of sick leave per year. Maximum sick leave accrual varies by bargaining units from 90-220 days. Board of Education employees, with the exception of teachers, earn 10-30 days of vacation leave that cannot be accrued and must be used within the fiscal year. Upon termination, Board employees are paid for all unused vacation leave. Unused sick leave is paid only on retirement to a maximum of 35-60 days depending on bargaining units.

J. Net Pension Liability

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

K. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of any significant applicable bond premium or discount. Significant bond issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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L. Equity

Equity in the government-wide financial statements is defined as “net position” and is classified in the following categories:

Net Investment in Capital Assets

This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

Restricted

Net position is restricted because it is externally imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Unrestricted

This component consists of net position that does not meet the definition of “restricted” or “net investment in capital assets.”

The equity of the fund financial statements is defined as “fund balance” and is classified in the following categories:

Nonspendable Fund Balance

This represents amounts that cannot be spent due to form (e.g., inventories and prepaid amounts).

Restricted Fund Balance

This represents amounts constrained for a specific purpose by external parties, such as grantors, creditors, contributors, or laws and regulations of their governments.

Committed Fund Balance

This represents amounts constrained for a specific purpose by a government using its highest level of decision-making authority (Town of West Hartford Town Council). A commitment of fund balance and any subsequent modification or rescission requires a resolution of the West Hartford Town Council.

Assigned Fund Balance

This balance represents amounts constrained for the intent to be used for a specific purpose by the Town of West Hartford Town Council. The Town Council has authorized the finance director to assign fund balance.

Unassigned Fund Balance

This represents fund balance in the General Fund in excess of nonspendable, restricted, committed and assigned fund balance. If another governmental fund has a fund balance deficit, it is reported as a negative amount in unassigned fund balance.

M. Fund Balance Flow Assumptions

Sometimes the Town will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

N. Accounting Estimates

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

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

The budgetary basis follows the modified accrual basis of accounting except that encumbrances are recognized as a valid and proper charge against an appropriation in the year the purchase order is issued. In accordance with the Town Charter, Chapter VII, not later than 130 days before the end of the fiscal year, each department files a detailed statement of estimated revenues and proposed expenditures for the ensuing fiscal year. The Superintendent of Schools files a similar statement with the Board of Education and Town Manager at least 115 days prior to the end of the fiscal year.

Not later than 110 days prior to the end of the fiscal year, the Town Manager submits to the Town Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.

Not later than 75 days before the end of the fiscal year, two or more public hearings are conducted at locations throughout the Town to obtain taxpayer comments.

Not later than 65 days before the end of the fiscal year, the budget is legally enacted through passage of an ordinance. The appropriated budget is prepared by fund, department and character of expenditure. The legal level of budgetary control is at both the character and department level. Each department's budget is appropriated at four characters of expenditure (personal services, nonpersonal services, capital outlay and debt and sundry). The budget for education is appropriated at the department level.

The Town Manager is authorized to transfer appropriated amounts within departments as long as the characters of expenditure remain the same. Transfers between characters of expenditure and departments must be approved by resolution of the Town Council. During the last three months of the fiscal year, the Town Council may delegate this authority to transfer between departments to the Town's administration. Any revisions that alter the total revenues or expenditures must be approved by the Town Council.

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Legally adopted operating budgets were employed during the year for the General Fund and all special revenue funds, except the following: Cafeteria Fund, Drug Enforcement Fund, School Grants Fund, School Special Programs Fund, School Interscholastic Sports Fund, Police Home Ownership Program Fund, C.F. Morway Fund, The Town That Cares Fund, School Donations Trust, Affordable Housing Trust and Veterans Memorial. A budget is also adopted for the Leisure Services Fund (enterprise fund). The Capital Projects Fund budget is adopted on a project basis for the life of the project, and a budgetary comparison is included as a schedule in this report and includes the activity of the Capital and Nonrecurring Expenditure Fund.

For financial statement comparisons, budgetary results have been reconciled to GAAP. Budgeted amounts are as originally adopted or as amended by the Town Council. Supplemental budget amendments totaling \$3,826 were made to the adopted fiscal year 2017 General Fund budget to increase total appropriations.

Unencumbered appropriations lapse at year end with the exception of the Capital Projects Fund.

Appropriations in addition to those contained in the budget, made for the purpose of meeting a public emergency threatening the public peace, life, health or property within the Town and emergency appropriations, the total amount of which shall not exceed 3% of the current tax levy in any one fiscal year, may be made upon the recommendation of the Town Manager and by a vote of not less than two-thirds of the entire membership of the Town Council. A public hearing, at which any elector or taxpayer of the Town shall have an opportunity to be heard, shall be held prior to making such appropriation, notice of which hearing shall be given in a newspaper having circulation in the Town not more than ten (10) nor less than five (5) days prior to such hearing.

Such hearing and notice of hearing may be waived if the Town Council, by at least two-thirds of its entire membership, shall decide that a delay in making the emergency appropriation would jeopardize the public peace, life, health or property within the Town. In the absence of an available unappropriated and unencumbered General Fund cash balance to meet such appropriation, additional means of financing shall be provided in such manner, consistent with the provisions of the Connecticut General Statutes and of the Town Charter, as may be determined by the Town Council.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year end are reported as commitment or assignment of fund balances and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

B. Fund Deficits

At June 30, 2017, the Town reported deficit fund balance for the following fund:

Nonmajor Governmental Funds:	
Technology Investment Fund	\$ 10

The Town plans to address these deficits in subsequent years.

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3. CASH, CASH EQUIVALENTS AND INVESTMENTS

The deposit of public funds is controlled by the Connecticut General Statutes (Section 7-402). Deposits may be made in a “qualified public depository” as defined by Statute or, in amounts not exceeding the Federal Deposit Insurance Corporation insurance limit, in an “out of state bank” as defined by the Statutes, which is not a “qualified public depository.”

The Connecticut General Statutes (Section 7-400) permit municipalities to invest in: 1) obligations of the United States and its agencies, 2) highly rated obligations of any state of the United States or of any political subdivision, authority or agency thereof, and 3) shares or other interests in custodial arrangements or pools maintaining constant net asset values and in highly rated no-load open end money market and mutual funds (with constant or fluctuating net asset values) whose portfolios are limited to obligations of the United States and its agencies, and repurchase agreements fully collateralized by such obligations. Other provisions of the Statutes cover specific municipal funds with particular investment authority. The provisions of the Statutes regarding the investment of municipal pension funds do not specify permitted investments. Therefore, investment of such funds is generally controlled by the laws applicable to fiduciaries and the provisions of the applicable plan.

The Statutes (Sections 3-24f and 3-27f) also provide for investment in shares of the State Short-Term Investment Fund (STIF). These investment pools are under the control of the State Treasurer, with oversight provided by the Treasurer’s Cash Management Advisory Board, and are regulated under the State Statutes and subject to annual audit by the Auditors of Public Accounts. Investment yields are accounted for on an amortized-cost basis with an investment portfolio that is designed to attain a market-average rate of return throughout budgetary and economic cycles. Investors accrue interest daily based on actual earnings, less expenses and transfers to the designated surplus reserve, and the fair value of the position in the pool is the same as the value of the pool shares.

Deposits

Deposit Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the Town’s deposit will not be returned. The Town does not have a deposit policy for custodial credit risk. The deposit of public funds is controlled by the Connecticut General Statutes. Deposits may be placed with any qualified public depository that has a branch office in the state of Connecticut. Connecticut General Statutes require that each depository maintain segregated collateral (not required to be based on a security agreement between the depository and the municipality and, therefore, not perfected in accordance with federal law) in an amount equal to a defined percentage of its public deposits based upon the depository’s risk-based capital ratio.

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$49,534 of the Town’s bank balance of \$51,244 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$	44,415
Uninsured and collateral held by the pledging trust department, not in the Town’s name		<u>5,119</u>
Total Amount Subject to Custodial Credit Risk	\$	<u><u>49,534</u></u>

The table above includes \$14 related to West Hartford Special Service District (a discretely presented component unit).

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Cash Equivalents

Cash equivalents are short-term, highly liquid investments that are both readily convertible to known amounts of cash and purchased within 90 days of maturity. At June 30, 2017, the Town's cash equivalents amounted to \$16,361. The following table provides a summary of the Town's cash equivalents (excluding U.S. government guaranteed obligations) as rated by nationally recognized statistical rating organizations.

	Standard & Poor's
State Short-Term Investment Fund (STIF)	AAAm
Wells Fargo	*
Morgan Stanley	*

*Not rated

Investments

As of June 30, 2017, the Town had the following investments in the General Fund, Pension, OPEB and Risk Management Funds:

Investment Type	Fair Value	Investment Maturities (Years)		
		Less Than 1	1-10	More Than 10
Interest-bearing investments:				
Certificates of Deposit	\$ 6,767	\$	\$ 6,767	\$
U.S. Government Securities	6,625	445	4,990	1,190
U.S. Government Agencies	2,983	298	1,236	1,449
Corporate Bonds	<u>998</u>		<u>998</u>	
Total	17,373	<u>\$ 743</u>	<u>\$ 13,991</u>	<u>\$ 2,639</u>
Other investments:				
Common Stock	31,668			
Mutual Funds	162,228			
Alternative Investments	<u>13,045</u>			
Total Investments	<u>\$ 224,314</u>			

Interest Rate Risk

The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

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Credit Risk - Investments

As indicated above, State Statutes limit the investment options of cities and towns. The Town has no investment policy that would further limit its investment choices. Generally, credit risk is the risk that an issuer of a debt type investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S. government obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure. Presented below is the average rating of investments in debt securities.

<u>Average Rating</u>	<u>Corporate Bonds</u>	<u>U.S. Government Securities</u>	<u>U.S. Government Agencies</u>	<u>Certificates of Deposit</u>
Aaa	\$ 998	\$ 6,625	\$ 2,983	\$
Unrated				6,767
	<u>\$ 998</u>	<u>\$ 6,625</u>	<u>\$ 2,983</u>	<u>\$ 6,767</u>

Concentration of Credit Risk

The Town's general investment policy does not allow for an investment in any one issuer that is in excess of 5% of the Town's total investments at the time of purchase.

Custodial Credit Risk

Custodial credit risk for an investment is the risk that, in the event of the failure of the counterparty (the institution that pledges collateral or repurchase agreement securities to the Town or that sells investments to or buys them for the Town), the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At June 30, 2017, the Town's investments, other than open-end mutual funds and other pooled accounts that are not categorized as to custodial credit risk, were uninsured and unregistered securities held by the counterparty, or by its trust department or agent, and were not in the Town's name.

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements); followed by quoted prices in inactive markets or for similar assets or with observable inputs (Level 2 measurements); and the lowest priority to unobservable inputs (Level 3 measurements). The Town has the following recurring fair value measurements as of June 30, 2017:

	<u>June 30, 2017</u>	<u>Fair Value Measurements Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments by fair value level:				
U.S. Government Securities	\$ 6,625	\$ 2,964	\$ 3,661	\$
U.S. Government Agencies	2,983		2,983	
Corporate Bonds	998		998	
Common Stock	31,668	30,032	1,636	
Mutual Funds	162,228	162,228		
Alternative Investments	<u>13,045</u>			<u>13,045</u>
Total Investments by Fair Value Level	<u>\$ 217,547</u>	<u>\$ 195,224</u>	<u>\$ 9,278</u>	<u>\$ 13,045</u>

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Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. The alternative investments classified in Level 3 are not actively traded and significant observable inputs are not available; therefore, a degree of judgment is necessary to estimate fair value. The valuation process for alternative investments takes into consideration factors such as interest rate changes, movement in credit spreads, default rate assumptions, prepayment assumptions, type and quality of collateral and market dislocation.

4. RECEIVABLES

Receivables as of year end for the Town's individual major funds and nonmajor, enterprise, internal service and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Capital Projects</u>	<u>CDBG Housing Rehabilitation</u>	<u>Debt Service</u>	<u>Leisure Service Fund</u>	<u>Nonmajor and Other Funds</u>	<u>Total</u>
Receivables:							
Taxes	\$ 3,070	\$	\$	\$	\$	\$	\$ 3,070
Interest*						22	22
Accounts and other	96			2	19	2,362	2,479
Housing loans			2,937			111	3,048
Intergovernmental	<u>746</u>	<u>238</u>				<u>1,218</u>	<u>2,202</u>
Gross receivables	3,912	238	2,937	2	19	3,713	10,821
Less allowance for uncollectibles	<u>468</u>						<u>468</u>
Net Total Receivables	<u>\$ 3,444</u>	<u>\$ 238</u>	<u>\$ 2,937</u>	<u>\$ 2</u>	<u>\$ 19</u>	<u>\$ 3,713</u>	<u>\$ 10,353</u>

*Accrued interest on property taxes and long-term housing loans in the amount of \$1,560 are not included in the fund financial statements.

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5. CAPITAL ASSETS

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Transfers</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 10,570	\$	\$	\$	\$ 10,570
Construction in progress	65,465	26,673	(15,451)	(308)	76,379
Total capital assets not being depreciated	<u>76,035</u>	<u>26,673</u>	<u>(15,451)</u>	<u>(308)</u>	<u>86,949</u>
Capital assets being depreciated:					
Buildings	262,622		7,430		270,052
Land improvements	19,801		890		20,691
Vehicles	11,598	350	387	(217)	12,118
Furniture and equipment	12,996	284	1,228		14,508
Infrastructure	191,377		5,516		196,893
Total capital assets being depreciated	<u>498,394</u>	<u>634</u>	<u>15,451</u>	<u>(217)</u>	<u>514,262</u>
Less accumulated depreciation for:					
Buildings	(101,245)	(7,355)			(108,600)
Land improvements	(7,227)	(1,012)			(8,239)
Vehicles	(8,202)	(639)		212	(8,629)
Furniture and equipment	(9,038)	(1,007)			(10,045)
Infrastructure	(107,160)	(4,323)			(111,483)
Total accumulated depreciation	<u>(232,872)</u>	<u>(14,336)</u>	<u>-</u>	<u>212</u>	<u>(246,996)</u>
Total capital assets being depreciated, net	<u>265,522</u>	<u>(13,702)</u>	<u>15,451</u>	<u>(5)</u>	<u>267,266</u>
Governmental Activities Capital Assets, Net	<u>\$ 341,557</u>	<u>\$ 12,971</u>	<u>\$ -</u>	<u>\$ (313)</u>	<u>\$ 354,215</u>
	<u>Beginning Balance</u>	<u>Increases</u>	<u>Transfers</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities:					
Capital assets not being depreciated:					
Construction in progress	\$ 1,624	\$ 299	\$ (307)	\$	\$ 1,616
Capital assets being depreciated:					
Buildings and systems	19,981				19,981
Land improvements	9,774		307		10,081
Furniture and equipment	1,305	43			1,348
Total capital assets being depreciated	<u>31,060</u>	<u>43</u>	<u>307</u>	<u>-</u>	<u>31,410</u>
Less accumulated depreciation for:					
Buildings and systems	(14,768)	(619)			(15,387)
Land improvements	(2,934)	(496)			(3,430)
Furniture and equipment	(1,242)	(30)			(1,272)
Total accumulated depreciation	<u>(18,944)</u>	<u>(1,145)</u>	<u>-</u>	<u>-</u>	<u>(20,089)</u>
Total capital assets being depreciated, net	<u>12,116</u>	<u>(1,102)</u>	<u>307</u>	<u>-</u>	<u>11,321</u>
Business-Type Activities Capital Assets, Net	<u>\$ 13,740</u>	<u>\$ (803)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,937</u>

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

Governmental activities:		
General government	\$	1,815
Public safety		1,122
Community maintenance		5,001
Human and cultural		729
Education		<u>5,669</u>
Total Depreciation Expense - Governmental Activities	\$	<u><u>14,336</u></u>
Business-type activities:		
Leisure Services Fund	\$	<u><u>1,145</u></u>

Construction Commitments

The Town had numerous active construction projects during the year ended June 30, 2017. The following is a summary of capital projects as of June 30, 2017:

	<u>Project Authorization</u>	<u>Cumulative Expenditures and Encumbrances</u>
Public buildings	\$ 14,001	\$ 12,206
Parks and recreation	3,551	2,560
Infrastructure	26,503	19,965
Miscellaneous	13,454	7,290
Schools	<u>70,282</u>	<u>62,389</u>
Total	\$ <u><u>127,791</u></u>	\$ <u><u>104,410</u></u>

The commitments are being financed with general obligation bonds and state and federal grants.

6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund receivable and payable balances at June 30, 2017 are as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 2,457	\$
Nonmajor Governmental Funds		870
Leisure Services Fund		1,469
Fiduciary Funds		<u>118</u>
Total	\$ <u><u>2,457</u></u>	\$ <u><u>2,457</u></u>

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The above interfund balances are the result of temporary circumstances where one fund is due amounts based on budgetary or Town Council requirements or funds being temporarily advanced to provide cash flow.

The following is a schedule of transfers by fund type:

Transfers In	Transfers Out					Total Transfers In
	General	Capital Projects	Debt Service	Nonmajor Governmental	Internal Service	
General	\$	\$ 348	\$	\$ 195	\$ 50	\$ 593
Capital Projects	3,200			443		3,643
Debt Service Fund	15,988					15,988
Nonmajor Governmental	1,966					1,966
Leisure Services Fund		47	250	20		317
Total Transfers Out	\$ 21,154	\$ 395	\$ 250	\$ 658	\$ 50	\$ 22,507

Note: Transfers represent normal operating procedures required by budgetary or Town Council action.

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7. LONG-TERM DEBT

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2017 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds payable:					
General obligation bonds	\$ 148,675	\$ 17,000	\$ (15,220)	\$ 150,455	\$ 16,370
Bond premium	<u>5,992</u>	<u>679</u>	<u>(717)</u>	<u>5,954</u>	
Total bonds payable	<u>154,667</u>	<u>17,679</u>	<u>(15,937)</u>	<u>156,409</u>	<u>16,370</u>
Compensated absences	21,167	9,077	(8,160)	22,084	8,711
Net OPEB obligation	8,281	55		8,336	
Net pension liability	235,679		(8,552)	227,127	
Risk management liability	<u>10,067</u>	<u>5,992</u>	<u>(5,797)</u>	<u>10,262</u>	<u>5,856</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 429,861</u>	<u>\$ 32,803</u>	<u>\$ (38,446)</u>	<u>\$ 424,218</u>	<u>\$ 30,937</u>
Business-Type Activities:					
Compensated absences	\$ 105	\$ 46	\$ (45)	\$ 106	\$ 43
Net pension liability	<u>3,625</u>		<u>(130)</u>	<u>3,495</u>	
Total Business-Type Activities Long-Term Liabilities	<u>\$ 3,730</u>	<u>\$ 46</u>	<u>\$ (175)</u>	<u>\$ 3,601</u>	<u>\$ 43</u>

All general obligation long-term bonds are secured by the general revenue raising powers of the Town. No sinking funds have been established as of June 30, 2017. The net pension liability is paid from primarily the General Fund and Leisure Fund. The net OPEB obligation is paid from primarily the General Fund. Compensated absences are paid from revenues of the fund in which the employee is budgeted.

The liability for compensated absences includes termination payments for unused vacation and sick leave using the vesting method outlined in GASB Statement No. 16.

