

# TOWN OF WEST HARTFORD CONNECTICUT

COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR  
JULY 1, 2017 - JUNE 30, 2018



# **Town of West Hartford Connecticut**

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Comprehensive Annual Financial Report  
For the Fiscal Year  
July 1, 2017 - June 30, 2018

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

**TOWN OF WEST HARTFORD, CONNECTICUT**  
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**JUNE 30, 2018**

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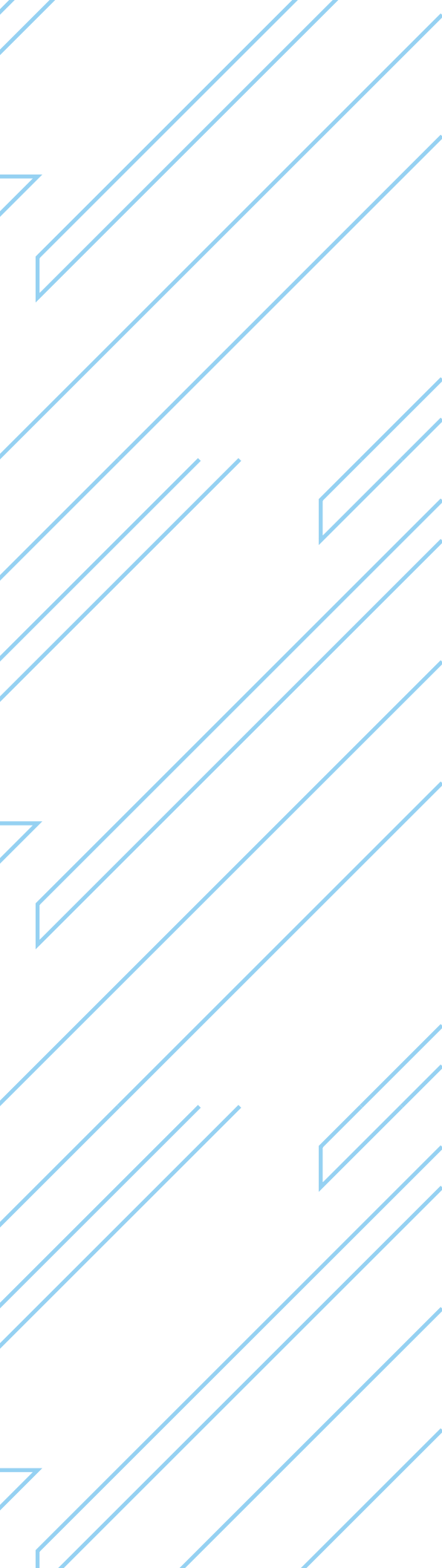
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## **Introductory Section**

**TOWN OF WEST HARTFORD, CONNECTICUT**  
**PRINCIPAL OFFICIALS**  
(As of June 30, 2018)

**ELECTED OFFICIALS**

**Town Council**

Shari Cantor, Mayor  
Beth Kerrigan, Deputy Mayor  
Chris Barnes, Minority Leader  
Leon Davidoff  
Dallas Dodge  
Mary Fay  
Liam Sweeney  
Ben Wenograd  
Chris Williams

**Board of Education**

Cheryl Greenberg, Chairperson  
Carol Blanks, Vice Chairperson  
Robert Levine  
Dave Pauluk  
Deb Polun  
Lorna Thomas-Farquharson  
Mark Zydanowicz

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

**APPOINTED OFFICIALS**

**Appointed by Town Council**

Town Manager ..... Matthew Hart  
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..... Vernon Riddick  
Director of Community Services..... Mark McGovern  
Director of Financial Services ..... Peter Privitera  
Director of Leisure and Social Services ..... Helen Rubino-Turco  
Director of Information Technology ..... Jared Morin  
Director of Plant and Facilities Services..... Robert Palmer  
Director of Public Works..... John Phillips  
Executive Director of Human Resources ..... Richard Ledwith

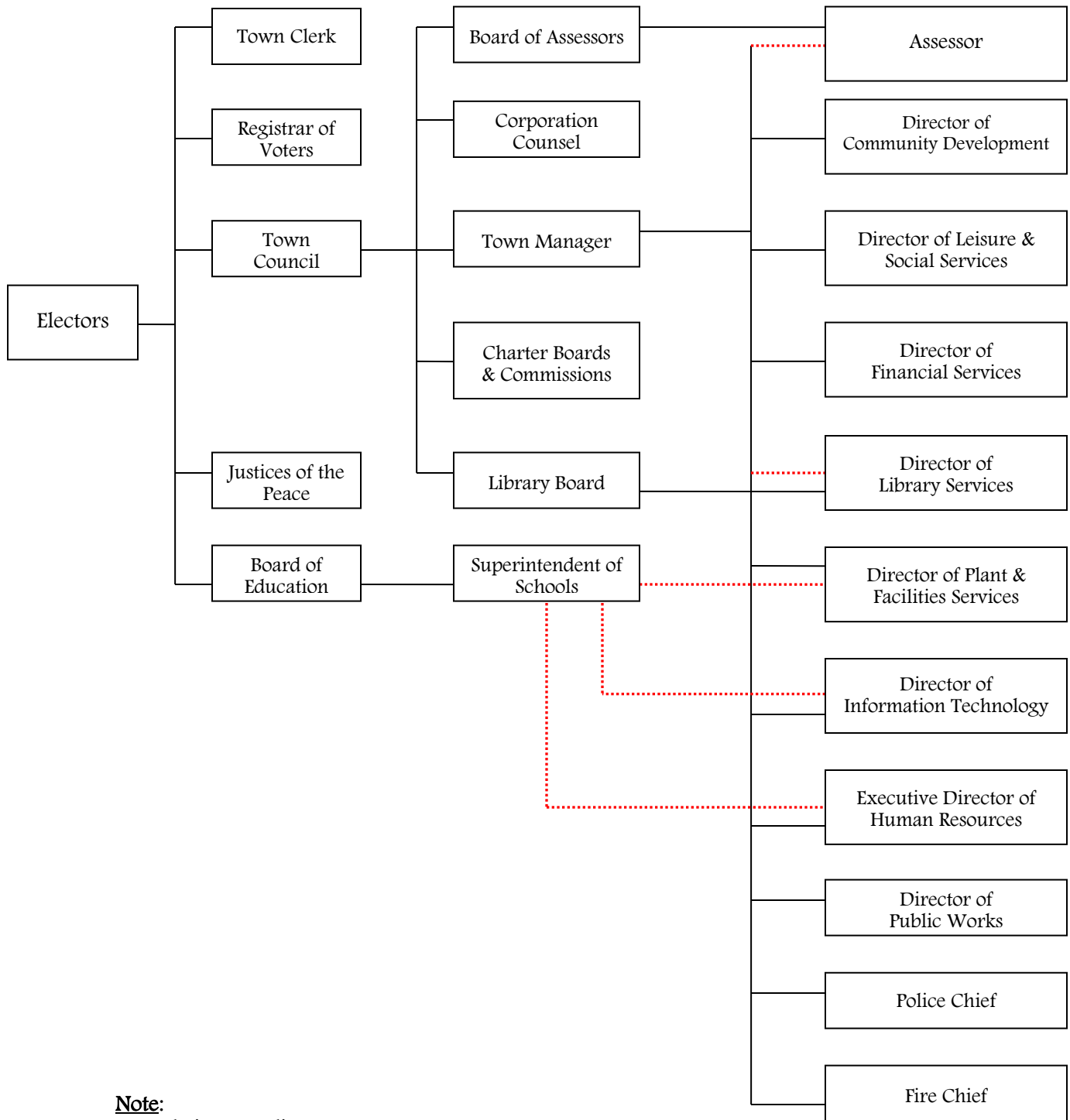
**Appointed by Library Board**

Director of Library Services..... Martha Church

**Appointed by Board of Assessors**

Assessor ..... Joseph Dakers

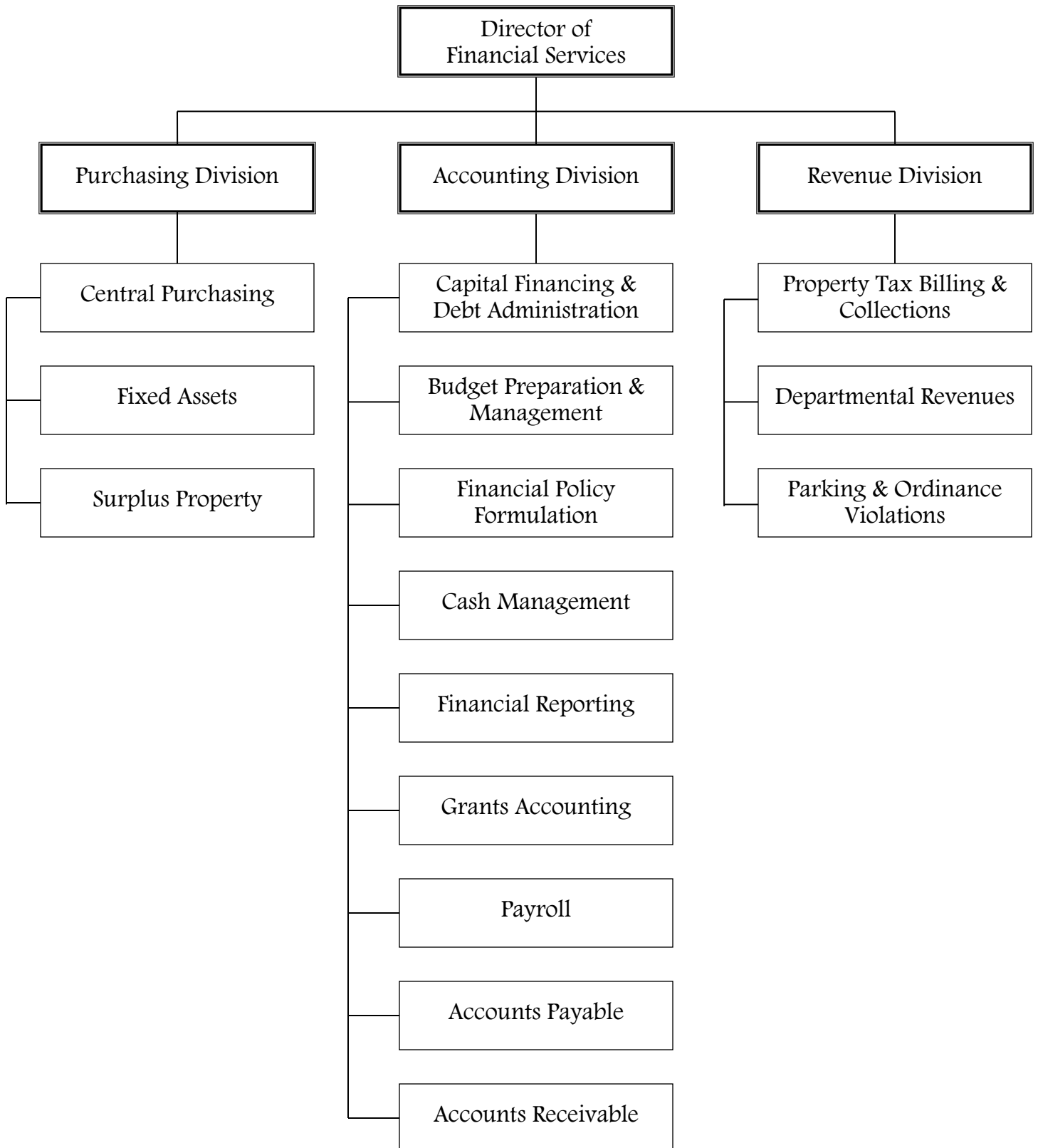
**TOWN OF WEST HARTFORD, CONNECTICUT  
TOWN GOVERNMENT  
ORGANIZATIONAL CHART  
Fiscal Year 2018**



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



**TOWN OF WEST HARTFORD, CONNECTICUT  
TOWN GOVERNMENT  
DEPARTMENTAL FUNCTIONS  
Fiscal Year 2018**





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, 2017**

*Christopher P. Morill*

Executive Director/CEO

December 18, 2018

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, 2018.

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 unmodified opinion on the Town of West Hartford's financial statements for the fiscal year ended June 30, 2018. The independent auditors' report is presented as the first component in the financial section of this report.

The Town's fiscal year 2018 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.



**TOWN OF WEST HARTFORD**  
v 50 SOUTH MAIN STREET  
WEST HARTFORD, CONNECTICUT 06107-2431  
(860) 561-7460 FAX: (860) 561-7507  
<http://www.westhartfordct.gov>

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## 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, municipality, 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 presently operates with a Council-Manager form of government. The legislative function is performed by the Town Council (Council), which is comprised of nine members who are 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, transportation, human services, and cultural and historic activities.

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 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 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 1981, the 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.

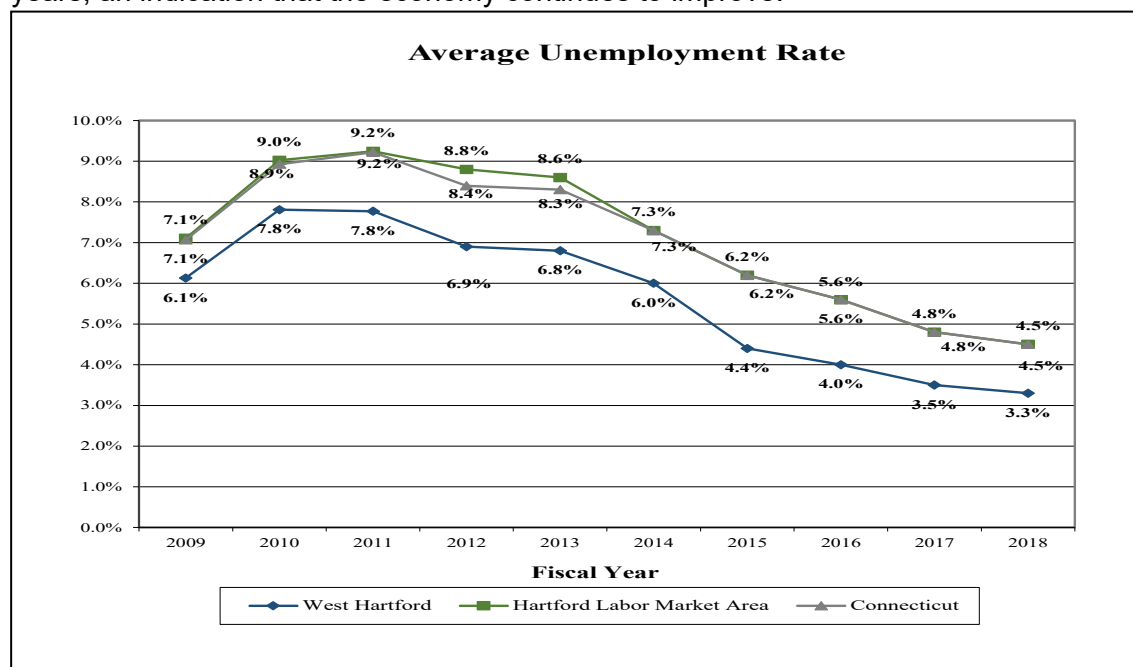
Annually, the Council adopts a balanced operating budget, a capital improvement budget, and a twelve-year capital improvement program (CIP). The budget calendar is outlined in Note 2 of the notes to the basic financial statements. Budget development and administration is performed by the Department of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

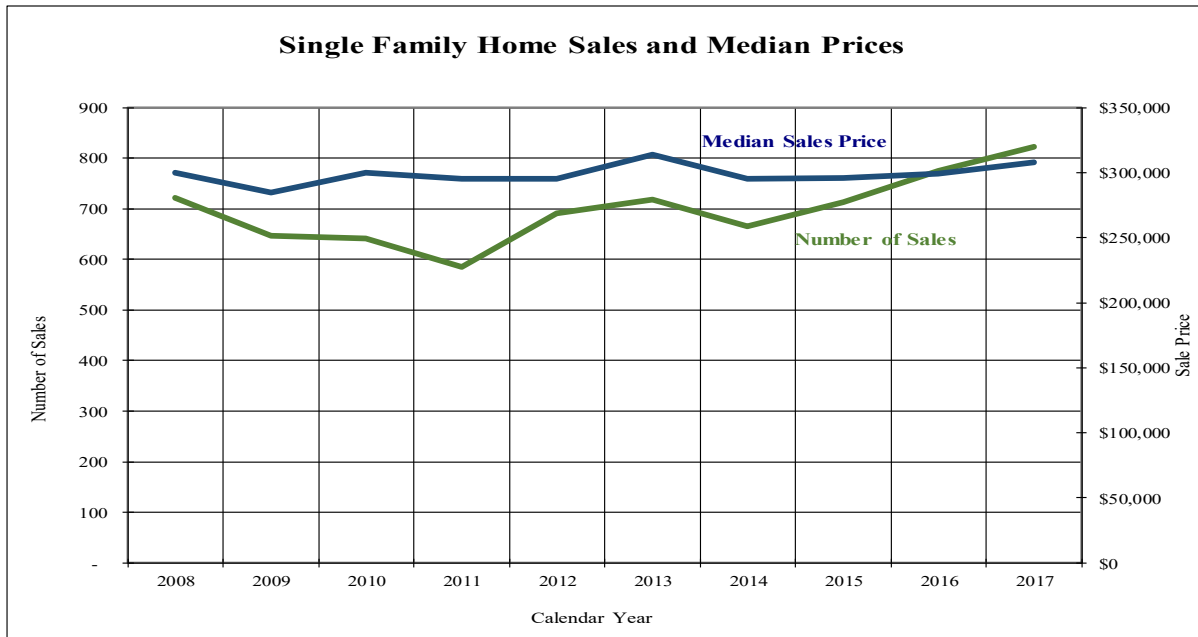
The budget is integrated into the accounting system and amended budgetary data (as presented in the financial statements for all funds with annual budgets) is compared to actual expenditures. Accordingly, budget to actual comparisons are provided in the report for each governmental fund for which an 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

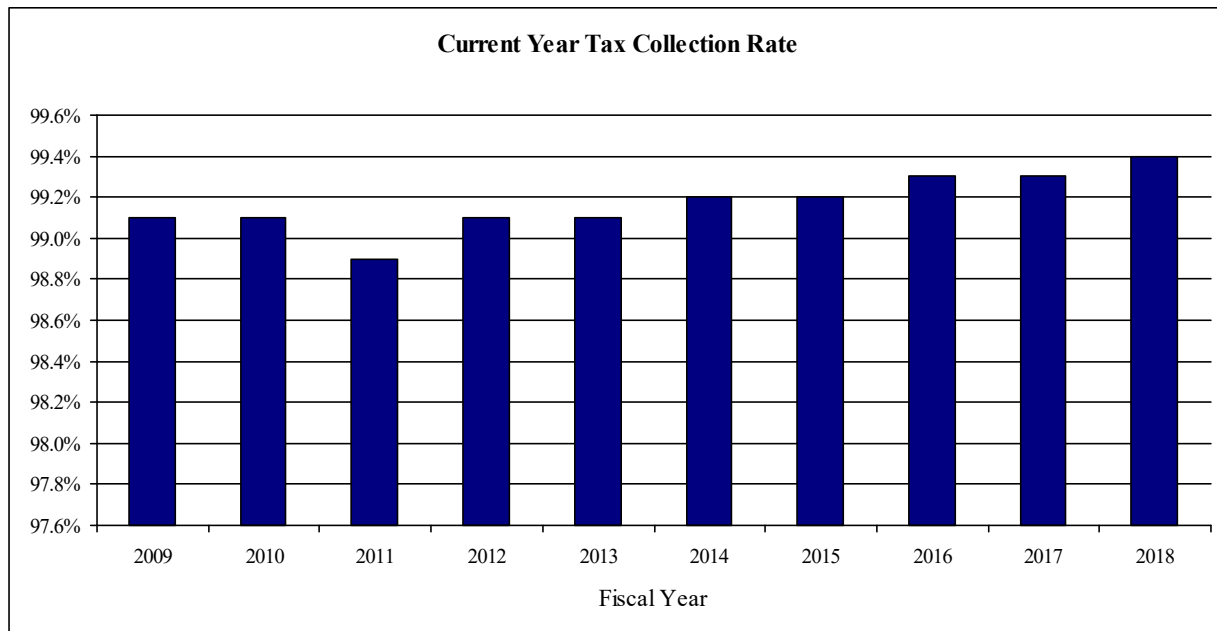
**Economic condition and outlook** - West Hartford experienced a more modest impact from the recession than the Hartford region and the State of Connecticut. As depicted on the chart below, unemployment rates in West Hartford have remained well below regional and state levels. The fiscal year 2018 unemployment 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 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, reaching over 800 in calendar year 2017. 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 99.4% for fiscal year 2018, an increase from 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 reserves of the Risk Management Fund and the Pension and Other Post-Employment Benefits Trust Funds. As of June 30, 2018, 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 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 has minimized property tax increases while maintaining long-term financial health through proactive financial management strategies and a moderated effect from the economic downturn. 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 and it will be an on-going challenge to provide a consistent level of municipal and education services while minimizing tax increases. However, it is a challenge that West Hartford is prepared 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, 2018. This was the thirty-second 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. The Town believes the current CAFR continues to meet the Certificate of Achievement Program's requirements, and it will be submitted 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 the rating reaffirmed by both rating agencies in December 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 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**

## **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, 2018, 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, 2018 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 13 to the financial statements, during the fiscal year ended June 30, 2018, the Town of West Hartford, Connecticut, adopted new accounting guidance, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. The net position of the Town of West Hartford, Connecticut, has been restated to recognize the net other postemployment benefit liability in accordance with GASB No. 75. 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, the budgetary comparison information and the pension and OPEB schedules, as listed in the table of contents, 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 statements of the Town of West Hartford, Connecticut, as of and for the year ended June 30, 2017 (not presented herein), and have issued our report thereon dated December 20, 2017, 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, 2017 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 2017 financial statements. The accompanying General Fund balance sheet has been subjected to the auditing procedures applied in the audit of the 2017 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, 2017.

#### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2018 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 18, 2018

## **TOWN OF WEST HARTFORD, CONNECTICUT**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS** **FOR THE YEAR ENDED JUNE 30, 2018**

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, 2018. 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 Town adopted GASB Statement No. 75 Accounting and Financial Reporting for Postemployment Benefits Other than Pensions for fiscal year 2018, requiring restatement of net position as of July 1, 2017.
- At the close of fiscal year 2018, liabilities and deferred inflows of the Town exceeded its assets and deferred outflows by \$127,001 on a government wide basis, an increase in the deficit of \$9,986 as compared to the prior year.
- The governmental activities funds reported consolidated net position of (\$130,430), an increase in the deficit of \$7,997 from fiscal year 2017.
- The business-type activities of the Town had net position of \$3,429 at fiscal year-end, a reduction of \$1,989 from the prior year.
- The Town's net investment in capital assets increased \$8,267 as the Town continued to invest in infrastructure and reduced outstanding long-term debt.
- Unassigned fund balance of the General Fund increased to \$25,438 or 9.0% of total expenditures on a budgetary basis.
- The Town achieved a current year property tax collection rate of 99.4% for fiscal year 2018 and delinquent tax collections remained 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 90-95 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 74-78 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 29-73.

## **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 (\$117,015) restated at the end of fiscal year 2017 to (\$127,001) at the end of fiscal year 2018. 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 is its \$215,422 investment in capital assets. This represents capital assets (such as land, buildings, infrastructure, vehicles, machinery and equipment) net of accumulated depreciation, 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 a deficit of \$342,505 and is comprised of the Town's net pension liability of \$256,026 and OPEB liability of \$174,362 offset by unrestricted funds which may be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements.

**TABLE 1**  
**Net Position**  
***In Thousands***

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total Primary Government</b>	
	<b>2017</b>		<b>2017</b>		<b>2017</b>	
	<b>2018</b>	<b>(as Restated)</b>	<b>2018</b>	<b>(as Restated)</b>	<b>2018</b>	<b>(as Restated)</b>
Current and other assets	\$ 112,065	\$ 102,703	\$ 37	\$ 44	\$ 112,102	\$ 102,747
Capital assets, net of accumulated depreciation	356,980	354,215	11,663	12,937	368,643	367,152
Total assets	469,045	456,918	11,700	12,981	480,745	469,899
Deferred charge on refunding	998	1,118			998	1,118
Deferred outflows related to pensions	29,461	17,886	452	275	29,913	18,161
Deferred outflows related to OPEB	14,614		212		14,826	
Total deferred outflows of resources	45,073	19,004	664	275	45,737	19,279
Long-term liabilities	608,539	567,863	6,478	5,807	615,017	573,670
Other liabilities	19,326	16,583	2,411	2,031	21,737	18,614
Total liabilities	627,865	584,446	8,889	7,838	636,754	592,284
Deferred inflows related to pensions	2,998	6	46		3,044	6
Deferred inflows related to OPEB						
Advance property tax collections	13,685	13,903			13,685	13,903
Total deferred inflows of resources	16,683	13,909	46		16,729	13,909
Net Position:						
Net investment in capital assets	203,759	194,218	11,663	12,937	215,422	207,155
Restricted	82	82			82	82
Unrestricted (deficit)	(334,271)	(316,733)	(8,234)	(7,519)	(342,505)	(324,252)
Total Net Position	\$ (130,430)	\$ (122,433)	\$ 3,429	\$ 5,418	\$ (127,001)	\$ (117,015)

**Governmental Activities.** The net position of the Town's governmental activities decreased \$7,997 from the prior year. Investment in capital assets, net of related debt, increased \$9,541 due to continued investment in the Town's buildings and infrastructure, as well as a reduction in outstanding general obligation bonds. Net position classified as unrestricted decreased \$17,538, mainly from the change in deferred outflows related to pensions and OPEB.

Total assets increased \$12,127 from the prior year due to the aforementioned investment in capital assets as well as higher cash and investment balances on-hand as of June 30, 2018. Total deferred outflows of resources increased \$26,069 due to the implementation of GASB 75 and the related reporting of \$14,614 in deferred outflow related to OPEB as well as recognition \$11,575 of losses in the Town's pension plan. Total liabilities increased \$43,419 from the prior year restated as the Town's net pension liability and net OPEB liability increased comparison to the prior year.

**Business-Type Activities.** The total net position of the Town's business-type activities decreased \$1,989 in fiscal year 2018. Investment in capital assets was reduced \$1,274, as depreciation expense exceeded additions to capital assets in fiscal year 2018, and the deficit increased \$715.



**TABLE 2**

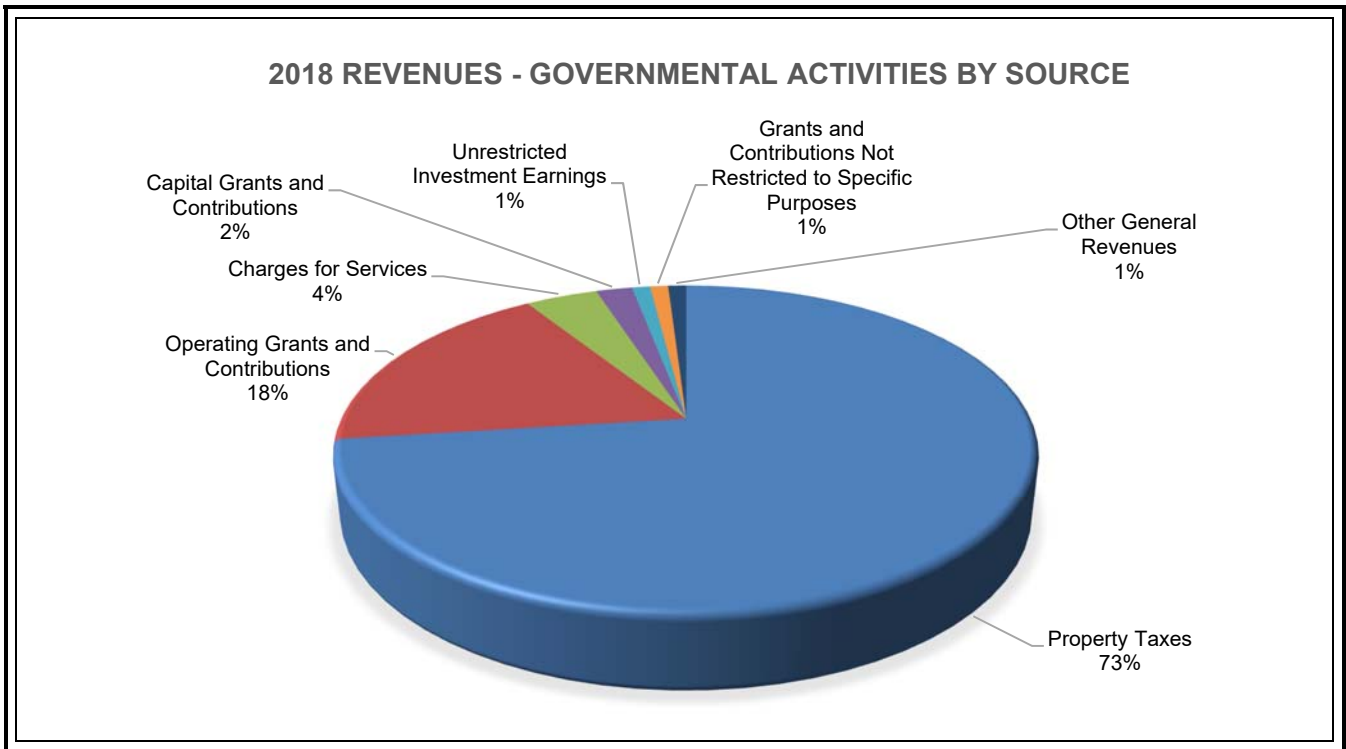
	<b>Changes in Net Position In Thousands</b>					
	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total Primary Government</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
Revenues:						
Program revenues:						
Charges for services	\$ 15,406	\$ 15,182	\$ 3,814	\$ 2,943	\$ 19,220	\$ 18,125
Operating grants and contributions	63,999	64,163			63,999	64,163
Capital grants and contributions	6,673	8,388	356	299	7,029	8,687
General revenues:						
Property taxes	252,899	237,427			252,899	237,427
Grants and contributions not restricted to specific purposes	2,360	4,261			2,360	4,261
Unrestricted investment earnings	2,737	2,356			2,737	2,356
Other general revenues	4,855	4,868			4,855	4,868
Total revenues	<u>348,929</u>	<u>336,645</u>	<u>4,170</u>	<u>3,242</u>	<u>353,099</u>	<u>339,887</u>
Program expenses:						
General government	12,947	15,064			12,947	15,064
Public safety	62,903	56,932			62,903	56,932
Community maintenance	42,443	40,717			42,443	40,717
Human and cultural	13,812	13,144			13,812	13,144
Education	220,200	213,041			220,200	213,041
Interest on long-term debt	4,601	4,696			4,601	4,696
Leisure services			6,179	4,668	6,179	4,668
Total program expenses	<u>356,906</u>	<u>343,594</u>	<u>6,179</u>	<u>4,668</u>	<u>363,085</u>	<u>348,262</u>
Change in net position before transfers	(7,977)	(6,949)	(2,009)	(1,426)	(9,986)	(8,375)
Transfers	<u>(20)</u>	<u>(317)</u>	<u>20</u>	<u>317</u>		
Change in net position	(7,997)	(7,266)	(1,989)	(1,109)	(9,986)	(8,375)
Net Position at Beginning of Year	(122,433)	28,478	5,418	8,733	(117,015)	37,211
Restatement		<u>(143,645)</u>		<u>(2,206)</u>		<u>(145,851)</u>
Net Position at End of Year	<u>\$ (130,430)</u>	<u>\$ (122,433)</u>	<u>\$ 3,429</u>	<u>\$ 5,418</u>	<u>\$ (127,001)</u>	<u>\$ (117,015)</u>

**Primary Government**

Total primary government revenues increased \$13,212 or 3.9% from the prior year, while total primary government program expenses increased \$14,823 or 4.3% over the same time period. The following analysis separately considers the operations of governmental and business-type activities.

## Governmental Activities

Revenues from governmental activities exclusive of transfers totaled \$348,929 for fiscal year 2018, an increase of \$12,284 over the prior year. Property taxes (73%) and operating grants and contributions (18%) were the primary revenue sources, while charges for services, capital grants and contributions, unrestricted grants, investment earnings and other general revenues combined (9%) comprised the balance of the Town's revenues.