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Bonds Payable

The annual debt service requirements of the Town's bonded indebtedness reported in governmental activities described above are as follows:

<u>General Obligations</u>			
<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 16,370	\$ 5,166	\$ 21,536
2019	16,540	4,536	21,076
2020	15,765	3,888	19,653
2021	15,925	3,204	19,129
2022	14,215	2,579	16,794
2023-2027	50,210	6,800	57,010
2028-2032	18,280	1,832	20,112
2033-2035	<u>3,150</u>	<u>189</u>	<u>3,339</u>
Total	\$ <u>150,455</u>	\$ <u>28,194</u>	\$ <u>178,649</u>

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Principal Amount of Debt Indebtedness

<u>Date</u>	<u>Purpose</u>	<u>Rate %</u>	<u>Original Issue</u>	<u>Debt Outstanding</u>	<u>Date of Fiscal Year Maturity</u>
1/15/2001	General Purpose	4.10-4.50	\$ 10,250	\$ 2,050	2021
1/15/2001	Schools	4.10-4.50	4,750	950	2021
1/15/2002	General Purpose	3.50-4.75	6,415	1,604	2022
1/15/2002	Schools	3.50-4.75	7,085	1,771	2022
1/30/2008	General Purpose	3.00-5.00	10,722	715	2023
1/30/2008	Schools	3.00-5.00	4,278	285	2023
6/15/2009	General Purpose	2.00-3.50	10,903	2,181	2024
6/15/2009	Schools	2.00-3.50	4,097	819	2024
9/15/2009	Refunding - General Purpose	2.00-4.00	38,583	31,817	2026
9/15/2009	Refunding - Schools	2.00-4.00	3,077	2,537	2026
4/1/2010	Refunding - General Purpose	2.00-5.00	10,280	8,113	2024
4/1/2010	Refunding - Schools	2.00-5.00	10,330	8,152	2024
10/15/2010	General Purpose	2.00-4.00	6,002	1,606	2026
10/15/2010	Schools	2.00-4.00	1,998	534	2026
2/15/2012	General Purpose	2.50-5.00	11,648	8,542	2028
2/15/2012	Schools	2.50-5.00	3,352	2,458	2028
2/5/2014	General Purpose	2.63-5.00	12,830	10,251	2029
2/5/2014	Schools	2.63-5.00	7,170	5,729	2029
2/12/2015	General Purpose	2.00-3.00	9,655	8,690	2035
2/12/2015	Schools	2.00-3.00	11,345	10,211	2035
1/28/2016	General Purpose	2.00-4.00	12,537	11,699	2031
1/28/2016	Schools	2.00-4.00	1,463	1,366	2031
3/2/2016	Refunding - General Purpose	2.00-4.00	7,055	6,527	2025
3/2/2016	Refunding - Schools	2.00-4.00	5,240	4,848	2025
2/16/2017	General Purpose	2.00-5.00	12,065	12,065	2032
2/16/2017	Schools	2.00-5.00	<u>4,935</u>	<u>4,935</u>	2032
			\$ <u>228,065</u>	\$ <u>150,455</u>	

Prior Years' In-Substance Defeasance

In prior years, the Town defeased certain bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Town's financial statements. At June 30, 2017, \$12,650,000 of prior bonds outstanding is considered defeased, of which \$13,215,950 is held in escrow.

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The following is a schedule of direct and overlapping debt as of June 30, 2017:

Jurisdiction	Outstanding Debt	Percentage Applicable to West Hartford	Outstanding Debt Applicable to Town
West Hartford	\$ 150,455	100.00%	\$ 150,455
Metropolitan District Commission	949,066	22.28%	211,452
Total			\$ <u>361,907</u>

The Town's indebtedness does not exceed the legal debt limitations as required by the Connecticut General Statutes as reflected in the following schedule:

Category	Debt Limit	Net	Balance
General purpose	\$ 533,351	\$ 113,752	\$ 419,599
Schools	1,066,701	54,438	1,012,263
Sewers	888,918	211,452	677,466
Urban renewal	770,395		770,395
Pension deficit	711,134		711,134

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation or \$1.66 billion. Except for proprietary fund bonds, if any, all long-term debt obligations are retired through General Fund appropriations.

Indebtedness, in accordance with State Statutes, includes long-term debt outstanding, bond anticipation notes outstanding and the amount of bonds authorized and unissued against which bonds have been issued to partially finance the project. There were \$17,988 of bonds authorized and unissued, for debt limitation purposes, at June 30, 2017. Additionally, school indebtedness is net of school building grants amounting to \$253.

As of June 30, 2017 the Town had, in addition to amounts referred to above, a total of \$36,003 authorized but unissued debt, consisting of \$19,728 for general public improvements and \$16,275 for school purposes. It is the Town Council's policy to authorize the issuance of bonds for the first two years of the Capital Improvement Program to improve the ability to plan and execute projects. Project funding will be released over a two-year period according to the capital financing policy.

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8. FUND BALANCE

The components of fund balance for the governmental funds at June 30, 2017 are as follows:

	General Fund	Capital Projects Fund	Debt Service Fund	Nonmajor Governmental Funds	Total
Fund balances:					
Nonspendable:					
Inventory	\$ 193	\$	\$	46	\$ 239
Private Cemetery				82	82
Restricted for:					
Grants				128	128
Westmoor park				411	411
Cemetery operating				1,166	1,166
C.F. Morway				45	45
Town that cares				160	160
School donations				122	122
Affordable housing				4	4
Veteran memorial				43	43
State Housing and Community Development				9	9
Committed to:					
Parking lot				2,290	2,290
Cafeteria				558	558
School special programs				1,524	1,524
West Hartford library				63	63
School interscholastic sports				83	83
Police private duty				117	117
Police home ownership				16	16
Cemetery operating				493	493
Debt and sundry			3,024		3,024
Capital projects		8,587			8,587
Assigned to:					
General government encumbrances	13				13
Community maintenance encumbrances	53			52	105
Education encumbrances	456				456
Public safety encumbrances	3				3
Debt and sundry encumbrances	16				16
Unassigned	21,811			(10)	21,801
Total Fund Balances	\$ 22,545	\$ 8,587	\$ 3,024	\$ 7,402	\$ 41,558

Significant encumbrances at June 30, 2017 are contained in the above table in assigned fund balance. General Fund encumbrances amounted to \$541 at June 30, 2017.

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9. RISK MANAGEMENT

A. Types of Risk

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town established its Risk Management Fund (an internal service fund) in 1980 to account for and finance both its insured and self-insured risks of loss. There are six programs accounted for in the fund: Workers' Compensation, Heart and Hypertension, Town Health, Self-Insured, Insured and Board of Education Health. The Town is self-insured for workers' compensation, heart and hypertension, general liability, automobile liability, law enforcement liability, school leaders and public official's liability, and health claims. In addition, stop-loss or excess coverage is purchased for each of these programs.

B. Insurance Coverage

The following is a summary of major coverage:

Coverage	Retention	Limits
Excess workers' compensation	\$ 500	Statutory
General liability	250	\$ 20,000
Law enforcement liability	250	20,000
Public officials liability	250	20,000
School leaders liability	250	20,000
Automobile liability	250	20,000
Auto physical damage-comprehensive	5	Actual Cash Value
Property	50	\$ 500,000
Excess liability	N/A	15,000

Excess liability insurance is maintained with Gemini for \$5,000 excess of \$250 self-insurance retention, with Indemnity Insurance for \$10,000 excess of \$5,000 and with American Alternative Insurance for \$5,000 excess of \$15,000. PMA Management Corporation of New England administers the Self-Insured Workers' Compensation and Self-Insured Risk Programs. Settled claims have not exceeded the commercial coverages above in any of the previous three years.

C. Loss Estimation Methodology

The Risk Management Fund receives revenues from other funds to finance its costs. Risk allocations are based on both exposure and experience factors, depending on the risk. In the case of the self-insured, workers' compensation and heart and hypertension programs, actuarial estimates are used to determine ultimate losses. Claims and loss expenses are accrued at their present value utilizing actuarially developed factors and discount rates. The discount rate used is 7.5%. The estimate of incurred but not reported (IBNR) health claims is based on 45 days of average claims for the Town Health program and 30 days of average claims for the Board of Education Health program. Total claims liabilities of \$10.3 million at June 30, 2017 are based on the requirements of GASB Statement 10. This Statement requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred. At the date of the financial statements, the amount of the loss must be able to be reasonably estimated.

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Changes in the fund's claims liabilities for the past two years were as follows:

<u>Fiscal Year</u>	<u>Fiscal Year Liability</u>	<u>Current Year Changes in Estimates</u>	<u>Claim Payments</u>	<u>Fiscal Year Liability</u>
2015-16	\$ 10,284	\$ 46,422	\$ (46,639)	\$ 10,067
2016-17	10,067	5,992	(5,797)	10,262

10. OTHER POSTEMPLOYMENT BENEFITS

A. Plan Description

The Town, in a single-employer plan in accordance with various collective bargaining agreements, provides retiree medical benefits for the lifetime of the retired member and covered dependents. The plan covers Town, Board of Education, Police and Fire employees as further defined in collective bargaining agreements and other written materials. Eligibility and premium sharing information is detailed in the various collective bargaining agreements.

Management of the other post-employment benefits (OPEB) plan is vested with the Town Manager and Director of Financial Services. The members of the Risk Management Advisory Board constitute the Other Post-Employment Benefits Advisory Board (OPEB Board), which provides policy oversight. The OPEB Board consists of six members, three appointed by the Town Council and three appointed by the Board of Education, who serve a three-year term.

At July 1, 2015, plan membership consisted of the following:

Number of members:	
Active members	1,372
Retired members	<u>831</u>
Total Participants	<u><u>2,203</u></u>

B. Funding Policy

The Town has actuarially calculated and funded retiree health benefits in a reserve fund since 1985. All retiree claims are paid for in the reserve fund and funded from a combination of employee contributions, investment income on the reserve balance, revenue from the Medicare subsidy and an annual appropriation from the General Fund. The Health Reserve portion of the Risk Management Fund had net position of \$11,862 on June 30, 2017. State law allows the fund to invest up to a maximum of 50% in equity securities and the assumed rate of return is 7.5%.

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The Town has established a trust fund to irrevocably segregate assets to fund the liability associated with the postemployment benefits, which requires the reporting of a trust fund in accordance with GASB guidelines. The contribution requirements of plan members and the Town are negotiated with the various unions representing the employees. Other postemployment benefits for Town and Board of Education employees hired subsequent to an increase in the normal retirement age (July 2003 and forward with varying dates depending on union affiliation) are accounted for in the OPEB Trust Fund.

The Town also began to fund pre-plan change OPEB liabilities in the Trust Fund in fiscal year 2015 and is phasing in the Annual Required Contribution over 5 years. Retired plan members and beneficiaries currently receiving benefits are required to contribute specified amounts monthly towards the cost of health insurance premiums as follows:

Town Employees

Date of hire prior to July 1, 1986 who receive either an early or normal retirement pension benefit: Town pays 100% of premium;

Date of hire after July 1, 1986 and prior to November 10, 1997 who receive a normal retirement pension benefit: Town pays 93% of the premium until Medicare eligibility, then Town pays 100%;

Date of hire after November 10, 1997 and prior to June 30, 2003 who receive a normal retirement pension benefit with eligibility at age 55 and 25 years of service: Town pays 85% of the premium until Medicare eligibility, then Town pays 100%;

Date of hire after November 10, 1997 and prior to June 30, 2003 who receive a normal retirement pension benefit with eligibility at age 60 and 10 years of service: Town pays 70% of the premium until Medicare eligibility, then Town pays 100%;

Date of hire after July 1, 2003 (July 1, 2007 for dispatchers union) who receive a normal retirement pension benefit with eligibility at age 65 with 15 years of service or age 62 with 35 years of service: Town pays 75% of the premium for employee and 50% of the premium for dependent until Medicare eligibility, then Town pays 100%.

Board of Education

Teachers and Administrators: Employee pays 100% of the premium for employee and dependent;

Secretarial/Clerical and Nonbargaining: Board pays 100% of the premium for employee and 50% of the premium for dependent;

Custodial and Maintenance: Pre-65, Board pays 100% of the premium for employee and 50% of the premium for dependent; Post-65, the employee pays 100% of the Major Medical premium for both employee and dependent. The Board pays 100% of the premium for the employee and 50% of the premium for dependent for the Over 65 portion;

Nurses: Board pays 50% of the premium for employee and dependent;

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Police and Fire

Date of hire prior to July 1, 1986:

- 10-15 years of service: Town pays greater of rate in effect on July 1st after retirement or 50% of the premium;
- 15-20 years of service: Town pays greater of rate in effect on July 1st after retirement or 75% of the premium;
- 20+ years of service: Town pays 100% of the premium.

Fire employees with date of hire on or after July 1, 1986 and prior to July 1, 2005:

- Less than 20 years of service: no coverage;
- 20+ years of service: Town pays 100% of the premium.

Fire employees with date of hire on or after July 1, 2005:

- Less than 25 years of service: no coverage;
- 25+ years of service and age 50: Town pays 100% of the premium.

Police employees with date of hire on or after to July 1, 1986 and prior to July 1, 2006:

- Less than 20 years of service: no coverage;
- 20+ years of service: Town pays 100% of the premium.

Police employees with date of hire on or after July 1, 2006:

- Less than 25 years of service: no coverage;
- 25+ years of service: Town pays 100% of the premium.

Member Contributions:

Effective October 2, 2000, active Police employees pay 1% of bi-weekly base wage toward the cost of retiree health benefits;

Effective July 15, 2002, active Fire employees pay 1% of bi-weekly base wage toward the cost of retiree health benefits;

Effective July 1, 2005, active Police and Fire employees pay 1.65% of bi-weekly base wage toward the cost of retiree health benefits.

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C. Investments

Investment Policy

The investment policy of the OPEB Plan is established and may be amended by the OPEB Board. The investment policy is designed to reflect a prudent investor's tolerance for risk, which is achieved through diversification of the portfolio across a broad selection of asset classes. It is the intent of the policy to pursue an investment strategy that produces a maximum return for the Town through prudent asset allocation and superior investment performance within designated asset classes.

Rate of Return

For the year ended June 30, 2017, the annual money-weighted rate of return on investments, net of investment expense, was 11.19%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

D. Net OPEB Liability of the Town

During the year, the Town implemented GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*. This Statement requires the net OPEB liability to be measured as the total OPEB liability, less the amount of the OPEB plan's fiduciary net position. The components of the net OPEB liability of the Town at June 30, 2017, were as follows:

Total OPEB liability	\$	157,148
Plan fiduciary net position		<u>2,961</u>
Net OPEB Liability	\$	<u><u>154,187</u></u>
Plan fiduciary net position as a percentage of the total OPEB liability		1.88%

The Town's net OPEB liability will be required to be recorded on the government-wide financial statement of net position at June 30, 2018.

E. Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2017, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary Increase	3.50%
Investment rate of return	7.50%
Healthcare cost trend rates	The annual healthcare cost trend rate starts at 8% in 2015, decreases by .5% per year down to 4.5% in 2022 and beyond
Mortality	RP-2000 Mortality Table with separate male and female rates, with separate tables for nonannuitants and annuitants, projected to the valuation date with Scale AA

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There was no actuarial experience study completed.

The long-term expected rate of return on OPEB 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 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 as of June 30, 2017 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Core fixed income	40.00 %	1.75 %
U.S. Large Cap Equities	28.50	5.60
U.S. Small Cap Equities	7.50	5.90
Developed foreign equities	19.00	5.80
Emerging Markets Equity	5.00	4.25
	<u>100.00 %</u>	

F. Discount Rate

The discount rate used to measure the total OPEB liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that Town contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

G. Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.5%) or 1 percentage point higher (8.5%) than the current discount rate:

	<u>1% Decrease (6.5%)</u>	<u>Current Discount Rate (7.5%)</u>	<u>1% Increase (8.5%)</u>
Net OPEB Liability	\$ <u>172,190</u>	\$ <u>154,187</u>	\$ <u>139,050</u>

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H. Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage-point lower (7.0% decreasing to 3.5%) or 1 percentage point higher (9.0% decreasing to 5.5%) than the current healthcare cost trend rates:

	1% Decrease (7.00% decreasing to 3.50%)	Healthcare Cost Trend Rates (8.00% decreasing to 4.50%)	1% Increase (9.00% decreasing to 5.50%)
Net OPEB Liability	\$ <u>135,941</u>	\$ <u>154,187</u>	\$ <u>176,193</u>

I. Annual OPEB Cost and Net OPEB Obligations

The Town's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the Town's annual OPEB cost for the year, the amount actually contributed to the plan and changes in the Town's net OPEB obligation (asset):

Annual required contribution	\$ 11,981
Interest on net OPEB obligation	621
Adjustment to annual required contribution	<u>(528)</u>
Annual OPEB cost	12,074
Contributions made	<u>12,019</u>
Change in net OPEB obligation	55
Net OPEB obligation, Beginning of Year	<u>8,281</u>
Net OPEB Obligation, End of Year	\$ <u><u>8,336</u></u>

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The Town's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation (asset) for the three fiscal years ended June 30, 2017 are presented below.

Fiscal Year Ended	Annual OPEB Cost (AOC)	Actual Contribution	Percentage of AOC Contributed	Net OPEB Obligation (NOO)
6/30/2015	\$ 9,856	\$ 8,473	86.0%	\$ 7,736
6/30/2016	11,358	10,813	95.2	8,281
6/30/2017	12,074	12,019	99.5	8,336

As of July 2015, the date of the most recent valuation, the plan was 0.48% funded. The actuarial accrued liability for benefits was approximately \$147,594 and the actuarial value of the assets was \$702, resulting in an unfunded actuarial accrued liability (UAAL) of approximately \$146,892.

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

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Projected Unit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
7/1/2011	\$ 80	\$ 107,490	\$ 107,410	0.07%	\$ 121,405	88.50%
7/1/2013	183	118,865	118,682	0.15%	127,047	93.40%
7/1/2015	702	147,594	146,892	0.48%	105,853	139%

11. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS

Town of West Hartford Retirement System

A. Plan Description and Benefits Provided

By the authority of Chapter VIII, Section 3, of the Town Charter and Chapter 30, Article II of the Code of Ordinances, the Town sponsors and maintains a single-employer defined benefit plan (West Hartford Retirement System). This plan covers all full-time employees of the Town and Board of Education, except for those employees eligible for participation in the State of Connecticut Teachers' Retirement System.

TOWN OF WEST HARTFORD, CONNECTICUT
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The Plan is administered by a Pension Board that is appointed by the Town Council and represents both management and employees. The Pension Board consists of 5 members who serve a 5-year term.

Certified teachers employed by the Board of Education are eligible to participate in the State of Connecticut Teachers' Retirement System, which is a cost-sharing multi-employer defined benefit Public Employees Retirement System (PERS) with the State acting as a nonemployer contributor.

An annual valuation of the pension plan is conducted on July 1 of each year for the subsequent fiscal year.

Membership in the Plan as of July 1, 2016 was as follows:

Inactive participants:	
Retirees and beneficiaries currently receiving benefits	1,077
Terminated vested employees	81
Total inactive participants	<u>1,158</u>
Active participants	<u>856</u>
Total	<u><u>2,014</u></u>

B. Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting

Plan financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which employee services are performed. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments

Investments are reported at fair value. Securities traded on a national exchange are valued at the last reported sales price. Investment income is recognized as earned.

C. Funding Policy

The contribution requirements of plan members are established and may be amended by the Town Council subject to union contract negotiation. As a condition of participation, members are required to contribute a specified portion (1.8% to 7%) of their salary to the Plan, depending upon their class of membership.

The Plan's funding policy provides for actuarially determined periodic contributions at rates that, for individual employees, increase gradually over time so that sufficient assets will be available to pay benefits when due. The Plan amortizes the actuarial accrued liability over a 30-year period. Contributions are recommended by the actuary through the Town's fiscal year end of June 30. The Town's contributions for the fiscal years ended June 30, 2017 and 2016, were \$20,551 and \$17,917, respectively, and were in accordance with actuarially determined requirements.

TOWN OF WEST HARTFORD, CONNECTICUT
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D. Investments

Investment Policy

The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the Pension Board by a majority vote of its members. It is the policy of the Pension Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans.