Operating grants and contributions totaled \$63,999 in fiscal year 2018, a modest reduction of \$164 from the prior year. Capital grants and contributions decreased \$1,715 from the prior year, the result of fewer school construction grants received from the State of Connecticut as compared to fiscal year 2017. 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 \$381 in unrestricted investment earnings in fiscal year 2018 as compared to the prior year.

In order to cover the increased cost of services and significant uncertainty regarding State aid, the fiscal year 2018 adopted General Fund budget required an increase in current year property tax revenue. Actual property tax revenue was \$15,472 higher than in fiscal year 2017.

Program expenses for governmental activities totaled \$356,906 for fiscal year 2018. Approximately 24% of program expenses were supported by program revenues with the balance funded from general revenues, primarily property taxes. Expenses for education (61%), public safety (18%), 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 balance (9%).

### 2018 EXPENSES - GOVERNMENTAL ACTIVITIES BY FUNCTION

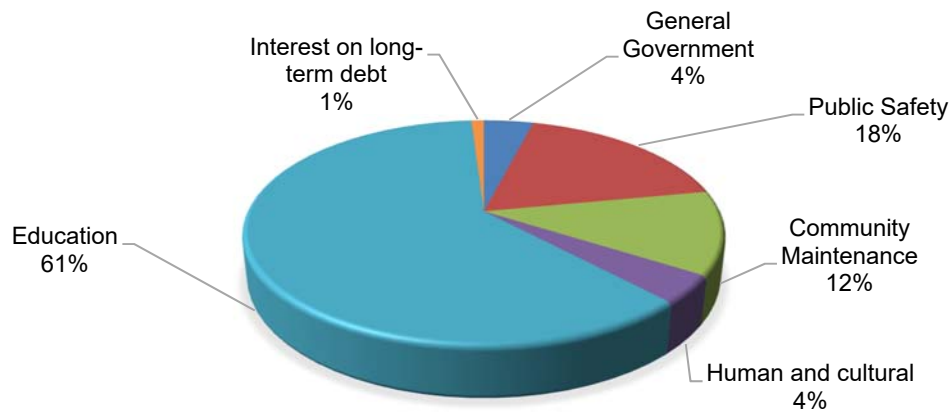
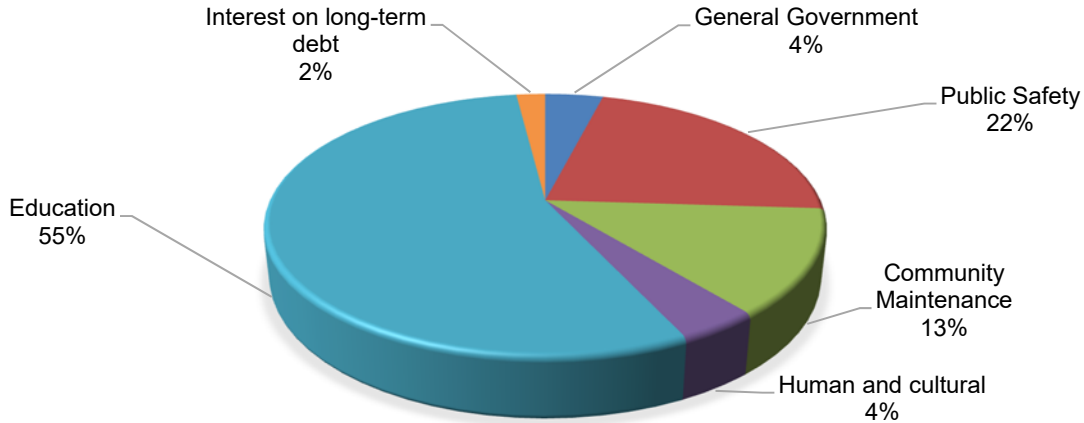


Table 3 presents the total cost and net cost of services (total cost less revenues from non-tax sources directly related to the individual function) for each of the Town's six major functions: education, public safety, community maintenance, human and cultural, general government, and interest on long-term 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>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Education	\$ 220,200	\$ 213,041	\$ 151,435	\$ 140,188
Public safety	62,903	56,932	58,351	53,134
Community maintenance	42,443	40,717	34,055	34,495
Human and cultural	13,812	13,144	11,135	10,356
General government	12,947	15,064	11,251	12,992
Interest on long-term debt	4,601	4,696	4,601	4,696
<b>Total</b>	<b>\$ 356,906</b>	<b>\$ 343,594</b>	<b>\$ 270,828</b>	<b>\$ 255,861</b>

### 2018 NET COST OF SERVICES - GOVERNMENTAL ACTIVITIES BY FUNCTION



#### Business-Type Activities

Revenues from business-type activities increased \$928 from the prior year due primarily to an increase in charges for services resulting from a new contract at the Town's indoor aquatic center. Program expenses increased \$1,511 over the prior year, \$890 of which resulted from the new indoor aquatic contract, while net transfers were \$297 less than the prior year. The change in net assets for fiscal year 2018 was a net reduction of \$1,989 from the prior year (restated).

#### 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, 2018, the Town's governmental funds (as presented in the Balance Sheet - Exhibit III) reported a combined fund balance of \$47,705. This represents an increase of \$6,147 or 14.8% from the prior year. Based upon fund balance classification under GASB 54, \$25,438 or 53.3% is unassigned and comprised of fund balance of the General Fund. An additional \$19,322 or 40.5% is committed or constrained for a specific purpose by the Town Council. The remainder is comprised of non-spendable (\$430), restricted (\$2,015), and assigned (\$500) fund balance, as defined in footnote 1.

For fiscal year 2018, the total net change in fund balances for governmental funds (Exhibit IV) was an increase of \$6,147. Included in this total is an increase of \$3,682 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 \$2,183, reflecting intergovernmental revenue of \$6,488 for school and infrastructure projects, transfers in of \$4,224, charges for services of \$198 and miscellaneous revenues from sale of assets and reimbursements of \$360. Capital expenditures totaled \$18,639, and transfers out were \$3,448, inclusive of a \$3,200 transfer to the General Fund to increase its fund balance ratio. Non-major Governmental Funds experienced a net increase in fund balance of \$158, as detailed by fund in Exhibit B-2. Significant changes in fund balance were seen in the Parking Lot Fund (\$336), School Special Programs Fund (-\$171), School Interscholastic Sports Fund (\$80), and Police Private Duty Fund (-\$105), while the remaining non-major governmental funds experienced modest changes totaling a net increase of \$18.

## 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 \$19,485 at year-end, a decrease of \$1,474 from the prior year (restated). Net position of the Internal Service Funds increased \$515 due to increased fund premiums in the Risk Management Fund and lower than anticipated expenses in the Utilities Services Fund. As mentioned previously, the Leisure Services Fund experienced a reduction in net position of \$1,989.

## 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 2018 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	(Under) Final Budget
	Original	Final			
Property taxes	\$ 249,923	\$ 252,223	\$ 2,300	\$ 253,000	\$ 777
Federal	8	369	361	383	14
State	28,264	28,271	7	21,595	(6,676)
Charges for services	5,592	5,592		5,579	(13)
Local revenues	755	769	14	1,155	386
Income on investments	384	884	500	987	103
Transfers in	448	448		3,577	3,129
Total	\$ 285,374	\$ 288,556	\$ 3,182	\$ 286,276	\$ (2,280)

## General Fund Budgetary Amendments

The General Fund's final estimated revenues increased \$3,182 or 1.1% from the original adopted budget.

- Estimated revenues from property taxes increased \$2,300 to fund year-end contributions to the Capital Non-recurring Expenditure (CNRE), Risk Management, and Utility Services Funds.
- Additional federal grants totaling \$361 were appropriated during the fiscal year. These included police grants (\$302) relating to underage drinking, distracted driving and driving under the influence, and Dial-a-Ride grants (\$59).
- Estimated intergovernmental revenue from the State of Connecticut increased \$7 due to minor miscellaneous grants awarded during the year.
- The increase in local revenues of \$14 resulted from the carryforward of a contribution for recycling education in the Public Works Department.
- Estimated income on investments increased \$500 to fund a year-end transfer to the Debt Service Fund.

## General Fund Revenue Variance

When compared to final estimated revenues, total revenue was \$2,280 less than budgeted. Property tax revenue exceeded budget by \$777 due to strong collection of current year taxes, with the Town achieving a collection rate of 99.4%, and higher than anticipated collection of delinquent taxes. Successful collection of property taxes has been key to the financial health of the Town.

Federal revenue exceeded the estimate by \$14 due to the receipt of additional Dial-a-Ride grant funding, offset by reduced police receipts due to the timing of expenditures for these reimbursement grants. The unexpended portion of police grants will be carried forward to the fiscal year 2019 budget. Actual State revenue was \$6,676 less than the final budget due to significant uncertainty of funding levels at the time of Town budget adoption. The Town budgeted the full grant amount expected from the State with a contingency offset of 7,051 to address any potential shortfall. Reductions were experienced in several grants including education cost sharing, payment-in-lieu of taxes, municipal revenue sharing, circuit breaker, and motor vehicle rate offset.

Charges for services fell short of budget by \$13. Favorable variances in paramedic services (\$458) and program registrations at leisure facilities (\$61) were offset by lower than anticipated building permit revenue (-\$131), fire plan review fees (-\$137), conveyance tax (-\$102) and refuse fees (-\$153). Local revenues exceeded estimates due to positive variances in workers' compensation reimbursements (\$187) and refund of prior year expenditures (\$194). Income on investments achieved a favorable variance of \$103 due to rising interest rates. A transfer of \$3,200 from the CNRE Fund to the General Fund was authorized by the Town Council in order to increase fund balance to 9% of expenditures. This favorable variance was offset by a reduced transfer from the Police Private Duty Fund.