Concentrations: The following investment represents more than 5% of the Pension Trust Funds net position as of June 30, 2017:

Barings Core Property Fund, LP	\$13,044,851
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Rate of Return

For the year ended June 30, 2017, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 12.95%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

E. Net Pension Liability of the Town

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

Total pension liability	\$ 424,744
Plan fiduciary net position	<u>194,122</u>
Net Pension Liability	\$ <u><u>230,622</u></u>
Plan fiduciary net position as a percentage of the total pension liability	45.70%

For the year ended June 30, 2017, the Town's net pension liability is \$230,622, of which \$227,127 is reported as governmental activities and \$3,495 as business-type activities.

F. Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2017, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increases	Rates vary by age
Investment rate of return	7.50%

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Mortality rates were based on the RP-2000 Annuitant and Nonannuitant Mortality Tables for Male and Females projected to valuation date by Scale AA.

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 asset allocation and the best estimates of arithmetic real rate of return for each major asset class as of June 30, 2017 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Core fixed income	30.00 %	2.20 %
U.S. Large Cap Equities	44.50	5.55
U.S. Small Cap Equities	10.50	5.85
Developed foreign equities	10.00	5.85
Real estate	5.00	4.10
	<u>100.00 %</u>	

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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(In Thousands)

G. Discount Rate

The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The plan's fiduciary net position was projected to be available to make all projected future benefit payments of current and active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Employees' Pension Plan			
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balances as of June 30, 2016	\$ 414,550	\$ 175,246	\$ 239,304
Changes for the year:			
Service cost	7,641		7,641
Interest on total pension liability	30,633		30,633
Benefit payments	(28,080)	(28,080)	-
Employer contributions		20,551	(20,551)
Member contributions		3,063	(3,063)
Net investment income (loss)		23,647	(23,647)
Administrative expenses		(305)	305
Net changes	10,194	18,876	(8,682)
Balances as of June 30, 2017	\$ 424,744	\$ 194,122	\$ 230,622

H. Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the Town, calculated using the discount rate of 7.5%, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.5%) or 1 percentage point higher (8.5%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net Pension Liability	\$ 273,875	\$ 230,622	\$ 193,699

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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(In Thousands)

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

At June 30, 2017, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Employees' Pension Plan					
	Governmental Activities		Business-Type Activities		Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 15,680	\$	\$ 241	\$	\$ 15,921	-
Changes of assumptions	230	6	3		233	6
Net difference between projected and actual earning on pension plan investments	1,976		31		2,007	-
Total	\$ 17,886	\$ 6	\$ 275	\$ -	\$ 18,161	\$ 6

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

<u>Year Ending June 30,</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
2018	\$ 9,744	\$ 151	\$ 9,895
2019	9,489	145	9,634
2020	751	11	762
2021	(2,104)	(32)	(2,136)

For the year ended June 30, 2017, the Town recognized pension expense of \$34,796, of which \$34,271 is reported as governmental activities and \$525 as business-type activities.

Teachers Retirement

A. Plan Description

Teachers, principals, superintendents or supervisors engaged in service of public schools are provided with pensions through the Connecticut State Teachers' Retirement System, a cost sharing multiple-employer defined benefit pension plan administered by the Teachers Retirement Board. Chapter 167a of the State Statutes grants authority to establish and amend the benefit terms to the Teachers Retirement Board. The Teachers Retirement Board issues a publicly available financial report that can be obtained at www.ct.gov.

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017
(In Thousands)

B. Benefit Provisions

The plan provides retirement, disability and death benefits. Employees are eligible to retire at age 60 with 20 years of credited service in Connecticut, or 35 years of credited service including at least 25 years of service in Connecticut.

Normal Retirement

Retirement benefits for employees are calculated as 2% of the average annual salary times the years of credited service (maximum benefit is 75% of average annual salary during the 3 years of highest salary).

Early Retirement

Employees are eligible after 25 years of credited service including 20 years of Connecticut service, or age 55 with 20 years of credited service including 15 years of Connecticut service with reduced benefit amounts.

Disability Retirement

Employees are eligible for service-related disability benefits regardless of length of service. Five years of credited service is required for nonservice-related disability eligibility. Disability benefits are calculated as 2% of average annual salary times credited service to date of disability, but not less than 15% of average annual salary, nor more than 50% of average annual salary.

C. Contributions

Per Connecticut General Statutes Section 10-183z (which reflects Public Act 79-436 as amended), contribution requirements of active employees and the State of Connecticut are approved, amended and certified by the State Teachers Retirement Board and appropriated by the General Assembly.

Employer (School Districts)

School District employers are not required to make contributions to the plan.

The statutes require the State of Connecticut to contribute 100% of each school districts' required contributions, which are actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of the benefits earned by employees during the year, with any additional amount to finance any unfunded accrued liability.

Employees

Effective July 1, 1992, each teacher is required to contribute 6% of salary for the pension benefit.

TOWN OF WEST HARTFORD, CONNECTICUT
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JUNE 30, 2017
(In Thousands)

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

At June 30, 2017, the Town reports no amounts for its proportionate share of the net pension liability, and related deferred outflows and inflows, due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the Town were as follows:

Town's proportionate share of the net pension liability	\$	-
State's proportionate share of the net pension liability associated with the Town		<u>262,780</u>
Total	\$	<u><u>262,780</u></u>

The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016. At June 30, 2017, the Town has no proportionate share of the net pension liability.

For the year ended June 30, 2017, the Town recognized pension expense and revenue of \$28,657 in Exhibit II for on-behalf amounts for the benefits provided by the State.

E. Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2016, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increase	3.25-6.50%, including inflation
Investment rate of return	8.00%, net of pension plan investment expense, including inflation

Mortality rates were based on the RPH-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80, projected to the year 2020 using the BB improvement scale, and further adjusted to grade in increased rates (5% for females and 8% for males) over age 80 for the period after service retirement and for dependent beneficiaries as well as for active members. The RPH-2014 Disabled Mortality Table projected to 2017 with Scale BB is used for the period after disability retirement.

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2010 - June 30, 2015.

For teachers who retired prior to September 1, 1992, pension benefit adjustments are made in accordance with increases in the Consumer Price Index, with a minimum of 3% and a maximum of 5% per annum.

TOWN OF WEST HARTFORD, CONNECTICUT
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(In Thousands)

For teachers who were members of the Teachers' Retirement System before July 1, 2007 and retire on or after September 1, 1992, pension benefit adjustments are made that are consistent with those provided for Social Security benefits on January 1 of the year granted, with a maximum of 6% per annum. If the return on assets in the previous year was less than 8.5%, the maximum increase is 1.5%.

For teachers who were members of the Teachers' Retirement System after July 1, 2007, pension benefit adjustments are made that are consistent with those provided for Social Security benefits on January 1 of the year granted, with a maximum of 5% per annum. If the return on assets in the previous year was less than 11.5%, the maximum increase is 3%, and if the return on the assets in the previous year was less than 8.5%, the maximum increase is 1.0%.

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

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

F. Discount Rate

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

G. Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The Town's proportionate share of the net pension liability is \$-0- and, therefore, the change in the discount rate would only impact the amount recorded by the State of Connecticut.

H. Other Information

Additional information is included in the required supplementary information section of the financial statements. A schedule of contributions is not presented as the Town has no obligation to contribute to the plan.

12. COMMITMENTS AND CONTINGENCIES

The West Hartford-Bloomfield Health District is a regional health department servicing the towns of West Hartford and Bloomfield. The Town of West Hartford expends at least \$1.00 per capita per fiscal year from annual local tax receipts for the district's services.

The Metropolitan District Commission (the Commission) provides water and sewer services to the Town and certain other area municipalities financed by a service levy on the participating municipalities and user charges. This does not result in overlapping property tax for the residents of the Town. Since this is a separate governmental unit, its audited annual statements are not included in this report but are available from the Commission directly.

The Town, its officers, employees, boards and commissions are defendants in a number of lawsuits. It is the opinion of Town officials that such pending litigation will not be finally determined so as to result individually or in the aggregate in a final judgment against the Town that would materially adversely affect its financial position.

Required Supplementary Information

TOWN OF WEST HARTFORD, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2017
(In Thousands)

	Budgeted Amounts		Actual	Variance - Positive (Negative)
	Original	Final		
Property taxes:				
Current year levy	\$ 229,544	\$ 232,244	\$ 232,366	\$ 122
Prior year's collections	1,350	1,350	1,298	(52)
Interest and liens fees	750	750	769	19
Motor vehicle supplement	1,700	2,200	2,433	233
Suspense			51	51
Total property taxes	<u>233,344</u>	<u>236,544</u>	<u>236,917</u>	<u>373</u>
Intergovernmental revenues:				
Federal:				
FEMA		63	63	-
EMS grant	11	11	30	19
Police Grants		265	177	(88)
Dial-A-Ride grant	22	122	104	(18)
Total federal assistance	<u>33</u>	<u>461</u>	<u>374</u>	<u>(87)</u>
State:				
Education Cost Sharing	18,341	18,341	21,097	2,756
School Transportation	119	119		(119)
School Building Grants	131	131	131	-
Payments In Lieu of Taxes	1,181	1,181	1,172	(9)
Municipal Revenue Sharing	806	806	806	-
Municipal Revenue Sharing - Sales Tax	2,075	2,075	1,614	(461)
Municipal Revenue Sharing - Motor Vehicles	2,506	2,506		(2,506)
Disabled Tax Relief	6	6	6	
Elderly Tax Relief - Circuit Breaker	272	272	259	(13)
Veterans Exemptions	70	70	63	(7)
Youth Services Grant	35	35	38	3
Alcohol/Drug Abuse Grant	7	7	7	-
Highway Town Aid	687	687	687	-
Mashantucket Pequot Fund	198	198	197	(1)
Library Grants	1	1		(1)
Miscellaneous State Grants		96	54	(42)
Emergency 911 Grant	141	141	141	-
Telephone Grant	115	115	145	30
Total state assistance	<u>26,691</u>	<u>26,787</u>	<u>26,417</u>	<u>(370)</u>
Total intergovernmental revenues	<u>26,724</u>	<u>27,248</u>	<u>26,791</u>	<u>(457)</u>

(Continued on next page)

TOWN OF WEST HARTFORD, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2017
(In Thousands)

	Budgeted Amounts		Actual	Variance - Positive (Negative)
	Original	Final		
Charges for services:				
Town Clerk	\$ 1,466	\$ 1,466	\$ 1,558	\$ 92
Financial Services	1	1	1	-
Assessment	2	2	1	(1)
Fire Department	926	926	859	(67)
Police Department	358	360	338	(22)
Community Services	1,673	1,673	1,583	(90)
Public Works	253	253	216	(37)
Human & Leisure Services	728	728	763	35
Library	65	65	55	(10)
Total charges for services	<u>5,472</u>	<u>5,474</u>	<u>5,374</u>	<u>(100)</u>
Miscellaneous local revenues:				
Workers' compensation reimbursement	300	300	608	308
Town-owned property rentals	356	356	374	18
Miscellaneous	476	576	244	(332)
Total miscellaneous local revenues	<u>1,132</u>	<u>1,232</u>	<u>1,226</u>	<u>(6)</u>
Income on investments	<u>384</u>	<u>384</u>	<u>377</u>	<u>(7)</u>
Total revenues	267,056	270,882	270,685	(197)
Other financing sources:				
Transfers in	<u>874</u>	<u>874</u>	<u>593</u>	<u>(281)</u>
Total	\$ <u>267,930</u>	\$ <u>271,756</u>	271,278	\$ <u>(478)</u>
Budgetary revenues are different than GAAP revenues because:				
State of Connecticut on-behalf contributions to the Connecticut State Teachers' Retirement System for Town teachers are not budgeted.			28,657	
The Board of Education does not budget for intergovernmental grants, which are credited against education expenditures for budgetary reporting. These amounts are recorded as revenues and expenditures for GAAP financial statement purposes.			<u>4,310</u>	
Total Revenues and Other Financing Sources as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - Exhibit IV			\$ <u>304,245</u>	

TOWN OF WEST HARTFORD, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2017
(In Thousands)

	Budgeted Amounts		Actual	Variance - Positive (Negative)
	Original	Final		
General Government:				
Town Clerk:				
Personal services	\$ 168	\$ 175	\$ 175	\$ -
Non-personal expense	97	95	92	3
Debt and sundry	11	11	10	1
Total	<u>276</u>	<u>281</u>	<u>277</u>	<u>4</u>
Town Council:				
Personal services	113	114	114	-
Non-personal expense	248	296	294	2
Debt and sundry	8	9	9	-
Total	<u>369</u>	<u>419</u>	<u>417</u>	<u>2</u>
Town Manager:				
Personal services	267	343	343	-
Non-personal expense	4	3	3	-
Debt and sundry	16	17	17	-
Total	<u>287</u>	<u>363</u>	<u>363</u>	<u>-</u>
Corporation Counsel:				
Personal services	340	427	427	-
Non-personal expense	71	58	58	-
Debt and sundry	24	24	24	-
Total	<u>435</u>	<u>509</u>	<u>509</u>	<u>-</u>
Registrar of Voters:				
Personal services	235	236	236	-
Non-personal expense	47	59	59	-
Debt and sundry	13	10	10	-
Total	<u>295</u>	<u>305</u>	<u>305</u>	<u>-</u>
Information Technology:				
Personal services	464	473	473	-
Non-personal expense	386	390	390	-
Debt and sundry	33	33	33	-
Total	<u>883</u>	<u>896</u>	<u>896</u>	<u>-</u>
Financial Services:				
Personal services	1,711	1,677	1,677	-
Non-personal expense	430	570	570	-
Debt and sundry	125	117	117	-
Total	<u>2,266</u>	<u>2,364</u>	<u>2,364</u>	<u>-</u>
Assessment:				
Personal services	598	615	615	-
Non-personal expense	58	54	54	-
Debt and sundry	44	45	45	-
Total	<u>700</u>	<u>714</u>	<u>714</u>	<u>-</u>

(Continued on next page)

TOWN OF WEST HARTFORD, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2017
(In Thousands)

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Human Resources:				
Personal services	\$ 350	\$ 351	\$ 351	\$ -
Non-personal expense	76	75	73	2
Debt and sundry	27	27	25	2
Total	<u>453</u>	<u>453</u>	<u>449</u>	<u>4</u>
Total general government	<u>5,964</u>	<u>6,304</u>	<u>6,294</u>	<u>10</u>
Public Safety:				
Fire Department:				
Personal services	9,891	10,478	10,478	-
Non-personal expense	968	979	979	-
Capital outlay		34	34	-
Debt and sundry	153	157	157	-
Total	<u>11,012</u>	<u>11,648</u>	<u>11,648</u>	<u>-</u>
Police Department:				
Personal services	13,758	14,023	13,705	318
Non-personal expense	918	797	797	-
Debt and sundry	304	304	288	16
Total	<u>14,980</u>	<u>15,124</u>	<u>14,790</u>	<u>334</u>
Total public safety	<u>25,992</u>	<u>26,772</u>	<u>26,438</u>	<u>334</u>
Community Maintenance:				
Community Development:				
Personal services	2,187	2,187	2,174	13
Non-personal expense	397	397	372	25
Debt and sundry	162	162	156	6
Total	<u>2,746</u>	<u>2,746</u>	<u>2,702</u>	<u>44</u>
Public Works:				
Personal services	4,142	4,036	3,950	86
Non-personal expense	7,037	6,655	6,654	1
Capital outlay		8	8	-
Debt and sundry	312	312	276	36
Total	<u>11,491</u>	<u>11,011</u>	<u>10,888</u>	<u>123</u>
Plant and Facility Services:				
Personal services	1,170	1,130	1,022	108
Non-personal expense	886	925	925	-
Debt and sundry	88	88	75	13
Total	<u>2,144</u>	<u>2,143</u>	<u>2,022</u>	<u>121</u>
Total community maintenance	<u>16,381</u>	<u>15,900</u>	<u>15,612</u>	<u>288</u>

(Continued on next page)

TOWN OF WEST HARTFORD, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2017
(In Thousands)

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Human and Cultural:				
Library:				
Personal services	\$ 2,582	\$ 2,591	\$ 2,509	\$ 82
Non-personal expense	647	651	616	35
Debt and sundry	181	181	181	-
Total	<u>3,410</u>	<u>3,423</u>	<u>3,306</u>	<u>117</u>
Leisure and Social Services:				
Personal services	1,953	1,953	1,936	17
Non-personal expense	962	1,062	962	100
Debt and sundry	109	109	95	14
Total	<u>3,024</u>	<u>3,124</u>	<u>2,993</u>	<u>131</u>
Total human and cultural	<u>6,434</u>	<u>6,547</u>	<u>6,299</u>	<u>248</u>
Education	<u>152,963</u>	<u>152,963</u>	<u>152,763</u>	<u>200</u>
Debt and sundry	<u>42,356</u>	<u>42,116</u>	<u>42,072</u>	<u>44</u>
Total expenditures	<u>250,090</u>	<u>250,602</u>	<u>249,478</u>	<u>1,124</u>
Other financing uses:				
Transfers out	<u>17,840</u>	<u>21,154</u>	<u>21,154</u>	<u>-</u>
Total	<u>\$ 267,930</u>	<u>\$ 271,756</u>	<u>270,632</u>	<u>\$ 1,124</u>
Budgetary expenditures are different than GAAP expenditures because:				
State of Connecticut on-behalf payments to the Connecticut State Teachers' Retirement System for Town teachers are not budgeted.			28,657	
The Board of Education does not budget for intergovernmental grants, which are credited against education expenditures for budgetary reporting. These amounts are recorded as revenues and expenditures for GAAP financial statement purposes.			4,310	
Encumbrances for purchases and commitments ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year received for financial statement purposes.			(100)	
Inventory purchases are reported as expenditures for budgetary purposes			<u>(7)</u>	
Total Expenditures and Other Financing Uses as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - Exhibit IV			<u>\$ 303,492</u>	

TOWN OF WEST HARTFORD, CONNECTICUT
CDBG HOUSING REHABILITATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2017
(In Thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
Revenues:			
Intergovernmental	\$ 425	\$ 170	\$ (255)
Charges for services		1	1
Total revenues	<u>425</u>	<u>171</u>	<u>(254)</u>
Expenditures:			
Current:			
Human and cultural:			
Human services:			
Non-personal expense	<u>425</u>	<u>192</u>	<u>233</u>
Deficiency of Revenues over Expenditures	\$ <u>-</u>	(21)	\$ <u>(21)</u>
Fund Balance at Beginning of Year		<u>21</u>	
Fund Balance at End of Year		\$ <u>-</u>	

TOWN OF WEST HARTFORD, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
TOWN OF WEST HARTFORD RETIREMENT SYSTEM
LAST FOUR FISCAL YEARS*
(in Thousands)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Total pension liability:				
Service cost	\$ 5,563	\$ 5,845	\$ 5,841	\$ 7,641
Interest	27,384	27,666	27,784	30,633
Effect of plan changes	57	(185)	3	
Effect of economic/demographic gains or losses		886	31,784	
Effect of assumption changes or inputs		7,220	(12)	
Benefit payments	(24,332)	(25,209)	(26,515)	(28,080)
Net change in total pension liability	8,672	16,223	38,885	10,194
Total pension liability - beginning	350,770	359,442	375,665	414,550
Total pension liability - ending	359,442	375,665	414,550	424,744
Plan fiduciary net position:				
Contributions - employer	15,957	17,712	17,917	20,551
Contributions - member	2,621	2,675	3,047	3,063
Net investment income (loss)	28,230	8,632	(976)	23,647
Benefit payments	(24,332)	(25,209)	(26,515)	(28,080)
Administrative expense	(314)	(306)	(313)	(305)
Net change in plan fiduciary net position	22,162	3,504	(6,840)	18,876
Plan fiduciary net position - beginning	156,420	178,582	182,086	175,246
Plan fiduciary net position - ending	178,582	182,086	175,246	194,122
Net Pension Liability - Ending	\$ <u>180,860</u>	\$ <u>193,579</u>	\$ <u>239,304</u>	\$ <u>230,622</u>
Plan fiduciary net position as a percentage of the total pension liability	49.68%	48.47%	42.27%	45.70%
Covered payroll	\$ 57,281	\$ 53,742	\$ 59,332	\$ 60,815
Net pension liability as a percentage of covered payroll	315.74%	360.20%	403.33%	379.22%

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

Notes to Schedule:

Changes of assumptions: In 2016, amounts reported as changes for assumptions resulted primarily from adjustments in the discount rate to 7.50% from 7.54%. In addition, inflation rate adjusted to 3.00% from 2.75%.

**TOWN OF WEST HARTFORD, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
TOWN OF WEST HARTFORD RETIREMENT SYSTEM
LAST TEN FISCAL YEARS
(In Thousands)**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Actuarially determined contribution	\$ 6,001	\$ 6,813	\$ 7,481	\$ 10,002	\$ 11,648	\$ 14,167	\$ 15,957	\$ 17,712	\$ 17,917	\$ 20,551
Contributions in relation to the actuarially determined contribution	<u>6,100</u>	<u>6,812</u>	<u>7,480</u>	<u>10,000</u>	<u>11,648</u>	<u>14,167</u>	<u>15,957</u>	<u>17,712</u>	<u>17,917</u>	<u>20,551</u>
Contribution Deficiency (Excess)	<u>\$ (99)</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 40,074	\$ 48,107	\$ 50,031	\$ 53,028	\$ 55,150	\$ 55,078	\$ 57,281	\$ 53,742	\$ 59,332	\$ 60,815
Contributions as a percentage of covered payroll	15.22%	14.16%	14.95%	18.86%	21.12%	25.72%	27.86%	32.96%	30.20%	33.79%

Notes to Schedule

Valuation date: July 1, 2015
Measurement date: June 30, 2017
Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Level percentage of payroll, closed
Remaining amortization period	30 year closed period
Asset valuation method	5-year smoothed market
Inflation	3%
Salary increases	Rates vary by age
Investment rate of return	7.50%
Retirement age	Rates vary by group and age
Mortality	RP-2000 Annuitant and Nonannuitant Mortality Tables for Males and Females projected to valuation date by Scale

**TOWN OF WEST HARTFORD, CONNECTICUT
 SCHEDULE OF INVESTMENT RETURNS
 TOWN OF WEST HARTFORD RETIREMENT SYSTEM
 LAST FOUR FISCAL YEARS***

	2014	2015	2016	2017
Annual money-weighted rate of return, net of investment expense	18.43%	4.69%	-0.52%	12.95%

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

TOWN OF WEST HARTFORD, CONNECTICUT
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS' RETIREMENT PLAN
LAST THREE FISCAL YEARS*
(in Thousands)

	<u>2015</u>	<u>2016</u>	<u>2017</u>
Town's proportion of the net pension liability	0.00%	0.00%	0.00%
Town's proportionate share of the net pension liability	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the Town	<u>188,888</u>	<u>204,358</u>	<u>262,780</u>
Total	<u>\$ 188,888</u>	<u>\$ 204,358</u>	<u>\$ 262,780</u>
Town's covered-employee payroll	\$ 70,896	\$ 73,271	\$ 75,921
Town's proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	61.51%	59.50%	52.26%

Notes to Schedule

Changes in benefit terms	None
Changes of assumptions	During 2016, rates of withdrawal, disability, retirement, mortality and assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience. These assumptions were recommended as part of the Experience Study for the System for the five-year period ended June 30, 2015. During 2011, rates of withdrawal, retirement and assumed rates of salary increases were adjusted to reflect actual and anticipated experience. These assumptions were recommended as part of the Experience Study for the System for the five-year period ended June 30, 2010.
Actuarial cost method	Entry age
Amortization method	Level percent of salary, closed
Remaining amortization period	20.4
Asset valuation method	4-year smoothed market
Investment rate of return	8.50%, net of investment related expense

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

TOWN OF WEST HARTFORD, CONNECTICUT
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
OTHER POST-EMPLOYMENT BENEFIT TRUST FUND
LAST FISCAL YEAR*
(in Thousands)

	<u>2017</u>
Total OPEB liability:	
Service cost	\$ 2,242
Interest	11,278
Differences between expected and actual experience	2,300
Benefit payments, including refunds of member contributions	<u>(11,141)</u>
Net change in total OPEB liability	4,679
Total OPEB liability - beginning	<u>152,469</u>
Total OPEB liability - ending	<u><u>157,148</u></u>
Plan fiduciary net position:	
Contributions - employer	12,019
Contributions - member	99
Contributions - TRB subsidy	378
Net investment income	166
Benefit payments, including refunds of member contributions	<u>(11,141)</u>
Net change in plan fiduciary net position	1,521
Plan fiduciary net position - beginning	<u>1,440</u>
Plan fiduciary net position - ending	<u><u>2,961</u></u>
Net OPEB Liability - Ending	\$ <u><u>154,187</u></u>
Plan fiduciary net position as a percentage of the total OPEB liability	1.88%
Covered payroll	\$ 113,393
Net OPEB liability as a percentage of covered payroll	135.98%

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

**TOWN OF WEST HARTFORD, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POST-EMPLOYMENT BENEFITS TRUST FUND
LAST TEN FISCAL YEARS
(in Thousands)**

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Actuarially determined contribution (1)	\$ 11,981	\$ 11,251	\$ 9,780	\$ 8,999	\$ 8,506	\$ 7,318	\$ 6,979	\$ 7,062	\$ 6,658	\$ 6,274
Contributions in relation to the actuarially determined contribution	12,019	10,813	8,473	7,690	7,381	6,450	6,381	6,400	5,910	5,476
Contribution Deficiency (Excess)	\$ (38)	\$ 438	\$ 1,307	\$ 1,309	\$ 1,125	\$ 868	\$ 598	\$ 662	\$ 748	\$ 798
Covered payroll	\$ 113,393	\$ 109,558	\$ 105,853	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contributions as a percentage of covered payroll	10.60%	9.87%	8.00%	N/A	N/A	N/A	N/A	N/A	N/A	N/A

1) Actuarially Determined Contributions prior to fiscal year ending June 30, 2017 is based on the Annual Required Contribution (ARC) calculated in accordance with GASB No. 45

Notes to Schedule

Valuation date: July 1, 2015

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	Closed 30-year period beginning July 1, 2015; Prior Valuation: Level percent
Remaining amortization period	30 years, closed
Asset valuation method	Market Value
Inflation	2.50%
Healthcare cost trend rates	The annual healthcare cost trend rate starts at 8% in 2015, decreases by .5% per year down to 4.5% in 2022 and beyond
Salary increases	3.50%
Investment rate of return	7.50%
Retirement age	Varies by age
Mortality	RP-2000 Mortality Table with separate male and female rates, with separate tables for nonannuitants and annuitants, projected to the valuation date with Scale AA

**TOWN OF WEST HARTFORD, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS
OTHER POST-EMPLOYMENT BENEFITS TRUST FUND
LAST FISCAL YEAR***

2017

Annual money-weighted rate of return, net of investment expense

11.19%

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

Combining and Individual Fund Statements and Schedules

General Fund

GENERAL FUND

The General Fund is used to account for resources traditionally associated with government that are not required legally or by sound financial management to be accounted for in another fund.

TOWN OF WEST HARTFORD, CONNECTICUT
GENERAL FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2017 AND 2016
(In Thousands)

	<u>2017</u>	<u>2016</u>
ASSETS		
Cash and cash equivalents	\$ 34,059	\$ 32,548
Investments	10,211	10,187
Receivables:		
Property taxes - net of allowance \$468 for 2017 and 2016	2,602	2,338
Due from other governments	746	751
Other	96	93
Due from other funds	2,457	2,355
Inventory	<u>193</u>	<u>257</u>
Total Assets	\$ <u>50,364</u>	\$ <u>48,529</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES		
Liabilities:		
Accounts payable	\$ 2,847	\$ 2,639
Payroll liabilities	6,503	5,070
Other liabilities	792	670
Unearned revenues	<u>1,347</u>	<u>1,433</u>
Total liabilities	<u>11,489</u>	<u>9,812</u>
Deferred inflows of resources:		
Unavailable revenue - property taxes	2,174	1,789
Unavailable revenue - school building grants	253	374
Advance property tax collections	<u>13,903</u>	<u>14,762</u>
Total deferred inflows of resources	<u>16,330</u>	<u>16,925</u>
Fund balances:		
Nonspendable	193	257
Assigned	541	441
Unassigned	<u>21,811</u>	<u>21,094</u>
Total fund balances	<u>22,545</u>	<u>21,792</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ <u>50,364</u>	\$ <u>48,529</u>

TOWN OF WEST HARTFORD, CONNECTICUT
GENERAL FUND
REPORT OF TAX COLLECTOR
FOR THE YEAR ENDED JUNE 30, 2017
(In Thousands)

Grand List	Uncollected Taxes July 1, 2016	Lawful Corrections		Transfers To Suspense	Net Amount Collectible	Collections				Uncollected Taxes June 30, 2017
		Additions	Deductions			Taxes	Interest	Fees	Total	
2015	\$ 236,909	\$ 658	\$ 827	\$	\$ 236,740	\$ 234,921	\$ 389	\$ 2	\$ 235,312	\$ 1,819
2014	1,662	135	120		1,677	985	198	3	1,186	692
2013	675	2	11	248	418	257	73	1	331	161
2012	154		6		148	37	16		53	111
2011	102		1		101	5	6		11	96
2010	61				61	7	4		11	54
2009	43		1		42		1		1	42
2008	34				34	1	2		3	33
2007	21				21	1	2		3	20
2006	14				14	1	2		3	13
2005	10				10	1	2		3	9
2004	8				8	1	2		3	7
2003	6				6	1	2		3	5
2002	6		1		5	1	2		3	4
2001	5				5	1	2		3	4
Total	\$ <u>239,710</u>	\$ <u>795</u>	\$ <u>967</u>	\$ <u>248</u>	\$ <u>239,290</u>	236,220	703	6	236,929	\$ <u>3,070</u>
Suspense collections						51	52	1	104	
Advance payments, June 30, 2016						(14,762)			(14,762)	
Advance payments, June 30, 2017						<u>13,903</u>			<u>13,903</u>	
Total						\$ <u>235,412</u>	\$ <u>755</u>	\$ <u>7</u>	\$ <u>236,174</u>	

**Nonmajor
Governmental Funds**

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds are created in the Town of West Hartford pursuant to State Statutes or local ordinances and resolutions. The criteria for the creation of a Special Revenue Fund are generally the desire or need to conspicuously segregate revenues, which are to be utilized for special and specific purposes, or expenditures incurred for the performance of specific activities, or both.

Fund	Funding Source	Function
Community Development Block Grant	Federal grant - DHUD	Community development programs
State Housing and Community Development	Program income	Community development program
Parking Lot	Charges for services	West Hartford Center off-street parking
Drug Enforcement	State and federal grants	Drug enforcement and education
Westmoor Park	External trust and charges for services	Park maintenance and environmental education
Cafeteria	Sales of food, state and federal subsidies	Operation of the school cafeterias
Private School Services	State grant and General Fund	Transportation and health services
School Grants	State and federal grants	Education programs
School Special Programs	Charges for services, state and federal grants	Education special programs
West Hartford Library	State, Hartford Foundation for Public Giving and charges for services	Library activities
School Interscholastic Sports	Charges for services	Educational programs
Technology Investment	Parking ticket and ordinance violation surcharge, subscriptions	E-business strategy
Police Private Duty Services	Charges for services	Police private duty services to the public
Police Home Ownership Program	Revolving loans	Assist police officers with closing and downpayment costs with the intent of encouraging them to reside in the Southeast quadrant of West Hartford
Cemetery Operating	Donations and charges for services	Care and maintenance of Town-owned and/or operated cemeteries
C.F. Morway	Trust revenue	Purchase of park and recreation equipment and facilities
The Town That Cares	Donations	Financial assistance to needy
School Donations Trust	Contributions and charges for services	Public school purchases
Affordable Housing Trust	Loan repayments	Assistance to low and moderate income families
Veterans Memorial	Donations and state grant	Community memorial to honor veterans

Permanent Funds

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs. The Private Cemetery Fund is the Town's only permanent fund. Contributions and trust income is used for the maintenance of private cemetery lots.

TOWN OF WEST HARTFORD, CONNECTICUT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2017
(In Thousands)

	Special Revenue Funds							
	Community Development Block Grant Fund	State Housing and Community Development Fund	Parking Lot Fund	Drug Enforcement Fund	Westmoor Park Fund	Cafeteria Fund	Private School Services Fund	School Grants Fund
ASSETS								
Cash and cash equivalents	\$	\$ 9	\$ 2,426	\$ 126	\$ 385	\$ 466	\$	\$
Receivables, net	97	111	13	2	55	228	541	202
Inventory						46		
Total Assets	\$ 97	\$ 120	\$ 2,439	\$ 128	\$ 440	\$ 740	\$ 541	\$ 202
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ 2	\$	\$ 40	\$	\$ 11	\$	\$ 142	\$ 24
Payroll liabilities	6		56		16	2	12	8
Due to other funds	89						387	120
Unearned revenue			1		2	134		50
Total liabilities	97	-	97	-	29	136	541	202
Deferred inflows of resources:								
Unavailable revenue - loans on receivables		111						
Fund balances:								
Nonspendable						46		
Restricted		9		128	411			
Committed			2,290			558		
Assigned			52					
Unassigned								
Total fund balances	-	9	2,342	128	411	604	-	-
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 97	\$ 120	\$ 2,439	\$ 128	\$ 440	\$ 740	\$ 541	\$ 202

(Continued on next page)

TOWN OF WEST HARTFORD, CONNECTICUT
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2017
(In Thousands)

	Special Revenue Funds							
	School Special Programs Fund	West Hartford Library Fund	School Interscholastic Sports Fund	Technology Investment Fund	Police Private Duty Services Fund	Police Home Ownership Program Fund	Cemetery Operating Fund	C.F. Morway Fund
ASSETS								
Cash and cash equivalents	\$ 1,672	\$ 63	\$ 86	\$	\$	\$ 16	\$ 1,673	\$ 44
Receivables, net	150				597		7	1
Inventory								
Total Assets	\$ 1,822	\$ 63	\$ 86	\$ -	\$ 597	\$ 16	\$ 1,680	\$ 45
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ 9	\$	\$ 3	\$	\$	\$	\$ 18	\$
Payroll liabilities	5				216		3	
Due to other funds				10	264			
Unearned revenue	284							
Total liabilities	298	-	3	10	480	-	21	-
Deferred inflows of resources:								
Unavailable revenue - loans on receivables								
Fund balances:								
Nonspendable								
Restricted							1,166	45
Committed	1,524	63	83		117	16	493	
Assigned								
Unassigned				(10)				
Total fund balances	1,524	63	83	(10)	117	16	1,659	45
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 1,822	\$ 63	\$ 86	\$ -	\$ 597	\$ 16	\$ 1,680	\$ 45

(Continued on next page)

TOWN OF WEST HARTFORD, CONNECTICUT
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2017
(In Thousands)

	Special Revenue Funds					Permanent Fund	
	The Town That Cares Fund	School Donations Trust Fund	Affordable Housing Trust Fund	Veterans Memorial Fund	Total	Private Cemetery Fund	Total Nonmajor Governmental Funds
ASSETS							
Cash and cash equivalents	\$ 573	\$ 122	\$ 4	\$ 44	\$ 7,709	\$ 82	\$ 7,791
Receivables, net	6		3		2,013		2,013
Inventory					46		46
Total Assets	<u>\$ 579</u>	<u>\$ 122</u>	<u>\$ 7</u>	<u>\$ 44</u>	<u>\$ 9,768</u>	<u>\$ 82</u>	<u>\$ 9,850</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 2	\$	\$	\$ 1	\$ 252	\$	\$ 252
Payroll liabilities					324		324
Due to other funds					870		870
Unearned revenue	417				888		888
Total liabilities	<u>419</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>2,334</u>	<u>-</u>	<u>2,334</u>
Deferred inflows of resources:							
Unavailable revenue - loans on receivables			3		114		114
Fund balances:							
Nonspendable					46	82	128
Restricted	160	122	4	43	2,088		2,088
Committed					5,144		5,144
Assigned					52		52
Unassigned					(10)		(10)
Total fund balances	<u>160</u>	<u>122</u>	<u>4</u>	<u>43</u>	<u>7,320</u>	<u>82</u>	<u>7,402</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 579</u>	<u>\$ 122</u>	<u>\$ 7</u>	<u>\$ 44</u>	<u>\$ 9,768</u>	<u>\$ 82</u>	<u>\$ 9,850</u>

TOWN OF WEST HARTFORD, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017
(In Thousands)

	Special Revenue Funds							
	Community Development Block Grant Fund	State Housing and Community Development Fund	Parking Lot Fund	Drug Enforcement Fund	Westmoor Park Fund	Cafeteria Fund	Private School Services Fund	School Grants Fund
Revenues:								
Intergovernmental	\$ 812	\$	\$	\$ 51	\$ 1	\$ 1,562	\$ 572	\$ 5,215
Charges for services			3,252		283	1,997		
Income on investments		4	6		341	2		
Miscellaneous		5		2	16			
Total revenues	<u>812</u>	<u>9</u>	<u>3,258</u>	<u>53</u>	<u>641</u>	<u>3,561</u>	<u>572</u>	<u>5,215</u>
Expenditures:								
Current:								
General government								
Public safety				16				
Community maintenance			2,891					
Human and cultural	529				609			
Education						3,526	2,218	5,220
Capital outlay			239					
Total expenditures	<u>529</u>	<u>-</u>	<u>3,130</u>	<u>16</u>	<u>609</u>	<u>3,526</u>	<u>2,218</u>	<u>5,220</u>
Excess (Deficiency) of Revenues over Expenditures	<u>283</u>	<u>9</u>	<u>128</u>	<u>37</u>	<u>32</u>	<u>35</u>	<u>(1,646)</u>	<u>(5)</u>
Other Financing Sources (Uses):								
Transfers in							1,646	
Transfers out	(283)				(28)	(6)		
Total other financing sources (uses)	<u>(283)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(28)</u>	<u>(6)</u>	<u>1,646</u>	<u>-</u>
Net Change in Fund Balances	-	9	128	37	4	29	-	(5)
Fund Balances at Beginning of Year	<u>-</u>	<u>-</u>	<u>2,214</u>	<u>91</u>	<u>407</u>	<u>575</u>	<u>-</u>	<u>5</u>
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ 9</u>	<u>\$ 2,342</u>	<u>\$ 128</u>	<u>\$ 411</u>	<u>\$ 604</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued on next page)

TOWN OF WEST HARTFORD, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017
(in Thousands)