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

<b>Department</b>	<b>Original</b>	<b>Final</b>	<b>Change</b>	<b>Actual Expenditure</b>	<b>(Over)/ Under Final Budget</b>
Town Clerk	\$ 255	\$ 250	\$ (5)	\$ 250	\$ -
Town Council	379	374	(5)	374	-
Town Manager	286	318	32	318	-
Corporation Counsel	345	371	26	371	-
Registrar of Voters	236	218	(18)	218	-
Information Technology	937	940	3	940	-
Financial Services	2,347	2,314	(33)	2,314	-
Assessment	724	749	25	749	-
Human Resources	436	435	(1)	435	-
Fire	11,604	11,738	134	11,738	-
Police	14,847	14,799	(48)	14,799	-
Community Development	2,531	2,424	(107)	2,424	-
Public Works	11,702	10,356	(1,346)	9,962	394
Facilities	2,563	2,853	290	2,853	-
Library	3,422	3,288	(134)	3,288	-
Leisure and Social Services	3,123	3,042	(81)	3,042	-
Education	159,575	159,575	-	158,523	1,052
Debt and Sundry	50,884	50,935	51	46,400	4,535
Transfers Out	19,178	23,577	4,399	23,568	9
<b>Total</b>	<b>\$ 285,374</b>	<b>\$ 288,556</b>	<b>\$ 3,182</b>	<b>\$ 282,566</b>	<b>\$ 5,990</b>

Changes to departmental budgets resulted from resolutions relating to grant funds, transfers between departments, and transfers of current year surplus to other funds. Significant variances between the original and amended budget result from the following:

- The Town Manager's budget increased \$32 primarily due to costs associated with the retirement of a long-term employee.
- The Corporation Counsel budget increased \$26 due to the need for a part-time employee subsequent to the retirement of the department's administrative assistant.
- The budget of the Financial Services department decreased \$33 due to savings from vacant positions and reduced banking services fees, offset by increased software maintenance costs.
- The budget of the Assessment Office increased \$25 as the department hired a part-time employee to focus on personal property audits.
- The final budget of the Fire department was \$134 higher than that originally adopted in order to cover overtime and termination costs.
- The Police department budget had a net reduction of \$48 from the originally adopted budget. Appropriations relating to grants increased the budget by \$302, offset by savings from full-time vacancies and the delay of planned equipment purchases.
- Community Development had a budget reduction of \$107 in fiscal year 2018. A full-time position was held vacant and part-time staffing levels were lower than anticipated.
- The Department of Public Works budget was reduced \$1,346 over the course of the fiscal year. The Town entered into a new contract for refuse and recycling collection resulting in savings of \$1,017. In addition, solid waste disposal and numerous maintenance, repairs and supplies account were lower than appropriations due to a concerted effort to hold costs.
- Facilities Services had an increase of \$290 over the original budget due to use of \$400 of year-end surplus to fund an additional contribution to the Utility Services Fund, offset by overtime and part-time payroll savings.
- The final budget of the Library was \$134 lower than the original budget. Personal services costs were reduced \$100, primarily in part-time personnel, and office expenses were deferred due to budget constraints.
- The budget of the Department of Leisure and Social Services was reduced \$81 due to unexpended Dial-a-Ride grant funds, as well as non-personal savings in accounts throughout the department.
- The final Debt and Sundry budget was increased \$50 as a result of additional spending on services and supplies.
- The final budget for transfers to other funds increased \$4,399 from the original budget. Current year surplus funded transfers of \$3,900 to the CNRE Fund and \$500 to the Debt Service Fund.

### ***General Fund Expenditure Variance***

- In comparison to final appropriations, actual expenditures were \$5,990 less than budgeted. Public Works generated savings of \$394 in personal services due to vacant positions and a concerted effort to limit overtime and temporary payroll expenditures. The Board of Education achieved savings of \$1,052, primarily in personnel costs. Debt and sundry was \$4,535 under budget due to the contingency for uncertainty in State Aid, offset by an accrual for unsettled collective bargaining agreements. In addition, the actual transfer to the Private School Services Fund required to meet the needs of the program were \$9 under budget.

## CAPITAL ASSET AND DEBT ADMINISTRATION

### Capital Assets

At June 30, 2018 the Town had \$368.7 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 \$1.6 million, or 0.4%, from the prior year.

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

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2018	2017	2018	2017	2018	2017
Land	\$ 10.5	\$ 10.6	\$	\$	\$ 10.5	\$ 10.6
Construction in progress	79.8	76.4	1.1	1.6	80.9	78.0
Buildings and land improvements	174.9	173.9	10.5	11.2	185.4	185.1
Furniture and equipment	4.6	4.5	0.1	0.1	4.7	4.6
Vehicles	3.0	3.5			3.0	3.5
Infrastructure	84.2	85.3			84.2	85.3
Total Capital Assets	\$ 357.0	\$ 354.2	\$ 11.7	\$ 12.9	\$ 368.7	\$ 367.1

This slight increase is primarily due to construction of new science classrooms at Hall High School. This project, which began in fiscal year 2018, has an estimated cost of \$12,800,000 with 63% of the cost borne by the State of Connecticut. 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, 2018, the Town had \$147,085 in bonds outstanding versus \$150,455 at the end of the prior year.

**Table 7**  
**Outstanding Debt at Year-End**  
**In Millions**

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2018	2017	2018	2017	2018	2017
General Obligation Bonds (backed by the Town)	\$ 147.1	\$ 150.5	\$ -	\$ -	\$ 147.1	\$ 150.5



The reduction in outstanding debt results from principal payments on existing debt of \$16,370 in fiscal year 2018, offset by the issuance of \$13,000 in general obligation bonds in January 2018. 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 December 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 2018, inclusive of debt service of the Blue Back Square Fund, was 7.6% of General Fund expenditures. The General Fund portion of debt service was 6.2% 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 2019 budget process focused on providing a consistent level of services to residents and visitors while limiting the increase in local taxes. Doing so was challenging as operating expenses continue to increase and there is uncertainty in State aid and diminishing non-tax revenue. The fiscal year 2019 General Fund budget totals \$287,783 and represents an increase of \$9,186 or 3.3% over fiscal year 2018, at the time of adoption. The municipal services portion of the budget totals \$105,869, an increase of \$4,505 or 4.4%. The education budget totals \$164,351, an increase of \$4,494 or 2.8%. The capital financing portion of the budget for both municipal and education services is \$17,562, an increase of \$187 or 1.1%.

The fiscal year 2019 budget maintains town and education services with the following assumptions and policy decisions reflected in the adopted budget:

- Grand List increase of approximately \$48.5 million, or 0.8%;
- A current year property tax collection rate of 99.1%;
- A uniform mill rate for real, personal and motor vehicle property;
- Conservative estimates of non-current year tax revenue;
- Current services budget with no new programs;
- 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 \$6,471 or 2.6% was required. Approximately \$1,900 will be generated as a result of growth in the Grand List, effectively reducing the tax increase for existing taxpayers to 1.9%. In order to generate the necessary property tax revenue, a uniform mill rate of 41.00 was adopted, a reduction of 0.4 mills from the prior year rate on real and personal property and an increase of 9.0 mills on 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 monies 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, 2018**  
**(In Thousands)**

	<b>Primary Government</b>			<b>Component Unit</b>
	<b>Governmental</b>	<b>Business-Type</b>		<b>West Hartford</b>
	<b>Activities</b>	<b>Activities</b>	<b>Total</b>	<b>Special</b>
				<b>Services District</b>
<b>Assets:</b>				
Cash and cash equivalents	\$ 66,177	\$ 2	\$ 66,179	\$ 21
Investments	29,148		29,148	
Receivables, net	16,370	14	16,384	28
Due from component unit	21		21	
Inventories	348		348	
Prepaid items	1	21	22	
<b>Capital assets:</b>				
Assets not being depreciated	90,342	1,078	91,420	
Assets being depreciated, net	266,638	10,585	277,223	
<b>Total assets</b>	<b>469,045</b>	<b>11,700</b>	<b>480,745</b>	<b>49</b>
<b>Deferred Outflows of Resources:</b>				
Deferred charge on refunding	998		998	
Deferred outflows related to pensions	29,461	452	29,913	
Deferred outflows related to OPEB	14,614	212	14,826	
<b>Total deferred outflows of resources</b>	<b>45,073</b>	<b>664</b>	<b>45,737</b>	<b>-</b>
<b>Liabilities:</b>				
Accounts and other payables	8,103	145	8,248	
Payroll liabilities	8,650	81	8,731	
Other current liabilities	888		888	4
Internal balances	(1,636)	1,636	-	
Unearned revenue	3,321	549	3,870	24
Due to primary government				21
<b>Noncurrent liabilities:</b>				
Due within one year	31,574	51	31,625	
Due in more than one year	576,965	6,427	583,392	
<b>Total liabilities</b>	<b>627,865</b>	<b>8,889</b>	<b>636,754</b>	<b>49</b>
<b>Deferred Inflows of Resources:</b>				
Deferred inflows related to pensions	2,998	46	3,044	
Advance property tax collections	13,685		13,685	
<b>Total deferred inflows of resources</b>	<b>16,683</b>	<b>46</b>	<b>16,729</b>	<b>-</b>
<b>Net Position:</b>				
Net investment in capital assets	203,759	11,663	215,422	
Restricted for:				
Perpetual care:				
Nonexpendable	82		82	
Unrestricted	(334,271)	(8,234)	(342,505)	
<b>Total Net Position</b>	<b>\$ (130,430)</b>	<b>\$ 3,429</b>	<b>\$ (127,001)</b>	<b>\$ -</b>

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, 2018**  
(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	\$ 12,947	\$ 1,376	\$ 5	\$ 315	\$ (11,251)	\$	\$ (11,251)	\$	
Public safety	62,903	3,668	387	497	(58,351)		(58,351)		
Community maintenance	42,443	5,078	761	2,549	(34,055)		(34,055)		
Human and cultural	13,812	1,601	1,076		(11,135)		(11,135)		
Education	220,200	3,683	61,770	3,312	(151,435)		(151,435)		
Interest on long-term debt	4,601				(4,601)		(4,601)		
Total governmental activities	356,906	15,406	63,999	6,673	(270,828)	-	(270,828)	-	
Business-type activities:									
Leisure services	6,179	3,814		356		(2,009)	(2,009)		
Total Primary Government	\$ 363,085	\$ 19,220	\$ 63,999	\$ 7,029	(270,828)	(2,009)	(272,837)	-	
Component Unit:									
West Hartford Special Services District	\$ 4,635	\$ 2,908	\$ -	\$ -				(1,727)	
General revenues:									
Property taxes					252,899		252,899	1,703	
Grants and contributions not restricted to specific programs					2,360		2,360		
Unrestricted investment earnings					2,737		2,737	24	
Miscellaneous					4,855		4,855		
Transfers					(20)	20	-		
Total general revenues and transfers					262,831	20	262,851	1,727	
Change in net position					(7,997)	(1,989)	(9,986)	-	
Net Position at Beginning of Year, as Restated					(122,433)	5,418	(117,015)	-	
Net Position at End of Year					\$ (130,430)	\$ 3,429	\$ (127,001)	\$ -	

The accompanying notes are an integral part of the financial statements

**TOWN OF WEST HARTFORD, CONNECTICUT**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**JUNE 30, 2018**  
(In Thousands)