	Special Revenue Funds							
	School Special Programs Fund	West Hartford Library Fund	School Interscholastic Sports Fund	Technology Investment Fund	Police Private Duty Services Fund	Police Home Ownership Program Fund	Cemetery Operating Fund	C.F. Morway Fund
Revenues:								
Intergovernmental	\$ 148	\$ 8	\$	\$	\$	\$	\$	\$
Charges for services	1,362	20		10	1,988		358	
Income on investments	10						4	5
Miscellaneous	203		454					
Total revenues	<u>1,723</u>	<u>28</u>	<u>454</u>	<u>10</u>	<u>1,988</u>	<u>-</u>	<u>362</u>	<u>5</u>
Expenditures:								
Current:								
General government				21				
Public safety					2,000			
Community maintenance								
Human and cultural		11					315	
Education	2,165		377					
Capital outlay								
Total expenditures	<u>2,165</u>	<u>11</u>	<u>377</u>	<u>21</u>	<u>2,000</u>	<u>-</u>	<u>315</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(442)</u>	<u>17</u>	<u>77</u>	<u>(11)</u>	<u>(12)</u>	<u>-</u>	<u>47</u>	<u>5</u>
Other Financing Sources (Uses):								
Transfers in	320							
Transfers out	(3)				(125)		(213)	
Total other financing sources (uses)	<u>317</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(125)</u>	<u>-</u>	<u>(213)</u>	<u>-</u>
Net Change in Fund Balances	(125)	17	77	(11)	(137)	-	(166)	5
Fund Balances at Beginning of Year	<u>1,649</u>	<u>46</u>	<u>6</u>	<u>1</u>	<u>254</u>	<u>16</u>	<u>1,825</u>	<u>40</u>
Fund Balances at End of Year	<u>\$ 1,524</u>	<u>\$ 63</u>	<u>\$ 83</u>	<u>\$ (10)</u>	<u>\$ 117</u>	<u>\$ 16</u>	<u>\$ 1,659</u>	<u>\$ 45</u>

(Continued on next page)

TOWN OF WEST HARTFORD, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017
(in Thousands)

	Special Revenue Funds					Permanent Fund	
	The Town That Cares Fund	School Donations Trust Fund	Affordable Housing Trust Fund	Veterans Memorial Fund	Total	Private Cemetery Fund	Total Nonmajor Governmental Funds
Revenues:							
Intergovernmental	\$	\$	\$	\$	8,369	\$	8,369
Charges for services					9,270		9,270
Income on investments	1				373		373
Miscellaneous	120	137			937		937
Total revenues	121	137	-	-	18,949	-	18,949
Expenditures:							
Current:							
General government					21		21
Public safety					2,016		2,016
Community maintenance					2,891		2,891
Human and cultural	126			4	1,594		1,594
Education		141			13,647		13,647
Capital outlay					239		239
Total expenditures	126	141	-	4	20,408	-	20,408
Excess (Deficiency) of Revenues over Expenditures	(5)	(4)	-	(4)	(1,459)	-	(1,459)
Other Financing Sources (Uses):							
Transfers in					1,966		1,966
Transfers out					(658)		(658)
Total other financing sources (uses)	-	-	-	-	1,308	-	1,308
Net Change in Fund Balances	(5)	(4)	-	(4)	(151)	-	(151)
Fund Balances at Beginning of Year	165	126	4	47	7,471	82	7,553
Fund Balances at End of Year	\$ 160	\$ 122	\$ 4	\$ 43	\$ 7,320	\$ 82	\$ 7,402

**TOWN OF WEST HARTFORD, CONNECTICUT
COMMUNITY DEVELOPMENT BLOCK GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2017
(In Thousands)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
Revenues:			
Intergovernmental	\$ <u>1,198</u>	\$ <u>812</u>	\$ <u>(386)</u>
Expenditures:			
Current:			
Human and cultural:			
Human services:			
Personal services	248	242	6
Non-personal expense	131	131	-
Capital outlay	29		29
Debt and sundry	507	156	351
Total expenditures	<u>915</u>	<u>529</u>	<u>386</u>
Excess of Revenues over Expenditures	283	283	-
Other Financing Uses:			
Transfers out	<u>(283)</u>	<u>(283)</u>	<u>-</u>
Total other financing uses	<u>(283)</u>	<u>(283)</u>	<u>-</u>
Net Change in Fund Balance	\$ <u>-</u>	-	\$ <u>-</u>
Fund Balance at Beginning of Year		<u>-</u>	
Fund Balance at End of Year		\$ <u>-</u>	

TOWN OF WEST HARTFORD, CONNECTICUT
STATE HOUSING AND COMMUNITY DEVELOPMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2017
(In Thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
Revenues:			
Interest	\$	\$ 4	\$ 4
Miscellaneous		5	5
Total revenues	<u>-</u>	<u>9</u>	<u>9</u>
Expenditures:			
Human and cultural:			
Non-personal	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues over Expenditures	-	9	9
Other Financing Uses:			
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	\$ <u>-</u>	9	\$ <u>9</u>
Fund Balance at Beginning of Year		<u>-</u>	
Fund Balance at End of Year		\$ <u>9</u>	

TOWN OF WEST HARTFORD, CONNECTICUT

PARKING LOT FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED JUNE 30, 2017

(In Thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
Revenues:			
Charges for services	\$ 3,218	\$ 3,176	\$ (42)
Fines and forfeitures	125	76	(49)
Interest	5	6	1
Total revenues	<u>3,348</u>	<u>3,258</u>	<u>(90)</u>
Expenditures:			
Current:			
Community maintenance:			
Personal services	917	1,052	(135)
Non-personal expense	1,150	1,086	64
Capital outlay	450	239	211
Debt and sundry	806	801	5
Total expenditures	<u>3,323</u>	<u>3,178</u>	<u>145</u>
Excess of Revenues over Expenditures	\$ <u>25</u>	80	\$ <u>55</u>
Fund Balance at Beginning of Year		<u>2,210</u>	
Fund Balance at End of Year		\$ <u>2,290</u>	

TOWN OF WEST HARTFORD, CONNECTICUT
WESTMOOR PARK FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2017
(In Thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
Revenues:			
Intergovernmental	\$ 1	\$ 1	\$ -
Charges for services	297	283	(14)
Interest	367	341	(26)
Miscellaneous	19	16	(3)
Total revenues	<u>684</u>	<u>641</u>	<u>(43)</u>
Expenditures:			
Current:			
Human and cultural:			
Personal services	348	344	4
Non-personal expense	124	131	(7)
Debt and sundry	169	134	35
Total expenditures	<u>641</u>	<u>609</u>	<u>32</u>
Excess of Revenues over Expenditures	43	32	(11)
Other Financing Uses:			
Transfers out	<u>(28)</u>	<u>(28)</u>	<u>-</u>
Net Change in Fund Balance	\$ <u>15</u>	4	\$ <u>(11)</u>
Fund Balance at Beginning of Year		<u>407</u>	
Fund Balance at End of Year		\$ <u>411</u>	

**TOWN OF WEST HARTFORD, CONNECTICUT
PRIVATE SCHOOL SERVICES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2017
(In Thousands)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
Revenues:			
Intergovernmental	\$ 711	\$ 572	\$ (139)
Expenditures:			
Current:			
Education	<u>2,242</u>	<u>2,218</u>	<u>24</u>
Deficiency of Revenues over Expenditures	(1,531)	(1,646)	(115)
Other Financing Sources:			
Transfers in	<u>1,531</u>	<u>1,646</u>	<u>115</u>
Net Change in Fund Balance	\$ <u><u>-</u></u>	-	\$ <u><u>-</u></u>
Fund Balance at Beginning of Year		<u>-</u>	
Fund Balance at End of Year		\$ <u><u>-</u></u>	

TOWN OF WEST HARTFORD, CONNECTICUT
WEST HARTFORD LIBRARY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2017
(In Thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
Revenues:			
Intergovernmental	\$ 9	\$ 8	\$ (1)
Charges for services	<u>15</u>	<u>20</u>	<u>5</u>
Total revenues	<u>24</u>	<u>28</u>	<u>4</u>
Expenditures:			
Current:			
Human and cultural:			
Non-personal expense	15	11	4
Capital outlay	<u>55</u>	<u></u>	<u>55</u>
Total expenditures	<u>70</u>	<u>11</u>	<u>59</u>
Excess (Deficiency) of Revenues over Expenditures	\$ <u>(46)</u>	17	\$ <u>63</u>
Fund Balance at Beginning of Year		<u>46</u>	
Fund Balance at End of Year		\$ <u>63</u>	

**TOWN OF WEST HARTFORD, CONNECTICUT
 TECHNOLOGY INVESTMENT FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS
 FOR THE YEAR ENDED JUNE 30, 2017
 (In Thousands)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
Revenues:			
Charges for services	\$ <u>18</u>	\$ <u>10</u>	\$ <u>(8)</u>
Expenditures:			
Current:			
General government:			
Non-personal expense	<u>22</u>	<u>21</u>	<u>1</u>
Deficiency of Revenues over Expenditures	\$ <u>(4)</u>	(11)	\$ <u>(7)</u>
Fund Balance at Beginning of Year		<u>1</u>	
Fund Balance at End of Year		\$ <u>(10)</u>	

TOWN OF WEST HARTFORD, CONNECTICUT
POLICE PRIVATE DUTY SERVICES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2017
(In Thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
Revenues:			
Charges for services	\$ <u>2,100</u>	\$ <u>1,988</u>	\$ <u>(112)</u>
Expenditures:			
Current:			
Public safety:			
Personal services	1,400	1,404	(4)
Non-personal expense	18	73	(55)
Debt and sundry	<u>523</u>	<u>523</u>	<u>-</u>
Total expenditures	<u>1,941</u>	<u>2,000</u>	<u>(59)</u>
Excess (Deficiency) of Revenues over Expenditures	159	(12)	(171)
Other Financing Uses:			
Transfers out	<u>(125)</u>	<u>(125)</u>	<u>-</u>
Net Change in Fund Balance	\$ <u>34</u>	(137)	\$ <u>(171)</u>
Fund Balance at Beginning of Year		<u>254</u>	
Fund Balance at End of Year		\$ <u>117</u>	

**TOWN OF WEST HARTFORD, CONNECTICUT
CEMETERY OPERATING FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2017
(In Thousands)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
Revenues:			
Charges for services	\$ 340	\$ 358	\$ 18
Income on investments	7	4	(3)
Total revenues	<u>347</u>	<u>362</u>	<u>15</u>
Expenditures:			
Current:			
Human and cultural:			
Personal services	129	124	5
Non-personal expense	173	97	76
Debt and sundry	94	94	-
Total expenditures	<u>396</u>	<u>315</u>	<u>81</u>
Excess (Deficiency) of Revenues over Expenditures	(49)	47	96
Other Financing Uses:			
Transfers out	<u>(213)</u>	<u>(3)</u>	<u>210</u>
Net Change in Fund Balance	\$ <u>(262)</u>	44	\$ <u>306</u>
Fund Balance at Beginning of Year		<u>449</u>	
Fund Balance at End of Year		\$ <u>493</u>	

**Capital
Projects Fund**

CAPITAL PROJECTS FUND

The Capital Projects Fund is used to account for the financial resources for the acquisition or construction of major capital facilities, other than those financed by proprietary funds and trust funds.

Revenues to the Capital Projects Fund consist of the proceeds of long- and short-term debt, grants and transfers from operating funds and the Capital and Nonrecurring Expenditure Fund. For the purposes of this report, the activity of the Capital Nonrecurring Expenditure Fund is included in the activities of the Capital Projects Fund.

Appropriations are made on a project life basis by the Town Council in the form of resolutions or bond ordinances.

The schedule on the following pages displays for each project:

1. The original appropriation as amended.
2. Expenditures for the current fiscal year.
3. Expenditures for all fiscal years.
4. Outstanding encumbrances.
5. Total expenditures on a budgetary basis.
6. The project balance at fiscal year end.

For management reporting purposes, projects are classified into functional areas.

If projects are completed with remaining funded balances, the unexpended balance is transferred to the Capital Reserve Account of the Capital and Nonrecurring Expenditure Fund. The Reserve is then used as a source of funding for future projects.

TOWN OF WEST HARTFORD, CONNECTICUT
CAPITAL PROJECTS FUND
SCHEDULE OF EXPENDITURES - ACTUAL VS. APPROPRIATIONS
(NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2017
(In Thousands)

Fiscal Year	Project Name	Amended Budget	Expended and Encumbered Current Year	Total All Years	Project Balance
	Public Buildings:				
2012	Town Building Improvements	\$ 1,268	\$ 23	\$ 1,249	\$ 19
2013	Town Building Improvements	1,386	4	1,385	1
2013	Energy Conservation	498	15	498	-
2014	Town Building Improvements	1,345	72	1,345	-
2014	Energy Conservation	100	20	100	-
2015	Town Building Improvements	1,385	80	1,383	2
2015	Energy Conservation	100		100	-
2015	Cemetery Improvements	310	180	310	-
2016	Town Building Improvements	1,430	808	1,430	-
2016	Energy Conservation	4,399	2,378	2,908	1,491
2017	Town Building Improvements	1,470	1,454	1,454	16
2017	Energy Conservation	100		-	100
2017	Cemetery Improvements	210	44	44	166
	Total Public Buildings	14,001	5,078	12,206	1,795
	Parks and Recreation:				
2003	Beachland Park Improvements	150		147	3
2010	Children's Museum	500	50	499	1
2010	WH Dog Park	2		-	2
2011	Fernridge Pool	150	26	150	-
2013	Beachland Pool	150	44	114	36
2014	Outdoor Pool Improvements	117	35	117	-
2014	Beachland - CDBG	190	4	190	-
2014	Park/Playscape Improvements	91	61	84	7
2014	Troutbrook Trail - Phase II	76		58	18
2015	Athletic Playfield Improvements	110	3	36	74
2015	Cornerstone Pool	25		13	12
2015	Outdoor Pool Improvements	50	50	50	-
2015	Goodrich Field Improvements	165	-	162	3
2015	Troutbrook Trail - Phase II Construction	560	75	440	120
2015	Troutbrook Trail - Phase VI	330	33	46	284
2015	Sarah Whitman Hooker House	17	4	4	13
2016	Sitework - Recreational Facilities	50	3	50	-
2016	Rockledge Golf Course	50	8	8	42
2016	Outdoor Pool Improvements	51	3	3	48
2016	Park/Playscape Improvements	60	1	2	58
2017	Westmoor Park Improvements	40		40	-
2017	Sitework - Recreational Facilities	50	32	32	18
2017	ECC Site Improvements - CDBG	96	96	96	-
2017	Cornerstone - CDBG	218	218	218	-
2017	Outdoor Pool Improvements	75	1	1	74
2017	Park & Playfield Improvements	100		-	100
2017	Park & Playscape Mangement	78		-	78
	Total Parks and Recreation	3,551	747	2,560	991

(Continued on next page)

TOWN OF WEST HARTFORD, CONNECTICUT
CAPITAL PROJECTS FUND
SCHEDULE OF EXPENDITURES - ACTUAL VS. APPROPRIATIONS
(NON-GAAP BUDGETARY BASIS) (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2017
(In Thousands)

Fiscal Year	Project Name	Amended Budget	Expended and Encumbered Current Year	Total All Years	Project Balance
Infrastructure:					
2013	Arterial Street Reconstruction	\$ 1,244	\$ 3	\$ 1,244	\$ -
2013	Stormwater Management	682	1	682	-
2014	Traffic System Management	66	4	66	-
2014	Streetlight Relamping	90		74	16
2014	Traffic System Management	300	9	300	-
2014	Stormwater Management	740	3	732	8
2014	Park Road/I84 Design	431	220	398	33
2015	Arterial Street Reconstruction	1,320		1,320	-
2015	Neighborhood Street Improvements	1,531		1,531	-
2015	Traffic System Management	50		50	-
2015	Stormwater Management	340	49	322	18
2015	Pedestrian & Bicycle Management	443	1	443	-
2016	Arterial Street Reconstruction	1,360		1,355	5
2016	Street Resurfacing	706	194	706	-
2016	Street Resurfacing - CDBG	150	138	138	12
2016	Traffic System Management	50	7	50	-
2016	Traffic System Management	200	42	95	105
2016	Stormwater Management	720	90	720	-
2016	Whitman Avenue Bridge	129	15	34	95
2016	Mayflower Street Bridge	71		58	13
2016	Pedestrian & Bicycle Management	402	3	402	-
2017	Arterial Street Reconstruction	1,390	1,001	1,296	94
2017	Neighborhood Street Improvements	1,532	1,147	1,450	82
2017	Street Resurfacing	1,473	749	1,442	31
2017	Stormwater Management	628	577	628	-
2017	Pedestrian & Bicycle Management	1,174	291	644	530
2017	Street Resurfacing - CDBG	117	105	105	12
2017	Traffic System Management	82	61	61	21
2017	Park Road Interchange	5,088	58	58	5,030
2018	Arterial Street Reconstruction	1,442	1,358	1,358	84
2018	Neighborhood Street Reconstruction	1,478	1,476	1,476	2
2018	Street Resurfacing	150	150	150	-
2018	Stormwater Management	454	199	199	255
2018	Pedestrian and Bicycle Management	470	379	378	92
	Total Infrastructure	26,503	8,330	19,965	6,538
Miscellaneous:					
2011	Radio Communications System	995	51	501	494
2013	Fire Station Alerting System	100		-	100
2015	Fire Apparatus	790	574	629	161
2015	Communications Infrastructure	250		250	-
2015	Financial Management System	1,000		1,000	-
2015	Property Revaluation - 2016	600	358	588	12
2015	Personal Property Assessment	50	13	23	27
2015	Economic Development	350	190	288	62
2016	Communications Infrastructure	500	7	500	-
2016	Communications Infrastructure	255	6	255	-
2016	Financial Management System	500	403	426	74
2016	Public Works Rolling Stock	615	40	615	-
2017	Communications Infrastructure	708	600	705	3
2017	Public Works Rolling Stock	780	731	731	49
2017	Radio System Replacement	4,900		-	4,900
2017	Public Safety Facility	100		-	100
2017	Recycling Center	200	118	118	82
2018	Communications Infrastructure	500	401	401	99
2018	Public Works Rolling Stock	261	260	260	1
	Total Miscellaneous	13,454	3,752	7,290	6,164

(Continued on next page)

TOWN OF WEST HARTFORD, CONNECTICUT
CAPITAL PROJECTS FUND
SCHEDULE OF EXPENDITURES - ACTUAL VS. APPROPRIATIONS
(NON-GAAP BUDGETARY BASIS) (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2017
(In Thousands)

Fiscal Year	Project Name	Amended Budget	Expended and Encumbered Current Year	Total All Years	Project Balance
	Schools:				
2011	Asbestos Removal	\$ 100	\$ 7	\$ 100	\$ -
2012	Asbestos Removal	200	4	200	-
2012	School Building Improvements	982	15	982	-
2013	School Building Improvements	1,028	22	1,028	-
2014	Charter Oak School	3,000	69	3,000	-
2014	Furniture & Equipment	100		100	-
2014	Roofing/Masonry	1,100	9	1,100	-
2014	School Security	250		250	-
2014	Stage and Auditorium Renovations	100		100	-
2015	Charter Oak School	42,000	13,664	41,796	204
2015	Exterior School Building Improvements	1,100	2	1,100	-
2015	School Security	350	192	350	-
2015	Stage and Auditorium Renovations	100	27	100	-
2016	Furniture & Equipment	100	13	100	-
2016	Exterior School Building Improvements	1,100	57	1,100	-
2016	Interior School Building Improvements	620	176	620	-
2016	School Security	350	233	252	98
2016	Stage and Auditorium Renovations	200	191	200	-
2017	Asbestos Removal	225	207	225	-
2017	Exterior School Building Improvements	1,150	1,063	1,150	-
2017	Interior School Building Improvements	940	917	940	-
2011	HVAC	750	4	750	-
2013	HVAC	750	70	750	-
2014	Site & Athletic Field Improvements	862	3	857	5
2015	Site & Athletic Field Improvements	600		600	-
2016	Site & Athletic Field Improvements	500	388	500	-
2016	HVAC	800	625	800	-
2017	Site & Athletic Field Improvements	250	250	250	-
2018	Heating & Ventilation Systems	800	800	800	-
2017	Computer Infrastructure	300	299	299	1
2017	Hall Science Labs	6,400	-	-	6,400
2017	Furniture & Equipment Replacement	175	120	120	55
2017	School Security	350	321	321	29
2017	Stage & Auditorium Renovations	200	200	200	-
2018	Exterior School Building Improvements	1,450	532	532	918
2018	Interior School Building Improvements	100	100	100	-
2018	Site and Athletic Fields	900	717	717	183
	Total Schools	<u>70,282</u>	<u>21,297</u>	<u>62,389</u>	<u>7,893</u>
	Total	<u>\$ 127,791</u>	<u>\$ 39,204</u>	<u>\$ 104,410</u>	<u>\$ 23,381</u>

Note: Schedule of expenditures does not include Capital and Nonrecurring Expenditure Fund.