	General	Capital Project Funds	CDBG Housing Rehabilitation Fund	Debt Service Funds	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash and cash equivalents	\$ 41,047	\$ 6,790	\$ 7	\$ 3,224	\$ 8,438	\$ 59,506
Investments	8,900					8,900
Receivables, net	3,336	5,669	2,877	2	1,678	13,562
Due from other funds	2,494					2,494
Inventories	289				59	348
Total Assets	<u>\$ 56,066</u>	<u>\$ 12,459</u>	<u>\$ 2,884</u>	<u>\$ 3,226</u>	<u>\$ 10,175</u>	<u>\$ 84,810</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
Liabilities:						
Accounts and other payables	\$ 2,640	\$ 1,689	\$	\$	392	\$ 4,721
Payroll liabilities	8,142				493	8,635
Due to other funds				78	780	858
Other liabilities	888					888
Unearned revenue	2,478		7		836	3,321
Total liabilities	<u>14,148</u>	<u>1,689</u>	<u>7</u>	<u>78</u>	<u>2,501</u>	<u>18,423</u>
Deferred inflows of resources:						
Unavailable revenue - property taxes	2,006					2,006
Unavailable revenue - loans receivable			2,877		114	2,991
Advance property tax collections	13,685					13,685
Total deferred inflows of resources	<u>15,691</u>	<u>-</u>	<u>2,877</u>	<u>-</u>	<u>114</u>	<u>18,682</u>
Fund balances:						
Nonspendable	289				141	430
Restricted					2,015	2,015
Committed		10,770		3,148	5,404	19,322
Assigned	500					500
Unassigned	25,438					25,438
Total fund balances	<u>26,227</u>	<u>10,770</u>	<u>-</u>	<u>3,148</u>	<u>7,560</u>	<u>47,705</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 56,066</u>	<u>\$ 12,459</u>	<u>\$ 2,884</u>	<u>\$ 3,226</u>	<u>\$ 10,175</u>	<u>\$ 84,810</u>

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**TOWN OF WEST HARTFORD, CONNECTICUT**  
**BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)**  
**JUNE 30, 2018**  
**(In Thousands)**

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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)	\$ 47,705
--	-----------

Capital assets used in governmental activities are not financial  
resources and, therefore, are not reported in the funds:

Governmental capital assets	\$ 617,384	
Less accumulated depreciation	<u>(260,404)</u>	
Net capital assets		356,980

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	2,006
Interest receivable on property taxes	944
Housing loans receivable	2,992
Interest receivable on housing loans	711
Deferred charges	998
Deferred outflows related to pensions	29,461
Deferred outflows related to OPEB	14,614

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.

16,056

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	(147,085)
Interest payable on bonds and notes	(2,153)
Compensated absences	(20,952)
Bond premium	(5,682)
Net pension liability	(252,160)
Net OPEB liability	(171,867)
Deferred inflows related to pensions	<u>(2,998)</u>

Net Position of Governmental Activities (Exhibit I)	<u>\$ (130,430)</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, 2018  
(In Thousands)**

	<u>General</u>	<u>Capital Project Funds</u>	<u>CDBG Housing Rehabilitation Fund</u>	<u>Debt Service Funds</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:						
Property taxes	\$ 253,000	\$	\$	\$	\$	\$ 253,000
Intergovernmental	57,711	6,488	227		8,409	72,835
Charges for services	5,579	198		20	9,131	14,928
Income on investments	987				447	1,434
Miscellaneous	1,154	360		3,473	974	5,961
Total revenues	<u>318,431</u>	<u>7,046</u>	<u>227</u>	<u>3,493</u>	<u>18,961</u>	<u>348,158</u>
Expenditures:						
Current:						
General government	5,954					5,954
Public safety	26,530				2,128	28,658
Community maintenance	15,198				2,775	17,973
Human and cultural	6,324		114		1,737	8,175
Education	194,291				13,624	207,915
Debt and sundry	46,427			21,646		68,073
Capital outlay	34	18,639			112	18,785
Total expenditures	<u>294,758</u>	<u>18,639</u>	<u>114</u>	<u>21,646</u>	<u>20,376</u>	<u>355,533</u>
Excess (Deficiency) of Revenues over Expenditures	<u>23,673</u>	<u>(11,593)</u>	<u>113</u>	<u>(18,153)</u>	<u>(1,415)</u>	<u>(7,375)</u>
Other Financing Sources (Uses):						
Transfers in	3,577	4,224		17,785	1,996	27,582
Transfers out	(23,568)	(3,448)	(113)		(423)	(27,552)
Issuance of bonds		13,000				13,000
Bond premium				492		492
Total other financing sources (uses)	<u>(19,991)</u>	<u>13,776</u>	<u>(113)</u>	<u>18,277</u>	<u>1,573</u>	<u>13,522</u>
Net Change in Fund Balances	3,682	2,183	-	124	158	6,147
Fund Balances at Beginning of Year	<u>22,545</u>	<u>8,587</u>		<u>3,024</u>	<u>7,402</u>	<u>41,558</u>
Fund Balances at End of Year	<u>\$ 26,227</u>	<u>\$ 10,770</u>	<u>\$ -</u>	<u>\$ 3,148</u>	<u>\$ 7,560</u>	<u>\$ 47,705</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, 2018**  
**(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)	\$ 6,147
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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	18,246
Depreciation expense	(14,479)

The statement of activities reports losses arising from the trade-in or disposal of existing capital assets to acquire new capital assets. Conversely, governmental funds do not report any gain or loss on a trade-in or disposal of capital assets.

(1,002)

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	(253)
Property tax receivable - accrual basis change	(168)
Property tax interest and lien revenue - accrual basis change	67
Housing loans accrued interest	28
Housing loans receivable	(60)
Change in deferred outflows related to pensions	13,551
Change in deferred outflows related to OPEB	14,614
Change in deferred inflows related to pension	(4,968)

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	(13,000)
Bond premium	(492)
Bond principal payments	16,370

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	1,132
Accrued interest	30
Amortization of deferred charge on refunding	(120)
Amortization of bond premiums	764
Change in net OPEB liability	(19,886)
Change in net pension liability	(25,033)

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.

515

Change in Net Position of Governmental Activities (Exhibit II)

\$ (7,997)

The accompanying notes are an integral part of the financial statements

**TOWN OF WEST HARTFORD, CONNECTICUT**  
**STATEMENT OF NET POSITION - PROPRIETARY FUNDS**  
**JUNE 30, 2018**  
(In Thousands)

	<b>Business-Type Activities Leisure Services Fund</b>	<b>Governmental Activities Internal Service Funds</b>
<b>Assets:</b>		
<b>Current:</b>		
Cash and cash equivalents	\$ 2	\$ 6,671
Investments		20,248
Receivables, net	14	1,174
Prepaid items	21	1
Total current assets	<u>37</u>	<u>28,094</u>
<b>Noncurrent:</b>		
<b>Capital assets:</b>		
Assets not being depreciated	1,078	
Assets being depreciated, net	10,585	
Total noncurrent assets	<u>11,663</u>	<u>-</u>
Total assets	<u>11,700</u>	<u>28,094</u>
<b>Deferred Outflows of Resources:</b>		
Deferred outflows related to pensions	452	
Deferred outflows related to OPEB	212	
Total deferred outflows of resources	<u>664</u>	<u>-</u>
<b>Liabilities:</b>		
<b>Current:</b>		
Accounts and other payables	145	1,230
Payroll liabilities	81	15
Due to other funds	1,636	
Risk management claims		5,941
Unearned revenue	549	
Compensated absences	51	
Total current liabilities	<u>2,462</u>	<u>7,186</u>
<b>Noncurrent:</b>		
Compensated absences	68	
Net pension liability	3,866	
Net OPEB liability	2,493	
Risk management claims		4,852
Total noncurrent liabilities	<u>6,427</u>	<u>4,852</u>
Total liabilities	<u>8,889</u>	<u>12,038</u>
<b>Deferred Inflows of Resources:</b>		
Deferred inflows related to pensions	46	
<b>Net Position:</b>		
Invested in capital assets	11,663	
Unrestricted	<u>(8,234)</u>	<u>16,056</u>
<b>Total Net Position</b>	<u>\$ 3,429</u>	<u>\$ 16,056</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, 2018**  
**(In Thousands)**

	<b>Business-Type Activities</b>	<b>Governmental Activities</b>
	<b>Leisure Services Fund</b>	<b>Internal Service Funds</b>
Operating Revenues:		
Fund premiums	\$	\$ 40,896
Charges for services	3,785	
Employee contributions		8,021
Other	29	138
Total operating revenues	<u>3,814</u>	<u>49,055</u>
Operating Expenses:		
Administrative expense		358
Personal services	1,231	
Employee benefits		38,822
Insurance and program services		6,122
Utilities	445	4,464
Other operating expense	3,371	
Depreciation	1,132	
Total operating expenses	<u>6,179</u>	<u>49,766</u>
Operating Loss	(2,365)	(711)
Nonoperating Revenue:		
Income on investments		<u>1,276</u>
Income (Loss) Before Contributions and Transfers	(2,365)	565
Capital contributions	356	
Transfers in	20	
Transfers out		<u>(50)</u>
Change in Net Position	(1,989)	515
Net Position at Beginning of Year, as Restated	<u>5,418</u>	<u>15,541</u>
Net Position at End of Year	<u>\$ 3,429</u>	<u>\$ 16,056</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, 2018**  
(In Thousands)

	<b>Business-Type Activities Leisure Services Fund</b>	<b>Governmental Activities Internal Service Funds</b>
Cash Flows from Operating Activities:		
Cash received from employees	\$	\$ 8,021
Cash received from operating funds		40,896
Cash received from customers	4,384	
Cash payments to employees for services	(870)	
Cash payments to suppliers for goods and services	(3,562)	(10,593)
Cash payment to providers benefits		(37,787)
Other operating receipts	29	140
Net cash provided by (used in) operating activities	<u>(19)</u>	<u>677</u>
Cash Flows from Noncapital Financing Activities:		
Transfers from other funds	20	
Transfers to other funds		(50)
Net cash flows provided by (used in) noncapital financing activities	<u>20</u>	<u>(50)</u>
Cash Flows from Investing Activities:		
Gain on investments		38
Purchase of investments		(107)
Net cash provided by (used in) investing activities	<u>-</u>	<u>(69)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	1	558
Cash and Cash Equivalents at Beginning of Year	<u>1</u>	<u>6,113</u>
Cash and Cash Equivalents at End of Year	\$ <u>2</u>	\$ <u>6,671</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:		
Operating income (loss)	\$ (2,365)	\$ (711)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation	1,132	
Change in assets and liabilities:		
(Increase) decrease in receivables	504	504
(Increase) decrease in prepaid items	3	2
(Increase) decrease in deferred outflows	(361)	
Increase (decrease) in accounts and other payables	84	347
Increase (decrease) in payroll liabilities	46	4
Increase (decrease) in pension liability	371	
Increase (decrease) in OPEB liability	287	
Increase (decrease) in risk management claim liability		531
Increase (decrease) in due to other funds	167	
Increase (decrease) in deferred inflows	18	
Increase (decrease) in unearned revenue	95	
Net Cash Provided by (Used in) Operating Activities	\$ <u>(19)</u>	\$ <u>677</u>
Noncash Investing and Capital Financing Activities:		
Net increase (decrease) in fair value of investments	\$ <u>-</u>	\$ <u>873</u>
Contribution of Capital Assets from Town	\$ <u>356</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, 2018**  
**(In Thousands)**

	<b>Pension and Other Employee Benefit Trust Funds</b>	<b>Student Activity Fund</b>
<b>Assets:</b>		
Cash and cash equivalents	\$ 697	\$ 1,118
Investments:		
Mutual funds	159,448	
Common stock	26,998	
Alternative investments	25,059	
Receivables:		
Interest and dividends	14	
<b>Total assets</b>	<b>212,216</b>	<b>\$ 1,118</b>
<b>Liabilities:</b>		
Accounts and other payables	230	\$ 1,118
<b>Net Position:</b>		
Restricted for Pension and OPEB Benefits	<b>\$ 211,986</b>	

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, 2018**  
**(In Thousands)**

	<b>Pension and Other Employee Benefit Trust Funds</b>
Additions:	
Contributions:	
Employer	\$ 33,823
Plan members	3,266
Other revenue	358
Total contributions	<u>37,447</u>
Investment income (loss):	
Net change in fair value of investments	15,245
Interest	57
Dividends	3,733
Total investment income (loss)	<u>19,035</u>
Less investment expense	<u>(401)</u>
Net investment income (loss)	<u>18,634</u>
Total additions	<u>56,081</u>
Deductions:	
Benefits	40,821
Administration	357
Total deductions	<u>41,178</u>
Change in Net Position	14,903
Net Position at Beginning of Year	<u>197,083</u>
Net Position at End of Year	<u>\$ 211,986</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF WEST HARTFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**  
**(In Thousands)**

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**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. Separate financial statements have not been prepared for the West Hartford Center Special Service District.