Internal Service Funds

INTERNAL SERVICE FUNDS

The Internal Service Funds are used for the financing of goods or services provided by one department or agency to other departments or agencies of the Town, or to other governments, on a cost-reimbursement basis. The Risk Management Fund and the Utilities Services Fund are the Town's only Internal Service Funds.

TOWN OF WEST HARTFORD, CONNECTICUT
COMBINING STATEMENT OF NET POSITION - INTERNAL SERVICE FUNDS
JUNE 30, 2017
(In Thousands)

	Risk Management Fund	Utilities Services Fund	Total
Assets:			
Current:			
Cash and cash equivalents	\$ 5,179	\$ 934	\$ 6,113
Investments	18,903		18,903
Receivables, net	1,678		1,678
Prepaid items	3		3
Total assets	25,763	934	26,697
Liabilities:			
Current:			
Accounts and other payables	838	45	883
Payroll liabilities	8	3	11
Risk management claims	5,856		5,856
Total current liabilities	6,702	48	6,750
Noncurrent:			
Risk management claims	4,406		4,406
Total liabilities	11,108	48	11,156
Net Position:			
Unrestricted	\$ 14,655	\$ 886	\$ 15,541

TOWN OF WEST HARTFORD, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN FUND NET POSITION - INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2017
(In Thousands)

	Risk Management Fund	Utilities Services Fund	Total
Operating Revenues:			
Fund premiums	\$ 41,906	\$ 4,378	\$ 46,284
Employee contributions	7,497		7,497
Other	186		186
Total operating revenues	<u>49,589</u>	<u>4,378</u>	<u>53,967</u>
Operating Expenses:			
Administrative expense	279	97	376
Employee benefits	48,213		48,213
Insurance and program services	6,247		6,247
Utility services		4,714	4,714
Total operating expenses	<u>54,739</u>	<u>4,811</u>	<u>59,550</u>
Operating Loss	(5,150)	(433)	(5,583)
Nonoperating Revenue:			
Income on investments	<u>1,546</u>	<u>3</u>	<u>1,549</u>
Loss Before Transfers	(3,604)	(430)	(4,034)
Transfers Out	<u>(50)</u>		<u>(50)</u>
Change in Net Position	(3,654)	(430)	(4,084)
Net Position at Beginning of Year	<u>18,309</u>	<u>1,316</u>	<u>19,625</u>
Net Position at End of Year	<u>\$ 14,655</u>	<u>\$ 886</u>	<u>\$ 15,541</u>

TOWN OF WEST HARTFORD, CONNECTICUT
COMBINING STATEMENT OF CASH FLOWS - INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2017
(In Thousands)

	Risk Management Fund	Utilities Services Fund	Total
Cash Flows from Operating Activities:			
Cash received from employees	\$ 7,497	\$	\$ 7,497
Cash received from operating funds	41,906	4,378	46,284
Cash payments to providers benefits	(47,704)		(47,704)
Cash payments to suppliers for goods and services	(6,468)	(4,764)	(11,232)
Other operating receipts	185	7	192
Net cash provided by (used in) operating activities	<u>(4,584)</u>	<u>(379)</u>	<u>(4,963)</u>
Cash Flows from Noncapital Financing Activities:			
Transfers to other funds	<u>(50)</u>		<u>(50)</u>
Cash Flows from Investing Activities:			
Income on investments	106	3	109
Purchase of investments	<u>(181)</u>		<u>(181)</u>
Net cash provided by (used in) investing activities	<u>(75)</u>	<u>3</u>	<u>(72)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(4,709)	(376)	(5,085)
Cash and Cash Equivalents at Beginning of Year	<u>9,888</u>	<u>1,310</u>	<u>11,198</u>
Cash and Cash Equivalents at End of Year	<u>\$ 5,179</u>	<u>\$ 934</u>	<u>\$ 6,113</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:			
Operating income (loss)	\$ (5,150)	\$ (433)	\$ (5,583)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Change in assets and liabilities:			
(Increase) decrease in accounts receivable	452	7	459
(Increase) decrease in prepaid items	(1)		(1)
Increase (decrease) in accounts and other payables	52	45	97
Increase (decrease) in payroll liabilities	4	2	6
Increase (decrease) in risk management claim liability	<u>59</u>		<u>59</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ (4,584)</u>	<u>\$ (379)</u>	<u>\$ (4,963)</u>
Noncash Investing and Capital Financing Activities:			
Net Increase in Fair Value of Investments	<u>\$ 1,036</u>	<u>\$ -</u>	<u>\$ 1,036</u>

TOWN OF WEST HARTFORD, CONNECTICUT
RISK MANAGEMENT FUND
OPERATING RESULTS BY PROGRAM
FOR FISCAL YEAR JUNE 30, 2017 WITH COMPARATIVE TOTALS FOR 2016
(In Thousands)

	<u>Workers'</u> <u>Compensation</u>	<u>Town</u> <u>Health</u>	<u>Heart and</u> <u>Hypertension</u>	<u>Self-Insured</u> <u>Program</u>	<u>Insured</u> <u>Program</u>	<u>BOE</u> <u>Health</u>	<u>2017</u> <u>Total</u>	<u>2016</u> <u>Total</u>
Operating revenues:								
Fund premiums	\$ 2,612	\$ 14,962	\$ 77	\$ 1,002	\$ 1,247	\$ 22,006	\$ 41,906	\$ 41,562
Employee contributions		1,186				6,311	7,497	8,074
Subrogations/miscellaneous	52	108				26	186	239
Total	<u>2,664</u>	<u>16,256</u>	<u>77</u>	<u>1,002</u>	<u>1,247</u>	<u>28,343</u>	<u>49,589</u>	<u>49,875</u>
Investment income	133	20	42	185		1,166	1,546	524
Total revenues	<u>2,797</u>	<u>16,276</u>	<u>119</u>	<u>1,187</u>	<u>1,247</u>	<u>29,509</u>	<u>51,135</u>	<u>50,399</u>
Operating expenses:								
Employee claims expenses	2,788	6,974	115	717		25,250	35,844	33,291
Retiree claims expenses		7,055				5,314	12,369	12,006
Program expenses	137	1,598	5	69	1,174	1,556	4,539	4,559
Insurance services	333	192	4	105		1,074	1,708	1,578
Administrative expenses	109		29	113	28		279	214
Total expenses	<u>3,367</u>	<u>15,819</u>	<u>153</u>	<u>1,004</u>	<u>1,202</u>	<u>33,194</u>	<u>54,739</u>	<u>51,648</u>
Income (loss) before transfers	(570)	457	(34)	183	45	(3,685)	(3,604)	(1,249)
Other financing uses:								
Transfers out	<u>(4)</u>	<u>(40)</u>	<u>(1)</u>	<u>(4)</u>	<u>(1)</u>		<u>(50)</u>	<u>(50)</u>
Change in Net Position	(574)	417	(35)	179	44	(3,685)	(3,654)	(1,299)
Net Position at Beginning of Year	<u>(618)</u>	<u>348</u>	<u>204</u>	<u>2,526</u>	<u>108</u>	<u>15,741</u>	<u>18,309</u>	<u>19,608</u>
Net Position at End of Year	<u>\$ (1,192)</u>	<u>\$ 765</u>	<u>\$ 169</u>	<u>\$ 2,705</u>	<u>\$ 152</u>	<u>\$ 12,056</u>	<u>\$ 14,655</u>	<u>\$ 18,309</u>
Distribution of net position:								
Reserved net position	\$	\$ (1,934)	\$	\$ 1,687	\$	\$ 13,796	\$ 13,549	\$ 13,448
Unreserved net position	<u>(1,192)</u>	<u>2,699</u>	<u>169</u>	<u>1,018</u>	<u>152</u>	<u>(1,740)</u>	<u>1,106</u>	<u>4,861</u>
Net Position at End of Year	<u>\$ (1,192)</u>	<u>\$ 765</u>	<u>\$ 169</u>	<u>\$ 2,705</u>	<u>\$ 152</u>	<u>\$ 12,056</u>	<u>\$ 14,655</u>	<u>\$ 18,309</u>

Fiduciary Funds

FIDUCIARY FUNDS

The Fiduciary Funds are used to account for assets held by the Town in an agency capacity on behalf of others. The agency funds of the Town are as follows:

TRUST FUNDS:

Pension Trust Fund - This fund is used for the accumulation of resources and to be used for retirement payments to members of the Towns as defined in the Charter of the Town upon their retirement.

Other Postemployment (OPEB) Trust Fund - This fund is used for the accumulation of resources and to be used for payments of healthcare benefits for retired employees.

AGENCY FUND:

Student Activity Fund - The Student Activity Fund accounts for the monies generated by student activities in the West Hartford school system.

TOWN OF WEST HARTFORD, CONNECTICUT
COMBINING STATEMENT OF NET POSITION
PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS
JUNE 30, 2017
(In Thousands)

	<u>Pension</u> <u>Trust Fund</u>	<u>OPEB</u> <u>Trust Fund</u>	<u>Total</u>
Assets:			
Cash and cash equivalents	\$ 959	\$ 1,282	\$ 2,241
Investments:			
Mutual funds	148,808	1,679	150,487
Common stock	31,668		31,668
Alternative investments	13,045		13,045
Receivables:			
Interest and dividends	22		22
Total assets	<u>194,502</u>	<u>2,961</u>	<u>197,463</u>
Liabilities:			
Accounts and other payables	262		262
Due to other funds	118		118
Total liabilities	<u>380</u>		<u>380</u>
Net Position:			
Restricted for Pension Benefits	194,122		194,122
Restricted for OPEB Benefits		2,961	2,961
Total Net Position	\$ <u>194,122</u>	\$ <u>2,961</u>	\$ <u>197,083</u>

TOWN OF WEST HARTFORD, CONNECTICUT
COMBINING STATEMENT OF CHANGES IN NET POSITION
PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS
FOR THE YEAR ENDED JUNE 30, 2017
(In Thousands)

	Pension Trust Fund	OPEB Trust Fund	Total
Additions:			
Contributions:			
Employer	\$ 20,551	\$ 1,256	\$ 21,807
Plan members	3,063	99	3,162
Total contributions	<u>23,614</u>	<u>1,355</u>	<u>24,969</u>
Investment income (loss):			
Net change in fair value of investments	20,259	143	20,402
Interest	6		6
Dividends	3,711	24	3,735
Total investment income	<u>23,976</u>	<u>167</u>	<u>24,143</u>
Less investment expense	<u>(329)</u>	<u>(1)</u>	<u>(330)</u>
Net investment income	<u>23,647</u>	<u>166</u>	<u>23,813</u>
Total additions	<u>47,261</u>	<u>1,521</u>	<u>48,782</u>
Deductions:			
Benefits	28,080		28,080
Administration	<u>305</u>		<u>305</u>
Total deductions	<u>28,385</u>	<u>-</u>	<u>28,385</u>
Change in Net Position	18,876	1,521	20,397
Net Position at Beginning of Year	<u>175,246</u>	<u>1,440</u>	<u>176,686</u>
Net Position at End of Year	<u>\$ 194,122</u>	<u>\$ 2,961</u>	<u>\$ 197,083</u>

TOWN OF WEST HARTFORD, CONNECTICUT
AGENCY FUNDS
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2017
(In Thousands)

	<u>Balance</u> <u>July 1, 2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2017</u>
Student Activity Fund				
Assets:				
Cash and cash equivalents	\$ <u>952</u>	\$ <u>2,928</u>	\$ <u>2,966</u>	\$ <u>914</u>
Liabilities:				
Due to student groups	\$ <u>952</u>	\$ <u>2,928</u>	\$ <u>2,966</u>	\$ <u>914</u>

Statistical Section

Statistical Section Information

The objectives of statistical section information are to provide financial statement users with additional historical perspective, context and detail to assist in using the information in the financial statements, notes to financial statements and required supplementary information to understand and assess economic condition.

Statistical section information is presented in the following categories:

- *Financial trends information* is intended to assist users in understanding and assessing how financial position has changed over time.
- *Revenue capacity information* is intended to assist users in understanding and assessing the factors affecting the ability to generate *own-source revenues* (property taxes, charges for services, etc.).
- *Debt capacity information* is intended to assist users in understanding and assessing debt burden and the ability to issue additional debt.
- *Demographic and economic information* is intended 1) to assist users in understanding the socioeconomic environment and 2) to provide information that facilitates comparisons of financial statement information over time and among governments.
- *Operating information* is intended to provide contextual information about operations and resources to assist readers in using financial statement information to understand and assess economic condition.

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

Sources: Unless otherwise noted, the information in the tables is derived from the comprehensive annual financial reports for the relevant year.

TOWN OF WEST HARTFORD, CONNECTICUT
NET POSITION BY COMPONENT
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

TABLE 1

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Governmental activities:										
Net investment in capital assets	\$ 152,050	\$ 167,077	\$ 164,752	\$ 167,371	\$ 159,716	\$ 171,505	\$ 161,236	\$ 154,273	\$ 180,092	\$ 194,218
Restricted	2,268	2,350	2,273	2,502	2,508	2,601	2,515	891	831	82
Unrestricted	24,788	13,864	23,132	23,842	28,991	22,389	32,883	(133,041)	(152,445)	(173,088)
Total governmental activities net position	\$ 179,106	\$ 183,291	\$ 190,157	\$ 193,715	\$ 191,215	\$ 196,495	\$ 196,634	\$ 22,123	\$ 28,478	\$ 21,212
Business-type activities:										
Net investment in capital assets	12,900	12,781	12,490	11,950	13,010	13,040	12,533	14,052	13,740	\$ 12,937
Unrestricted	(2,322)	(2,129)	(2,137)	(2,185)	(2,244)	(2,256)	(2,186)	(5,034)	(5,007)	(5,313)
Total business-type activities net position	\$ 10,578	\$ 10,652	\$ 10,353	\$ 9,765	\$ 10,766	\$ 10,784	\$ 10,347	\$ 9,018	\$ 8,733	\$ 7,624
Primary government:										
Net investment in capital assets	\$ 164,950	\$ 179,858	\$ 177,242	\$ 179,321	\$ 172,726	\$ 184,545	\$ 173,769	\$ 168,325	\$ 193,832	\$ 207,155
Restricted	2,268	2,350	2,273	2,502	2,508	2,601	2,515	891	831	82
Unrestricted	22,466	11,735	20,995	21,657	26,747	20,133	30,697	(138,075)	(157,452)	(178,401)
Total primary government net position	\$ 189,684	\$ 193,943	\$ 200,510	\$ 203,480	\$ 201,981	\$ 207,279	\$ 206,981	\$ 31,141	\$ 37,211	\$ 28,836

TOWN OF WEST HARTFORD, CONNECTICUT
CHANGES IN NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

TABLE 2

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Expenses:										
Governmental activities:										
General government	\$ 11,563	\$ 9,424	\$ 8,168	\$ 8,088	\$ 8,220	\$ 9,410	\$ 11,362	\$ 10,059	\$ 13,391	\$ 15,064
Public safety	31,605	31,629	32,541	35,114	40,231	43,699	45,213	48,798	55,382	56,932
Community maintenance	29,826	36,133	35,908	36,593	45,350	34,227	35,598	37,042	39,475	40,717
Human and cultural	7,030	9,043	9,246	9,459	11,833	11,308	11,526	13,858	13,356	13,144
Education	178,399	149,585	152,122	161,282	167,347	172,635	178,648	180,805	191,683	213,041
Interest on long-term debt	6,784	6,843	5,835	5,679	5,458	4,978	4,963	4,989	4,826	4,696
Total governmental activities expenses	265,207	242,657	243,820	256,215	278,439	276,257	287,310	295,551	318,113	343,594
Business-type activities:										
Leisure services	5,505	3,386	3,686	3,694	3,761	3,896	3,971	4,122	4,503	4,668
Total primary government expenses	\$ 270,712	\$ 246,043	\$ 247,506	\$ 259,909	\$ 282,200	\$ 280,153	\$ 291,281	\$ 299,673	\$ 322,616	\$ 348,262
Program Revenues:										
Governmental activities:										
Charges for services:										
General government	\$ 1,541	\$ 1,264	\$ 1,482	\$ 1,271	\$ 1,359	\$ 1,478	\$ 1,445	\$ 1,434	\$ 1,676	\$ 1,570
Public safety	1,781	1,772	1,851	2,847	3,171	3,290	3,048	3,021	2,784	3,333
Community maintenance	4,114	3,619	4,140	3,386	3,847	4,132	4,128	5,303	5,083	5,064
Human and cultural	659	1,337	1,374	1,579	1,422	1,409	1,423	1,493	1,463	1,523
Education	3,199	3,916	3,903	4,549	4,522	4,288	3,918	3,888	3,730	3,692
Interest on long-term debt			94	71	47					
Operating grants and contributions	70,038	36,938	39,951	41,375	51,883	45,239	48,077	46,460	49,472	64,163
Capital grants and contributions	6,725	6,560	2,317	1,837	1,857	2,277	962	7,627	21,695	8,388
Total governmental activities program revenues	88,057	55,406	55,112	56,915	68,108	62,113	63,001	69,226	85,903	87,733
Business-type activities:										
Charges for services	3,809	2,729	2,794	2,752	2,766	2,648	2,889	2,968	3,140	2,943
Operating grants and contributions					19	20	26			
Capital grants and contributions			279	332	1,906	923	468	2,520	757	299
Total business-type activities program revenues	3,809	2,729	3,073	3,084	4,691	3,591	3,383	5,488	3,897	3,242
Total primary government program revenues	\$ 91,866	\$ 58,135	\$ 58,185	\$ 59,999	\$ 72,799	\$ 65,704	\$ 66,384	\$ 74,714	\$ 89,800	\$ 90,975
Net (Expense) Revenue:										
Governmental activities	\$ (177,150)	\$ (187,251)	\$ (188,708)	\$ (199,300)	\$ (210,331)	\$ (214,144)	\$ (224,309)	\$ (226,325)	\$ (232,210)	\$ (255,861)
Business-type activities	(1,696)	(657)	(613)	(610)	930	(305)	(588)	1,366	(606)	(1,426)
Total primary government net expense	\$ (178,846)	\$ (187,908)	\$ (189,321)	\$ (199,910)	\$ (209,401)	\$ (214,449)	\$ (224,897)	\$ (224,959)	\$ (232,816)	\$ (257,287)
General Revenues and Other Changes in Net Position:										
Governmental activities:										
Property taxes	\$ 174,771	\$ 182,124	\$ 186,278	\$ 193,695	\$ 199,769	\$ 210,661	\$ 214,970	\$ 222,840	\$ 229,698	\$ 237,427
Unrestricted grants and contributions	3,297	3,742	2,750	2,800	3,185	3,001	2,855	2,895	2,495	4,261
Unrestricted investment earnings	3,135	1,804	2,159	2,311	1,076	2,024	2,685	1,378	1,567	2,356
Miscellaneous	1,114	4,476	4,700	4,072	3,859	4,042	4,089	4,512	5,126	4,868
Transfers	183	(710)	(313)	(20)	(58)	(304)	(151)	(145)	(321)	(317)
Total governmental activities	182,500	191,436	195,574	202,858	207,831	219,424	224,448	231,480	238,565	248,595
Business-type activities:										
Miscellaneous		21	1	2	13	19				
Transfers	2,013	710	313	20	58	304	151	145	321	317
Total business-type activities	2,013	731	314	22	71	323	151	145	321	317
Total primary government	\$ 184,513	\$ 192,167	\$ 195,888	\$ 202,880	\$ 207,902	\$ 219,747	\$ 224,599	\$ 231,625	\$ 238,886	\$ 248,912
Changes in Net Position:										
Governmental activities	\$ 5,350	\$ 4,185	\$ 6,866	\$ 3,558	\$ (2,500)	\$ 5,280	\$ 139	\$ 5,155	\$ 6,355	\$ (7,266)
Business-type activities	317	74	(299)	(588)	1,001	18	(437)	1,511	(285)	(1,109)
Total primary government	\$ 5,667	\$ 4,259	\$ 6,567	\$ 2,970	\$ (1,499)	\$ 5,298	\$ (298)	\$ 6,666	\$ 6,070	\$ (8,375)

**TOWN OF WEST HARTFORD, CONNECTICUT
FUND BALANCES, GOVERNMENTAL FUNDS**

Last Ten Fiscal Years

(modified accrual basis of accounting)

(amounts expressed in thousands)

TABLE 3

	Fiscal Year									
	2008	2009	2010	2011*	2012	2013	2014	2015	2016	2017
General Fund:										
Reserved	\$ 367	\$ 482	\$ 809							
Unreserved	16,834	16,378	17,193							
Nonspendable				\$ 178	\$ 169	\$ 179	\$ 178	\$ 172	\$ 257	\$ 193
Assigned				652	355	333	374	262	441	541
Unassigned				17,881	17,831	18,931	19,653	20,621	21,094	21,811
Total General Fund	<u>\$ 17,201</u>	<u>\$ 16,860</u>	<u>\$ 18,002</u>	<u>\$ 18,711</u>	<u>\$ 18,355</u>	<u>\$ 19,443</u>	<u>\$ 20,205</u>	<u>\$ 21,055</u>	<u>\$ 21,792</u>	<u>\$ 22,545</u>
All other Governmental Funds:										
Reserved	\$ 12,556	\$ 6,314	\$ 5,642							
Unreserved, reported in:										
Special Revenue Funds	5,993	5,399	8,400							
Capital Projects Funds	(606)	(4,807)	4,103							
Nonspendable				\$ 77	\$ 81	\$ 66	\$ 88	\$ 55	\$ 128	\$ 128
Restricted				1,191	1,104	1,164	1,136	2,535	2,282	2,088
Committed				17,254	18,704	9,409	17,459	28,682	16,681	16,755
Assigned				56	13	11	74	28	4	52
Unassigned				(720)	(35)	(1,251)				(10)
Total all other Governmental Funds	<u>\$ 17,943</u>	<u>\$ 6,906</u>	<u>\$ 18,145</u>	<u>\$ 17,858</u>	<u>\$ 19,867</u>	<u>\$ 9,399</u>	<u>\$ 18,757</u>	<u>\$ 31,300</u>	<u>\$ 19,095</u>	<u>\$ 19,013</u>

*The Town implemented GASB Statement No.54

TOWN OF WEST HARTFORD, CONNECTICUT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

TABLE 4

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Revenues:										
Property taxes	\$ 174,160	\$ 182,125	\$ 186,852	\$ 192,984	\$ 200,033	\$ 210,571	\$ 214,923	\$ 223,062	\$ 229,630	\$ 236,916
Intergovernmental	79,907	47,143	42,039	45,636	55,878	49,523	51,510	56,573	73,428	75,975
Charges for services	10,983	11,839	12,724	13,252	13,939	14,499	13,577	14,734	14,547	14,853
Income on investments	3,548	2,463	1,420	1,077	796	790	678	695	1,011	751
Miscellaneous	1,781	4,573	7,632	5,221	5,535	5,500	5,195	5,601	5,908	6,243
Total revenues	270,379	248,143	250,667	258,170	276,181	280,883	285,883	300,665	324,524	334,738
Expenditures:										
General government	8,742	6,357	4,797	5,114	5,116	5,220	5,328	5,440	5,842	6,321
Public safety	31,260	30,686	23,215	24,998	26,802	27,660	27,337	27,495	27,917	28,461
Community maintenance	17,863	20,913	17,250	17,134	16,523	17,484	17,881	18,122	18,329	18,482
Human and cultural	7,203	8,900	8,038	7,646	7,705	7,531	7,929	7,916	8,118	8,095
Education	173,380	143,262	146,455	155,709	162,737	168,117	173,040	175,600	180,708	199,184
Capital outlay	48,764	17,806	10,003	9,749	12,150	13,665	14,378	18,862	50,360	28,407
Debt:										
Principal	10,060	12,845	12,895	14,130	14,475	12,535	12,255	12,550	26,900	15,220
Interest	4,481	6,843	6,288	5,679	5,458	5,417	4,977	4,977	5,233	5,116
Other charges	99	1	85	68	89	5				
Sundry	10,384	11,961	24,997	25,854	40,512	32,375	34,564	37,629	26,997	42,193
Total expenditures	312,236	259,574	254,023	266,081	291,567	290,009	297,689	308,591	350,404	351,479
Excess of revenue under expenditures	(41,857)	(11,431)	(3,356)	(7,911)	(15,386)	(9,126)	(11,806)	(7,926)	(25,880)	(16,741)
Other financing sources (uses):										
Bonds issued	15,000		15,000	8,000	15,000		20,000	21,000	14,000	17,000
Refunding bonds issued									12,295	
Payment to refunded bond escrow agent			(67,257)						(13,424)	
Premium on refunding bonds issued			67,710						1,258	
Premium on bonds issued			273	302	2,047		2,027	414	554	679
Transfers in	5,040	4,789	4,644	17,789	14,585	16,941	17,372	19,981	21,367	22,190
Transfers out	(3,729)	(4,736)	(4,633)	(17,759)	(14,593)	(17,195)	(17,473)	(20,076)	(21,638)	(22,457)
Total other financing sources (uses)	16,311	53	15,737	8,332	17,039	(254)	21,926	21,319	14,412	17,412
Net change in fund balances	\$ (25,546)	\$ (11,378)	\$ 12,381	\$ 421	\$ 1,653	\$ (9,380)	\$ 10,120	\$ 13,393	\$ (11,468)	\$ 671
Debt service as a percentage of noncapital expenditures	5.49%	8.04%	7.85%	7.71%	7.05%	7.05%	6.05%	5.99%	10.61%	6.27%

TOWN OF WEST HARTFORD, CONNECTICUT
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 Last Ten Fiscal Years
 (amounts expressed in thousands)

TABLE 5

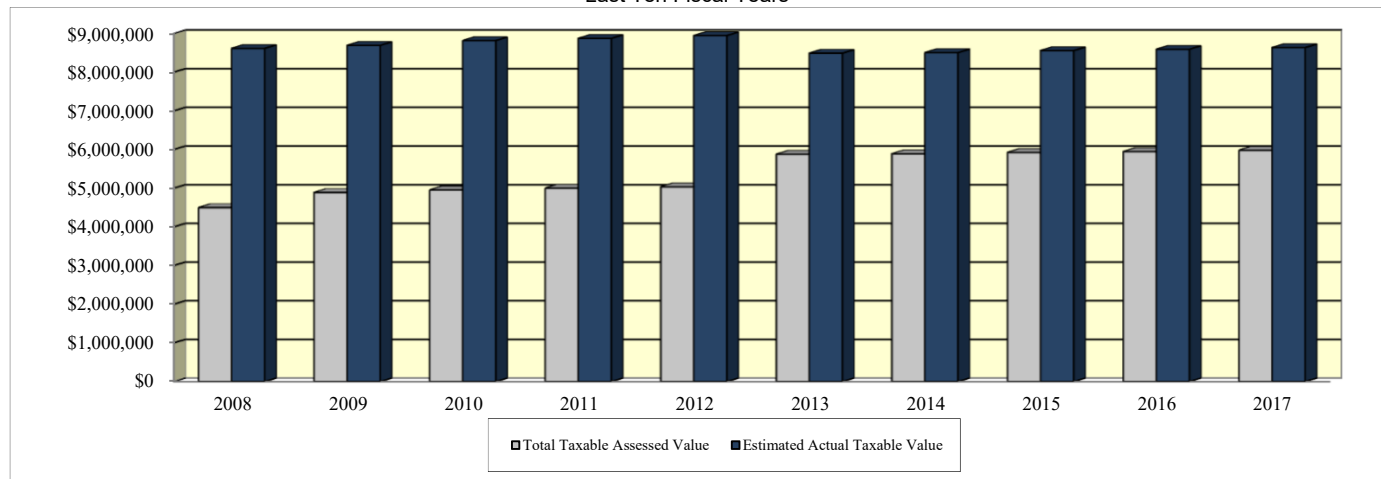
Fiscal Year	Real Property			Personal Property		Less: Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value Percentage of Actual Taxable Value ²
	Residential ¹	Commercial ¹	Industrial ¹	Other ¹	Motor Vehicle ¹					
2008	\$ 4,602,649	\$ 815,582	\$ 73,570	\$ 168,502	\$ 369,916	\$ 1,531,763	\$ 4,498,456	38.63	\$ 8,614,599	70%
2009	4,651,563	801,976	74,008	180,180	377,062	1,195,360	4,889,429	36.97	8,692,556	70%
2010	4,711,416	828,729	73,027	195,797	362,919	1,217,965	4,953,923	37.54	8,816,983	70%
2011	4,738,213	837,183	71,579	197,343	366,554	1,211,022	4,999,850	38.38	8,872,674	70%
2012	4,763,366	842,798	71,412	197,281	387,159	1,227,614	5,034,402	39.44	8,945,737	70%
2013	4,399,030	843,891	86,022	201,370	413,576	65,870	5,878,020	35.75	8,491,271	70%
2014	4,410,715	845,821	86,130	204,405	406,403	64,939	5,888,536	36.30	8,504,964	70%
2015	4,429,342	845,804	86,007	212,811	415,829	65,131	5,924,662	37.37	8,556,847	70%
2016	4,448,363	846,482	81,656	218,010	419,255	67,595	5,946,171	38.31	8,591,093	70%
2017	4,467,509	854,835	81,443	218,497	422,102	63,913	5,980,473	41.04	8,634,838	70%

Source: Town of West Hartford, Department of Assessment

¹Includes tax exempt property.

²Assessed Value is 70% of Estimated Actual Value.

Assessed and Estimated Actual Property Values
 Last Ten Fiscal Years



TOWN OF WEST HARTFORD, CONNECTICUT
PRINCIPAL PROPERTY TAXPAYERS
 Current Year and Nine Years Ago
 (amounts expressed in thousands)

TABLE 6

		Grand List of October 1, 2015			Grand List of October 1, 2006		
Taxpayer	Nature of Business	Taxable Assessed Value	Rank	Percent of Total Town Taxable Assessed Value	Taxable Assessed Value	Rank	Percent of Total Town Taxable Assessed Value
Blue Back Square, LLC	Real Estate Inv	\$ 75,658	1	1.27%	\$ 31,508	1	0.70%
Westfarms Associates	Shopping Mall	37,805	2	0.63%	29,750	2	0.66%
Connecticut Light and Power	Utility	37,699	3	0.63%	24,662	5	0.55%
FW CT Corbins Corner Shopping Center	Retail	33,840	4	0.57%	27,916	3	0.62%
Town Center West Associates	Office/Retail	24,934	5	0.42%	21,438	6	0.48%
Bishop's Corner (E&A) LLC	Retail	18,243	6	0.31%	9,581	10	0.21%
McAuley Center Inc. (Sisters of Mercy)	Assisted Living	17,741	7	0.30%	14,765	8	0.33%
E&A Northeast Limited Partnership	Retail	15,498	8	0.26%	25,109	4	0.56%
Prospect Plaza Improvements LLC	Retail	13,995	9	0.23%	10,884	9	0.24%
Westgate Apartments LLC	Apartments	13,249	10	0.22%			
Wiremold	Industrial				20,365	7	0.45%
		\$ 288,662		4.84%	\$ 215,978		4.80%

2017 Revenue from Principal Taxpayers	\$	11,847
2017 Percent of Total General Fund Revenue		4.37%

Source: Town of West Hartford, Department of Assessment

Note: Assessments include Real Property, Personal Property and Motor Vehicles.

**TOWN OF WEST HARTFORD, CONNECTICUT
PROPERTY TAX LEVIES AND COLLECTIONS**

Last Ten Fiscal Years
(amounts expressed in thousands)

TABLE 7

Fiscal Year	Tax Rate in Mills	Total Tax Levy for Fiscal Year	Collected within Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2008	38.63	\$ 174,302	\$ 172,515	99.0%	\$ 1,425	\$ 173,940	99.8%
2009	36.97	181,771	180,089	99.1%	1,345	181,434	99.8%
2010	37.54	186,542	184,817	99.1%	1,538	186,355	99.9%
2011	38.38	192,761	190,585	98.9%	1,757	192,342	99.8%
2012	39.44	199,192	197,344	99.1%	1,428	198,772	99.8%
2013	35.75	210,065	208,258	99.1%	1,435	209,693	99.8%
2014	36.30	214,310	212,530	99.2%	1,339	213,869	99.8%
2015	37.37	222,213	220,483	99.2%	1,292	221,775	99.8%
2016	38.31	229,112	227,450	99.3%	985	228,435	99.7%
2017	41.04	236,740	234,921	99.2%	n/a	234,921	99.2%

Source: Tax Collector's Report; Comprehensive Annual Financial Report

Note: A portion of property tax collections was reported in the Blue Back Square Fund in fiscal years 2007-2010.

n/a - Not applicable to current fiscal year.

TOWN OF WEST HARTFORD, CONNECTICUT
RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years
(amounts expressed in thousands, except per capita amount)

TABLE 8

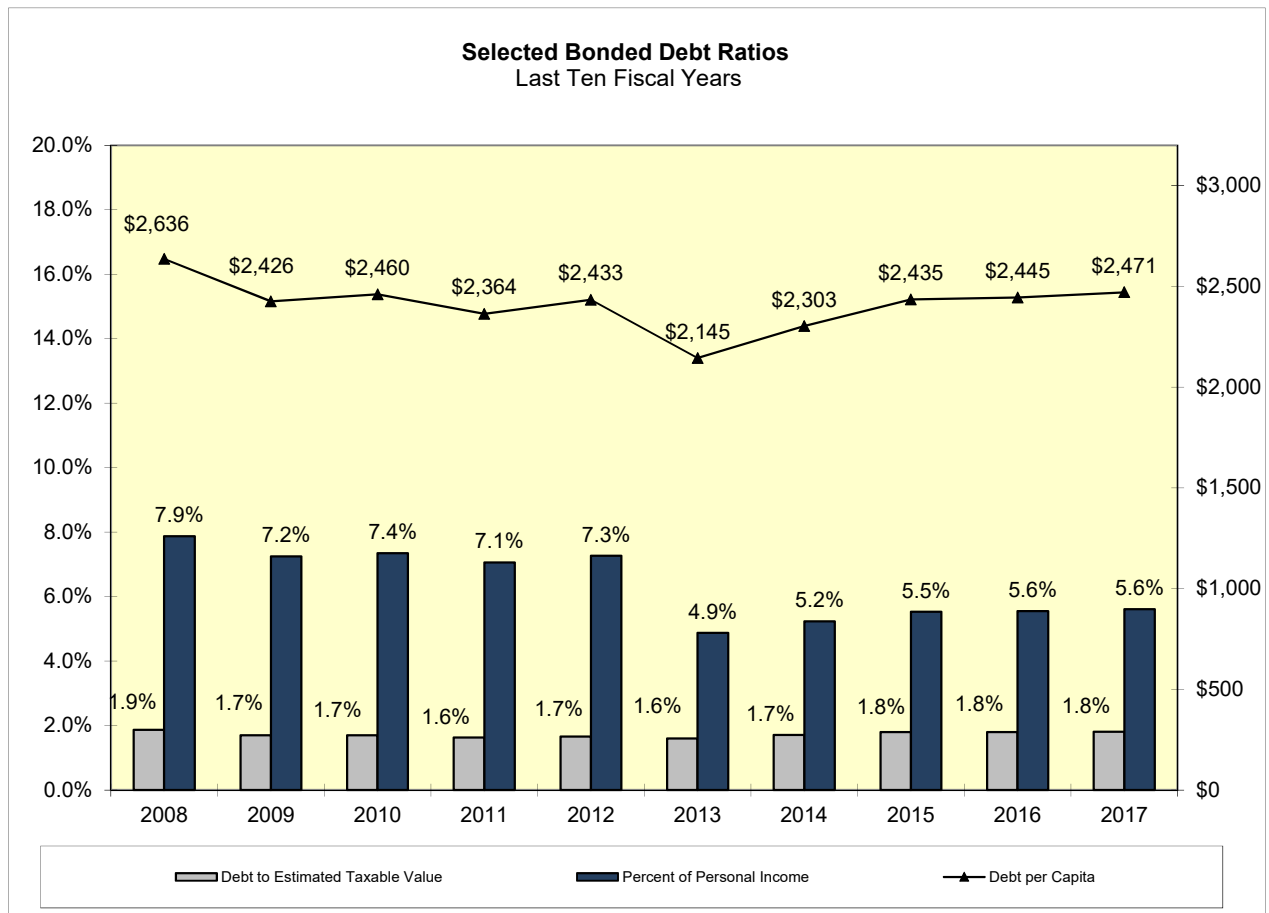
Fiscal Year	Governmental Activities		Business-Type Activities	Total Primary Government	Bonded Debt to Estimated Actual Taxable Value ¹	Bonded Debt as Percentage of Personal Income ²	Bonded Debt Per Capita ³
	General Obligation Bonds	Capital Leases	Leisure Services				
2008	\$ 160,905	\$ -	\$ -	\$ 160,905	1.9%	7.9%	\$ 2,636
2009	148,079	-	-	148,079	1.7%	7.2%	2,426
2010	150,200	-	-	150,200	1.7%	7.4%	2,460
2011	144,299	-	-	144,299	1.6%	7.1%	2,364
2012	148,551	-	-	148,551	1.7%	7.3%	2,433
2013	135,686	-	-	135,686	1.6%	4.9%	2,145
2014	145,706	-	-	145,706	1.7%	5.2%	2,303
2015	154,045	-	-	154,045	1.8%	5.5%	2,435
2016	154,667	-	-	154,667	1.8%	5.6%	2,445
2017	156,308	-	-	156,308	1.8%	5.6%	2,471

Note: Details regarding the Town's outstanding debt can be found in the notes to the financial statements.

¹ See Table 5 for property value data.

² See Table 11 for Personal Income data.

³ See Table 11 for Population data.



TOWN OF WEST HARTFORD, CONNECTICUT
STATEMENT OF DEBT LIMITATION
 Current Fiscal Year
 (amounts expressed in thousands)

TABLE 9

Total tax collections (including interest and lien fees) received by Treasurer for year ended June 30, 2017	\$ 237,039 *
Reimbursement for revenue loss on:	
Tax Relief for Elderly	<u>6</u>
Base	<u>\$ 237,045</u>

	General Purpose	Schools	Sewers	Urban Renewal	Pension Deficit
Debt limitation:					
2.25 times base	\$ 533,351	\$ 1,066,701	\$	\$	\$
4.50 times base					
3.75 times base			888,918		
3.25 times base				770,395	
3.00 times base					711,134
Total debt limitation	533,351	1,066,701	888,918	770,395	711,134
Indebtedness:					
Bonds payable	105,859	44,596			
Bonds authorized-unissued	7,893	10,095			
Overlapping debt			211,452		
School building grants		(253)			
Total indebtedness	113,752	54,438	211,452		
Debt margin	\$ 419,599	\$ 1,012,263	\$ 677,466	\$ 770,395	\$ 711,134

* **Source:** Tax Collector's Report

Note 1: In no event shall total indebtedness exceed seven times annual receipts from taxation (\$1.66 billion).

Note 2: Bonds authorized-unissued represents bond authorizations for projects which have bond anticipation notes outstanding or for which bonds have been authorized and partially issued.

TOWN OF WEST HARTFORD, CONNECTICUT
LEGAL DEBT MARGIN INFORMATION
 Last Ten Fiscal Years
 (amounts expressed in thousands)

TABLE 10

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Debt limitation	\$1,218,285	\$1,275,330	\$1,307,495	\$1,349,971	\$1,400,560	\$1,474,494	\$1,504,811	\$1,561,140	\$1,607,788	\$1,659,315
Total net debt applicable to limit	185,013	177,669	194,672	207,145	237,328	254,930	285,919	314,603	368,176	379,642
Legal debt margin	\$1,033,272	\$1,097,661	\$1,112,823	\$1,142,826	\$1,163,232	\$1,219,564	\$1,218,892	\$1,246,537	\$1,239,612	\$1,279,673
Total net debt applicable to the limit as a percentage of debt limit	15.19%	13.93%	14.89%	15.34%	16.95%	17.29%	19.00%	20.15%	22.90%	22.88%

Note: See Table 9 for calculation of current year debt limitation.

TOWN OF WEST HARTFORD, CONNECTICUT
DEMOGRAPHIC & ECONOMIC STATISTICS
 Last Ten Fiscal Years

TABLE 11

Fiscal Year	Population ¹	Total Personal Income ¹ (in thousands)	Per Capita Personal Income ¹	Median Age ¹	School Enrollment ²	Average Unemployment Rate ³
2008	61,045	\$ 2,042,810	\$ 33,464	40.0	9,821	4.4%
2009	61,045	2,042,810	33,464	40.0	9,881	6.0%
2010	61,045	2,042,810	33,464	40.0	9,996	7.9%
2011	63,268	2,783,665	43,998	41.5	10,035	8.0%
2012	63,268	2,783,665	43,998	41.5	9,885	6.8%
2013	63,268	2,783,665	43,998	41.5	9,817	6.8%
2014	63,268	2,783,665	43,998	41.5	9,657	6.0%
2015	63,268	2,783,665	43,998	41.5	9,531	4.4%
2016	63,268	2,783,665	43,998	41.5	9,483	4.0%
2017	63,268	2,783,665	43,998	41.5	9,435	3.5%

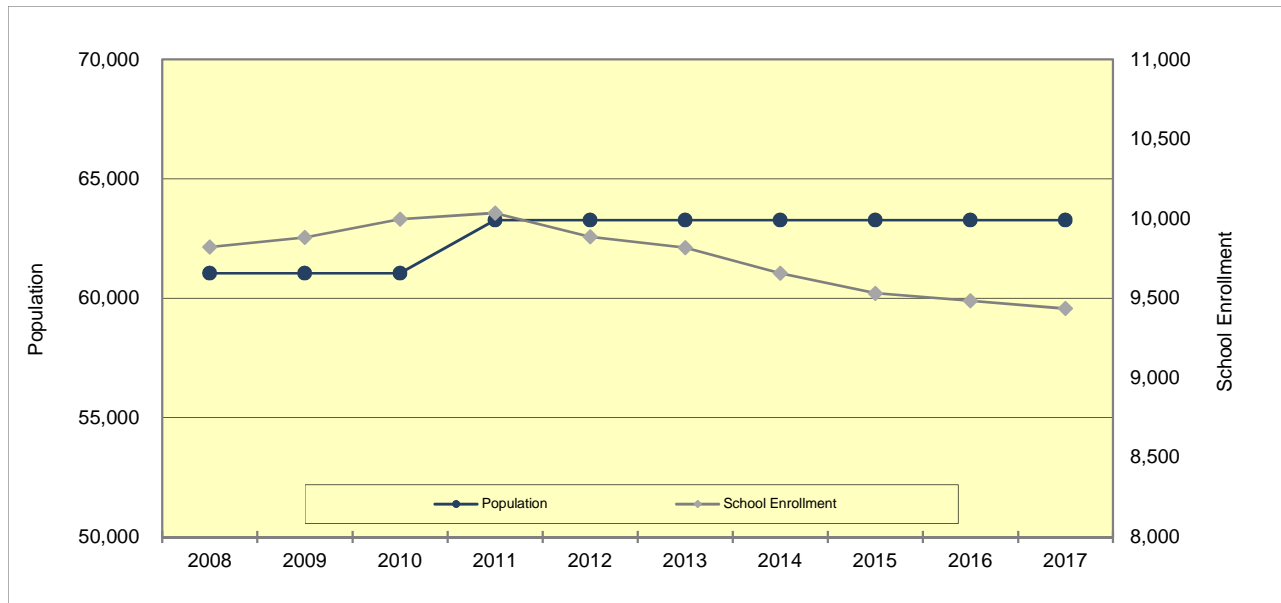
¹ Fiscal years 2008-2010, U.S. Census Bureau - 2000 Census.

Fiscal years 2011-2017, U.S. Census Bureau - 2010 Census.

² Town of West Hartford Board of Education.

³ State of Connecticut Labor Department, Office of Research

Population and School Enrollments
 Last Ten Fiscal Years



TOWN OF WEST HARTFORD, CONNECTICUT
PRINCIPAL EMPLOYERS
 Current Year and Nine Years Ago

TABLE 12

Employer	Nature of Business	2017			2008		
		Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
University of Hartford	Education	2,000-2,999	1	8.7%	1,000-1,999	1	5.6%
Town of West Hartford	Government	1,000-1,999	2	5.2%	1,000-1,999	2	5.6%
Hospital at Hebrew Health Care	Hospital	500-999	3	2.6%	500-999	3	2.8%
Wiremold Products, Inc.	Manufacturing	500-999	4	2.6%	500-999	4	2.8%
UTC-Aerospace Systems/Goodrich Corp.	Manufacturing	250-499	5	1.3%	250-499	9	1.4%
University of Connecticut	Education	250-499	6	1.3%			
Colt Manufacturing	Manufacturing	250-499	7	1.3%	500-999	6	2.8%
American School for the Deaf	Education	250-499	8	1.3%			
American Medical Response	Ambulance Service	250-499	9	1.3%			
St. Mary's Home	Nursing Home	250-499	10	1.3%	250-499	8	1.4%
Cheesecake Factory	Restaurant	250-499	10	1.3%			
St. Joseph College	Education				500-999	5	2.8%
Macy's/Filene's	Retail				500-999	7	2.8%
Holo-Krome Company	Manufacturing				250-499	10	1.4%
		6,250-10,489		28.2%	5,250-10,490		29.4%

Source: 2017 data - Connecticut Department of Labor and Connecticut Economic Resources Center, Inc.

2008 data - West Hartford Chamber of Commerce and Connecticut Economic Resources Center, Inc.

Note: Percentage of Total Town employment is calculated on the midpoint of the range given.

TOWN OF WEST HARTFORD, CONNECTICUT
FULL-TIME EMPLOYEES BY FUNCTION
 Last Ten Fiscal Years

TABLE 13

Fiscal Year										
Function/Department	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Government										
Town Clerk/Town Council	4.5	4.5	4.5	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Town Manager	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Corporation Counsel	3.5	3.5	3.5	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Registrar of Voters	-	-	-	-	-	-	-	-	-	-
Assessor	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
Information Technology (a)	-	-	-	-	-	4.0	4.0	4.0	4.0	4.0
Financial Services	22.5	22.5	22.5	21.0	21.0	17.0	17.0	17.0	17.0	17.0
Employee Services	11.0	11.0	10.0	9.5	9.5	9.5	9.5	9.5	9.5	9.5
Public Safety										
Fire	92.0	92.0	92.0	92.0	92.0	92.0	92.0	92.0	92.0	92.0
Police	152.0	152.0	152.0	152.0	152.0	152.0	152.0	152.0	153.0	153.0
Communications System	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Community Maintenance										
Community Services	31.0	31.0	28.0	27.0	26.0	24.5	24.5	24.2	25.2	26.2
Public Works	56.0	61.0	58.0	58.0	58.0	58.0	58.0	58.0	58.0	60.0
Plant and Facilities Services	7.5	7.5	7.5	7.5	7.5	9.0	9.0	8.3	8.3	8.3
Human and Cultural										
Human and Leisure Services	28.0	28.0	27.0	26.0	26.0	25.0	25.0	25.0	25.0	25.0
Library	28.0	28.0	26.0	25.0	24.0	24.0	24.0	24.0	24.0	24.0
Private School Nurses	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0
Total - Town	454.0	460.0	450.0	444.0	442.0	441.0	441.0	440.0	442.0	445.0
Education										
Instructional Staff	1,175.1	1,182.1	1,188.1	1,182.2	1,196.0	1,213.1	1,225.0	1,225.5	1,250.1	1,273.9
Non-instructional staff	306.7	302.3	293.5	292.5	293.3	283.3	286.2	285.3	284.3	287.1
Total - Education	1,481.8	1,484.4	1,481.6	1,474.7	1,489.3	1,496.4	1,511.2	1,510.8	1,534.4	1,561.0
Total	1,935.8	1,944.4	1,931.6	1,918.7	1,931.3	1,937.4	1,952.2	1,950.8	1,976.4	2,006.0

Source: Department of Financial Services and Board of Education

(a) Effective 7/01/2013 the Department of Information Technology was created with staff previously managed under Financial Services.

TOWN OF WEST HARTFORD, CONNECTICUT
OPERATING INDICATORS BY FUNCTION
 Last Five Years

TABLE 14

For the Year Ended December 31,					
Function/Department	2012	2013	2014	2015	2016
General Government					
Town Clerk ¹					
Land records processed	12,666	12,158	8,856	9,295	9,031
Registrar of Voters ¹					
Number of registered voters	39,733	38,826	39,517	38,266	43,248
Voter turnout percent - national election	81%				78%
Voter turnout percent - state election			61%		
Voter turnout percent - local election		27%		29%	
Public Safety					
Fire ¹					
Number of fire related calls	180	168	184	228	205
Number of emergency medical/rescue calls ²	1,445	1,602	1,742	5,646	5,820
Number of hazardous material calls	170	189	157	157	162
Number of other calls for service	1,868	1,832	1,814	2,202	2,214
Total Calls	3,663	3,791	3,897	8,233	8,401
Extent of flame damage confined to room of origin	98.0%	98.0%	98.0%	98.0%	98.0%
Percentage of fires handled by 20 or fewer firefighters	100.0%	100.0%	100.0%	100.0%	100.0%
Percent of violations corrected	100.0%	100.0%	100.0%	100.0%	100.0%
Community Maintenance					
Community Services ¹					
Miles of street repaved	9.75	8.03	7.27	10.63	9.04

For the Fiscal Year Ended June 30,					
Function/Department	2013	2014	2015	2016	2017
Public Safety					
Police					
Reported crimes or town ordinance violations	11,279	11,673	11,601	11,709	10,971
Service and medical calls	31,807	32,532	33,625	31,955	27,512
Motor vehicle accidents	2,848	2,286	2,422	2,460	2,498
Number of motor vehicle stops	7,028	7,187	8,533	9,255	6,959
Total calls for service	60,773	66,835	66,888	65,483	45,374
Number of criminal arrests	1,839	1,848	1,881	1,719	1,237
Number of motor vehicle arrests	6,034	5,423	6,203	5,313	5,036
Number of DUI arrests	226	215	199	157	93
Community Maintenance					
Community Services					
Number of inspections conducted	9,802	8,812	10,474	10,486	10,280
Number of total building permits ³	5,265	5,604	5,567	6,223	6,005
Dollar value of total building permits ³	\$ 67,298,445	\$ 71,572,250	\$ 151,335,754	\$ 104,751,012	\$ 72,729,574
Public Works					
Volume of leaves collected (cubic yards) ⁴	24,106	23,865	6,637	8,010	6,606
Tons of leave collected ⁴	6,026	5,966	1,659	2,002	1,651
Tons of refuse collected	19,525	19,551	18,938	19,533	18,824
Refuse contractor cost per household	\$ 138.24	\$ 141.82	\$ 153.57	\$ 166.76	\$ 161.00
Tons of waste recycled	7,180	7,152	6,942	7,014	6,853
% of total waste recycled	26.7%	26.8%	26.8%	26.4%	26.6%
Amount recycled per household	0.34	0.37	0.34	0.34	0.33
Number of snow operations	16	25	18	14	17
Percent of snowstorms cleared within 8 hours	69%	75%	89%	92%	89%
Percent of catch basins cleaned	10%	1%	1%	8%	9%

¹Performance data maintained on a calendar year basis.

²Effective January 1, 2015 the Fire Department began traveling to all medical calls.

³In fiscal year 2015, Total Building Permits includes approximately \$40 million in value not subject to Building Permit fees.

⁴The method to calculate the volume and weight of leaves was modified in fiscal year 2015.

TOWN OF WEST HARTFORD, CONNECTICUT
OPERATING INDICATORS BY FUNCTION
 Last Five Years

TABLE 14
(continued)

For the Fiscal Year Ended June 30,					
Function/Department	2013	2014	2015	2016	2017
Human and Cultural					
Leisure Services					
Number of instructional programs conducted	2,835	2,946	2,896	2,780	2,803
Number of instructional program registrations	29,974	28,688	28,596	30,781	29,061
Number of Senior Center members	1,972	1,939	1,959	1,952	1,941
Number of swim lesson registrations-outdoor pools	1,777	1,682	1,741	1,470	1,579
Number of swim lesson registrations-indoor pool	5,031	5,065	4,862	4,789	4,754
Public session attendance at Veterans Memorial Skating Rink	25,056	25,276	23,967	19,914	19,857
Number of golf rounds played at Rockledge Golf Course	44,863	45,042	43,106	46,898	39,422
Number of golf rounds played at Buena Vista Golf Course	14,258	15,406	16,094	16,308	11,869
Social Services					
Hours of volunteer service	9,284	9,272	9,590	9,302	9,751
Number of Dial-A-Ride trips	12,002	13,688	12,052	11,308	11,186
Library					
Library visitors	520,340	510,489	470,676	472,554	461,084
Library website visitors	497,272	481,513	391,619	357,847	331,812
Programs and museum passes	2,444	2,635	3,105	3,323	3,608
Card Holders	26,890	31,236	29,934	28,541	27,588
Social Media Followers/Subscribers					35,798
Newsletter Views					195,054
Number of print book and media loans	809,821	820,678	798,797	756,673	635,681
Number of electronic book and media loans	22,813	34,687	38,427	42,286	49,438
Loans per capita	13.2	13.5	13.2	12.6	10.8
Reference inquiries	66,085	54,345	86,588	83,467	77,676
Electronic information retrievals	527,569	341,668	370,292	373,657	296,630
Wireless (WIFI) usage	45,467	50,529	75,714	94,698	100,340
Hours of computer use	90,440	94,436			
Number of computer sessions			58,686	56,871	53,438
Education					
Average Class Size					
Elementary School	20.5	20.2	19.7	19.5	20.0
Middle School	19.8	19.4	19.8	19.7	19.8
High School	20.7	21.1	21.1	21.2	21.1
SAT Scores - Math/Verbal/Writing	535/534/537	537/533/535	533/525/526	543/538/531	
SAT Scores - Math/ERW					559/575
CAPT Scores - % at Goal (Average of tests taken in Grade 10)	67.5%	n/a	n/a	n/a	n/a
CMT Scores - % at Goal					
Grade 3 - Reading, Writing, Math	73.6%	n/a	n/a	n/a	n/a
Grade 4 - Reading, Writing, Math	74.2%	n/a	n/a	n/a	n/a
Grade 5 - Reading, Writing, Math	80.6%	n/a	n/a	n/a	n/a
Grade 6 - Reading, Writing, Math	80.5%	n/a	n/a	n/a	n/a
Grade 7 - Reading, Writing, Math	80.8%	n/a	n/a	n/a	n/a
Grade 8 - Reading, Writing, Math	74.7%	n/a	n/a	n/a	n/a
Overall CMT Average	77.4%	n/a	n/a	n/a	n/a
SBAC Scores -					
Grade 3 - ELA, Math	n/a	n/a	68.4%	68.4%	69.1%
% meeting target					
Grade 4 - ELA, Math	n/a	n/a	69.3%	70.6%	70.2%
Grade 5 - ELA, Math	n/a	n/a	68.0%	67.8%	63.5%
Grade 6 - ELA, Math	n/a	n/a	63.5%	62.2%	64.3%
Grade 7 - ELA, Math	n/a	n/a	58.8%	61.6%	65.6%
Grade 8 - ELA, Math	n/a	n/a	59.3%	56.5%	64.0%
Overall SBAC Average	n/a	n/a	64.6%	64.5%	66.1%
% of Students Pursuing Higher Education	92.7%	93.2%	94.1%	94.5%	93.9%
Annual Dropout Rate	0.9%	1.0%	0.6%	1.2%	0.4%

n/a - Connecticut Mastery Tests (CMT and CAPT) not administered after FY2013. SBAC tests not administered prior to FY 2015.

TOWN OF WEST HARTFORD, CONNECTICUT
CAPITAL ASSET STATISTICS BY FUNCTION
 Last Ten Fiscal Years

TABLE 15

Function	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Public Safety										
Police Cars	76	76	67	67	67	67	67	67	70	76
Fire Stations	5	5	5	5	5	5	5	5	5	5
Fire Apparatus	7	7	7	7	7	7	7	7	7	7
Community Maintenance										
Miles of Town Streets	212	212	212	212	212	212	217	217	217	217
Miles of Private Streets	11	11	11	11	11	11	15	15	15	15
Miles of State Highway	15	15	15	15	15	15	17	17	17	17
Miles of Curb	220	220	220	220	220	220	220	220	221	222
Miles of Sidewalk	245	245	245	245	245	245	300	300	300	300
Miles of Storm Sewers	170	170	170	170	170	170	170	170	170	170
Number of Catch Basins	6,620	6,620	6,620	6,620	6,620	6,620	7,640	7,640	7,640	7,640
Metered Parking Spaces	498	498	498	498	498	498	533	533	533	1,673
Leased Parking Spaces	132	132	337	337	337	337	393	393	393	393
Gated Parking Spaces	1,392	1,392	1,392	1,392	1,392	1,392	1,514	1,514	1,514	755
Parking Garages	2	2	2	2	2	2	2	2	2	2
Human and Cultural										
Senior Centers	2	2	2	2	2	2	2	2	2	2
Community Centers	1	1	1	1	1	1	1	1	1	1
Cemeteries	3	3	3	3	3	3	3	3	3	3
Golf Courses	2	2	2	2	2	2	2	2	2	2
Ice Skating Rink	1	1	1	1	1	1	1	1	1	1
Aquatic Facilities	5	5	5	5	5	5	5	5	5	5
Parks	7	7	7	7	7	7	7	7	7	7
Acres of Park Land	1,182	1,182	1,182	1,182	1,182	1,182	1,182	1,182	1,182	1,182
Playgrounds	29	29	29	29	29	29	29	29	29	29
Tennis Courts	53	53	53	53	53	53	42	42	42	42
Athletic Fields	99	99	99	99	99	99	99	99	92	92
Basketball Courts	9	9	9	9	9	9	9	9	9	9
Library Branches	3	3	3	3	3	3	3	3	3	3
Education										
Elementary Schools	11	11	11	11	11	11	11	11	11	11
Middle Schools	3	3	3	3	3	3	3	3	3	3
High Schools	2	2	2	2	2	2	2	2	2	2