**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.

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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.

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 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 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 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.



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The Town reports the following major proprietary fund:

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

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, 2018. This represents 15.6% 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:

<b>Assets</b>	<b>Years</b>
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 and OPEB 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 and OPEB results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension and OPEB 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 and OPEB 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 and OPEB 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 and OPEB results from differences between changes in assumptions or other inputs. These amounts are deferred and included in pension and OPEB 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 and OPEB 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. 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.

**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. Net OPEB Liability**

The net OPEB liability is measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to those employees' past periods of service (total OPEB liability), less the amount of the OPEB plan's fiduciary net position. The OPEB plan's fiduciary net position is determined using the same valuation methods that are used by the OPEB plan for purposes of preparing its statement of fiduciary net position. The net OPEB 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.

**L. 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.

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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.

**M. 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.

## **N. 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.

## **O. 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 \$3,182 were made to the adopted fiscal year 2018 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.

### **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."

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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*, \$53,585 of the Town's bank balance of \$55,685 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 48,127
Uninsured and collateral held by the pledging trust department, not in the Town's name	<u>5,458</u>
Total Amount Subject to Custodial Credit Risk	<u>\$ 53,585</u>

The table above includes \$21 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, 2018, the Town's cash equivalents amounted to \$14,334. 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.

	<b>Standard &amp; Poor's</b>
State Short-Term Investment Fund (STIF)	AAAm
Wells Fargo	*
Morgan Stanley	*
* Not Rated	

**Investments**

As of June 30, 2018, the Town had the following investments in the General Fund, Pension, OPEB and Risk Management Funds:

<b>Investment Type</b>	<b>Fair Value</b>	<b>Investment Maturities (Years)</b>		
		<b>Less Than 1</b>	<b>1-10</b>	<b>More Than 10</b>
Interest-bearing investments:				
Certificates of Deposit	\$ 5,945	\$ 2,504	\$ 3,441	\$
U.S. Government Securities	6,636	778	4,387	1,471
U.S. Government Agencies	3,316	35	1,494	1,787
Corporate Bonds	1,190	65	1,125	
Total	17,087	\$ 3,382	\$ 10,447	\$ 3,258
Other investments:				
Common Stock	26,998			
Mutual Funds	171,509			
Alternative Investments	25,059			
Total Investments	\$ 240,653			

**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	\$ 1,190	\$ 6,636	\$ 3,316	\$
Unrated				5,945
	<u>\$ 1,190</u>	<u>\$ 6,636</u>	<u>\$ 3,316</u>	<u>\$ 5,945</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, 2018, 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, 2018:

	<u>June 30, 2018</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	\$ 6,636	\$ 3,680	\$ 2,956	\$
U.S. Government Agencies	3,316		3,216	100
Corporate Bonds	1,190		1,190	
Common Stock	26,998	25,983	1,015	
Mutual Funds	171,509	171,509		
Alternative Investments	25,059			25,059
Total Investments by Fair Value Level	<u>\$ 234,708</u>	<u>\$ 201,172</u>	<u>\$ 8,377</u>	<u>\$ 25,159</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	\$ 2,991	\$	\$	\$	\$	\$	\$ 2,991
Interest*						14	14
Accounts and other	278			2	14	1,798	2,092
Housing loans			2,877			111	2,988
Intergovernmental	514	5,669				943	7,126
Component unit	21						21
Gross receivables	<u>3,804</u>	<u>5,669</u>	<u>2,877</u>	<u>2</u>	<u>14</u>	<u>2,866</u>	<u>15,232</u>
Less allowance for uncollectibles	<u>468</u>						<u>468</u>
Net Total Receivables	<u>\$ 3,336</u>	<u>\$ 5,669</u>	<u>\$ 2,877</u>	<u>\$ 2</u>	<u>\$ 14</u>	<u>\$ 2,866</u>	<u>\$ 14,764</u>

\*Accrued interest on property taxes and long-term housing loans in the amount of \$1,655 are not included in the fund financial statements.

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**5. CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2018 was as follows:

	<b>Beginning Balance</b>	<b>Increases</b>	<b>Transfers</b>	<b>Decreases</b>	<b>Ending Balance</b>
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 10,570	\$	\$	\$ (54)	\$ 10,516
Construction in progress	76,379	17,650	(13,378)	(825)	79,826
Total capital assets not being depreciated	86,949	17,650	(13,378)	(879)	90,342
Capital assets being depreciated:					
Buildings	270,052		8,227		278,279
Land improvements	20,691		1,412		22,103
Vehicles	12,118	42		(161)	11,999
Furniture and equipment	14,508	554	708	(1,033)	14,737
Infrastructure	196,893		3,031		199,924
Total capital assets being depreciated	514,262	596	13,378	(1,194)	527,042
Less accumulated depreciation for:					
Buildings	(108,600)	(7,608)			(116,208)
Land improvements	(8,239)	(1,035)			(9,274)
Vehicles	(8,629)	(600)		161	(9,068)
Furniture and equipment	(10,045)	(991)		910	(10,126)
Infrastructure	(111,483)	(4,245)			(115,728)
Total accumulated depreciation	(246,996)	(14,479)	-	1,071	(260,404)
Total capital assets being depreciated, net	267,266	(13,883)	13,378	(123)	266,638
Governmental Activities Capital Assets, Net	\$ 354,215	\$ 3,767	\$ -	\$ (1,002)	\$ 356,980
Business-type activities:					
Capital assets not being depreciated:					
Construction in progress	\$ 1,616	\$ 356	\$ (396)	\$ (498)	\$ 1,078
Capital assets being depreciated:					
Buildings and systems	19,981		46		20,027
Land improvements	10,081		350		10,431
Furniture and equipment	1,348			(45)	1,303
Total capital assets being depreciated	31,410	-	396	(45)	31,761
Less accumulated depreciation for:					
Buildings and systems	(15,387)	(606)			(15,993)
Land improvements	(3,430)	(504)			(3,934)
Furniture and equipment	(1,272)	(22)		45	(1,249)
Total accumulated depreciation	(20,089)	(1,132)	-	45	(21,176)
Total capital assets being depreciated, net	11,321	(1,132)	396	-	10,585
Business-Type Activities Capital Assets, Net	\$ 12,937	\$ (776)	\$ -	\$ (498)	\$ 11,663

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

Governmental activities:		
General government	\$	1,935
Public safety		1,110
Community maintenance		4,901
Human and cultural		724
Education		<u>5,809</u>
Total Depreciation Expense - Governmental Activities	\$	<u><u>14,479</u></u>
Business-type activities:		
Leisure Services Fund	\$	<u><u>1,132</u></u>

**Construction Commitments**

The Town had numerous active construction projects during the year ended June 30, 2018. The following is a summary of capital projects as of June 30, 2018:

	<u>Project Authorization</u>	<u>Cumulative Expenditures and Encumbrances</u>
Public buildings	\$ 13,322	\$ 12,515
Parks and recreation	4,040	2,526
Infrastructure	33,133	26,364
Miscellaneous	11,822	9,848
Schools	<u>73,112</u>	<u>69,290</u>
Total	\$ <u><u>135,429</u></u>	\$ <u><u>120,543</u></u>

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

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**6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

Interfund receivable and payable balances at June 30, 2018 are as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 2,494	\$
Debt Service Funds		78
Nonmajor Governmental Funds		780
Leisure Services Fund		1,636
	<u>                    </u>	<u>                    </u>
Total	<u>\$ 2,494</u>	<u>\$ 2,494</u>

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:

<u>Transfers Out</u>						
			<u>CDBG Housing</u>			
<u>Transfers In</u>	<u>General</u>	<u>Capital Projects</u>	<u>Rehabilitation Fund</u>	<u>Nonmajor Governmental</u>	<u>Internal Service</u>	<u>Total Transfers In</u>
General	\$	\$ 3,448	\$	\$ 79	\$ 50	\$ 3,577
Capital Projects	3,900			324		4,224
Debt Service Fund	17,785					17,785
Nonmajor Governmental	1,883		113			1,996
Leisure Services Fund				20		20
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total Transfers Out	<u>\$ 23,568</u>	<u>\$ 3,448</u>	<u>\$ 113</u>	<u>\$ 423</u>	<u>\$ 50</u>	<u>\$ 27,602</u>

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, 2018 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	\$ 150,455	\$ 13,000	\$ (16,370)	\$ 147,085	\$ 17,410
Bond premium	<u>5,954</u>	<u>492</u>	<u>(764)</u>	<u>5,682</u>	
Total bonds payable	156,409	13,492	(17,134)	152,767	17,410
Compensated absences	22,084	7,579	(8,711)	20,952	8,223
Net OPEB liability	151,981	19,886		171,867	
Net pension liability	227,127	25,033		252,160	
Risk management liability	<u>10,262</u>	<u>6,956</u>	<u>(6,425)</u>	<u>10,793</u>	<u>5,941</u>
Total Governmental Activities					
Long-Term Liabilities	<u>\$ 567,863</u>	<u>\$ 72,946</u>	<u>\$ (32,270)</u>	<u>\$ 608,539</u>	<u>\$ 31,574</u>
Business-Type Activities:					
Compensated absences	\$ 106	\$ 56	\$ (43)	\$ 119	\$ 51
Net OPEB liability	2,206	287		2,493	
Net pension liability	<u>3,495</u>	<u>371</u>		<u>3,866</u>	
Total Business-Type Activities					
Long-Term Liabilities	<u>\$ 5,807</u>	<u>\$ 714</u>	<u>\$ (43)</u>	<u>\$ 6,478</u>	<u>\$ 51</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, 2018. 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:

<b><u>General Obligations</u></b>			
<b><u>Year Ending</u></b>	<b><u>Principal</u></b>	<b><u>Interest</u></b>	<b><u>Total</u></b>
2019	\$ 17,410	\$ 4,965	\$ 22,375
2020	16,640	4,286	20,926
2021	16,795	3,558	20,353
2022	15,085	2,890	17,975
2023	13,485	2,354	15,839
2024-2028	47,360	6,266	53,626
2029-2033	18,210	1,705	19,915
2034-2035	<u>2,100</u>	<u>94</u>	<u>2,194</u>
Total	\$ <u>147,085</u>	\$ <u>26,118</u>	\$ <u>173,203</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	\$ 1,538	2021
1/15/2001	Schools	4.10-4.50	4,750	712	2021
1/15/2002	General Purpose	3.50-4.75	6,415	1,283	2022
1/15/2002	Schools	3.50-4.75	7,085	1,417	2022
6/15/2009	General Purpose	2.00-3.50	10,903	1,454	2024
6/15/2009	Schools	2.00-3.50	4,097	546	2024
9/15/2009	Refunding - General Purpose	2.00-4.00	38,583	28,094	2026
9/15/2009	Refunding - Schools	2.00-4.00	3,077	2,241	2026
4/1/2010	Refunding - General Purpose	2.00-5.00	10,280	7,066	2024
4/1/2010	Refunding - Schools	2.00-5.00	10,330	7,099	2024
10/15/2010	General Purpose	2.00-4.00	6,002	1,204	2026
10/15/2010	Schools	2.00-4.00	1,998	401	2026
2/15/2012	General Purpose	2.50-5.00	11,648	7,765	2028
2/15/2012	Schools	2.50-5.00	3,352	2,235	2028
2/5/2014	General Purpose	2.63-5.00	12,830	9,392	2029
2/5/2014	Schools	2.63-5.00	7,170	5,248	2029
2/12/2015	General Purpose	2.00-3.00	9,655	8,207	2035
2/12/2015	Schools	2.00-3.00	11,345	9,643	2035
1/28/2016	General Purpose	2.00-4.00	12,537	10,862	2031
1/28/2016	Schools	2.00-4.00	1,463	1,268	2031
3/2/2016	Refunding - General Purpose	2.00-4.00	7,055	7,055	2025
3/2/2016	Refunding - Schools	2.00-4.00	5,240	3,490	2025
2/16/2017	General Purpose	2.00-5.00	12,065	11,026	2032
2/16/2017	Schools	2.00-5.00	4,935	4,839	2032
1/11/2018	General Purpose	2.00-5.00	7,665	7,665	2033
1/11/2018	Schools	2.00-5.00	<u>5,335</u>	<u>5,335</u>	2033
			\$ <u>226,065</u>	\$ <u>147,085</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, 2018, \$7,650 of prior bonds outstanding is considered defeased, of which \$7,925 is held in escrow.

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The following is a schedule of direct and overlapping debt as of June 30, 2018:

<b>Jurisdiction</b>	<b>Outstanding Debt</b>	<b>Percentage Applicable to West Hartford</b>	<b>Outstanding Debt Applicable to Town</b>
West Hartford	\$ 147,085	100.00%	\$ 147,085
Metropolitan District Commission	972,976	22.58%	219,698
Total			<u>\$ 366,783</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:

<b>Category</b>	<b>Debt Limit</b>	<b>Net</b>	<b>Balance</b>
General purpose	\$ 533,351	\$ 107,924	\$ 425,427
Schools	1,066,703	52,849	1,013,854
Sewers	888,919	219,698	669,221
Urban renewal	770,396		770,396
Pension deficit	711,135		711,135

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 \$13,821 of bonds authorized and unissued, for debt limitation purposes, at June 30, 2018. Additionally, school indebtedness is net of school building grants amounting to \$133.

As of June 30, 2018 the Town had, in addition to amounts referred to above, a total of \$35,092 authorized but unissued debt, consisting of \$18,492 for general public improvements and \$16,600 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, 2018 are as follows:

	<b>General Fund</b>	<b>Capital Projects Fund</b>	<b>Debt Service Fund</b>	<b>Nonmajor Governmental Funds</b>	<b>Total</b>
Fund balances:					
Nonspendable:					
Inventory	\$ 289	\$	\$	59	\$ 348
Private Cemetery				82	82
Restricted for:					
Grants				106	106
Westmoor park				435	435
Cemetery operating				1,166	1,166
C.F. Morway				6	6
Town that cares				150	150
School donations				109	109
Affordable housing				4	4
Veteran memorial				39	39
Committed to:					
Parking lot				2,678	2,678
Cafeteria				587	587
School special programs				1,353	1,353
West Hartford library				71	71
School interscholastic sports				163	163
Technology investment				2	2
Police private duty				12	12
Police home ownership				17	17
Cemetery operating				521	521
Debt and sundry			3,148		3,148
Capital projects		10,770			10,770
Assigned to:					
General government encumbrances	47				47
Community maintenance encumbrances	4				4
Education encumbrances	449				449
Unassigned	25,438				25,438
Total Fund Balances	<u>\$ 26,227</u>	<u>\$ 10,770</u>	<u>\$ 3,148</u>	<u>\$ 7,560</u>	<u>\$ 47,705</u>

Significant encumbrances at June 30, 2018 are contained in the above table in assigned fund balance. General Fund encumbrances amounted to \$500 at June 30, 2018.

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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:

<b>Coverage</b>	<b>Retention</b>	<b>Limits</b>
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 7.25%. 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 \$10.8 million at June 30, 2018 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>
2016-17	\$ 10,067	\$ 5,992	\$ (5,797)	10,262
2017-18	10,262	6,956	(6,425)	10,793

## **10. OTHER POSTEMPLOYMENT BENEFITS**

### **OPEB Trust Fund**

#### **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, 2017, plan membership consisted of the following:

Number of members:	
Active members	1,456
Retired members	<u>813</u>
Total Participants	<u><u>2,269</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 \$13,024 on June 30, 2018. State law allows the fund to invest up to a maximum of 50% in equity securities and the assumed rate of return is 7.25%.

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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. 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 1 after retirement or 50% of the premium;
- 15-20 years of service: Town pays greater of rate in effect on July 1 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, 2018, the annual money-weighted rate of return on investments, net of investment expense, was 2.63%. 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**

The Town's net OPEB liability was measured as of June 30, 2018. The components of the net OPEB liability of the Town at June 30, 2018 were as follows:

Total OPEB liability	\$	179,124
Plan fiduciary net position		<u>4,762</u>
Net OPEB Liability	\$	<u><u>174,362</u></u>
Plan fiduciary net position as a percentage of the total OPEB liability		2.66%

**E. Actuarial Assumptions**

The total OPEB liability was determined by an actuarial valuation as of July 1, 2017, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.60%
Salary Increase	3.50%
Investment rate of return	7.04%
Healthcare cost trend rates	The annual healthcare cost trend rate starts at 7.1% in 2017, reducing by .5% each year to an ultimate rate of 4.6% per year rate for 2022 and later
Mortality	RP-2000 Annuitant and Non-Annuitant Mortality Tables for males and females projected from base year of 2006 to valuation date by Scale BB. A Blue Collar adjustment is applied pre- and post-retirement for members



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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, 2018 are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
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 7.04%. 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.

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**G. Changes in Net OPEB Liability**

	Increase (Decrease)		
	<b>Total OPEB Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net OPEB Liability (a)-(b)</b>
Balances as of July 1, 2017	\$ 157,148	\$ 2,961	\$ 154,187
Changes for the year:			
Service cost	2,321		2,321
Interest on total pension liability	11,557		11,557
Effect of plan changes	70		70
Differences between expected and actual experience	2,694		2,694
Effect of assumptions changes or inputs	16,278		16,278
Benefit payments	(10,944)	(10,944)	-
Employer contributions		12,208	(12,208)
Member contributions		100	(100)
Contributions - TRB subsidy		358	(358)
Net investment income (loss)		79	(79)
Net changes	21,976	1,801	20,175
Balances as of June 30, 2018	\$ 179,124	\$ 4,762	\$ 174,362

**H. 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 (6.04%) or 1 percentage point higher (8.04%) than the current discount rate:

	<b>1% Decrease (6.04%)</b>	<b>Current Discount Rate (7.04%)</b>	<b>1% Increase (8.04%)</b>
Net OPEB Liability	\$ 197,004	\$ 174,362	\$ 155,655

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**I. 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 (6.10% decreasing to 3.60%) or 1 percentage point higher (8.10% decreasing to 5.60%) than the current healthcare cost trend rates:

	<b>1% Decrease (6.10% decreasing to 3.60%)</b>	<b>Healthcare Cost Trend Rates (7.10% decreasing to 4.60%)</b>	<b>1% Increase (8.10% decreasing to 5.60%)</b>
Net OPEB Liability	\$ <u>153,551</u>	\$ <u>174,362</u>	\$ <u>199,853</u>

**J. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

At June 30, 2018, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Governmental Activities</b>	<b>Business- Type Activities</b>	<b>Total</b>
	<b>Deferred Outflows of Resources</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Outflows of Resources</b>
Differences between expected and actual experience	\$ 2,053	\$ 30	\$ 2,083
Changes of assumptions	12,398	180	12,578
Net difference between projected and actual earning on OPEB plan investments	<u>163</u>	<u>2</u>	<u>165</u>
Total	\$ <u>14,614</u>	\$ <u>212</u>	\$ <u>14,826</u>

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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>
2019	\$ 4,290	\$ 63	\$ 4,353
2020	4,290	63	4,353
2021	4,291	62	4,353
2022	1,743	24	1,767

For the year ended June 30, 2018, the Town recognized OPEB expense of \$17,557, of which \$17,306 was reported as governmental activities and \$251 as business-type activities.

The following schedule presents the net position held in trust for OPEB benefits at June 30, 2018 and the changes in net position for the year ended June 30, 2018:

	<u>OPEB Trust Fund</u>
Assets:	
Cash and cash equivalents	\$ 81
Investments:	
Mutual funds	<u>4,683</u>
Total assets	<u>4,764</u>
Liabilities:	
Accounts and other payables	<u>2</u>
Net Position:	
Restricted for OPEB Benefits	<u>\$ 4,762</u>

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	<b>OPEB Trust Fund</b>
Additions:	
Contributions:	
Employer	\$ 12,208
Plan members	100
Other revenue	358
Total contributions	<u>12,666</u>
Investment income:	
Net change in fair value of investments	1
Interest	1
Dividends	79
Total investment income	<u>81</u>
Less investment expense	<u>(2)</u>
Net investment income	<u>79</u>
Total additions	12,745
Deductions:	
Benefits	<u>10,944</u>
Change in Net Position	1,801
Net Position at Beginning of Year	<u>2,961</u>
Net Position at End of Year	<u><u>\$ 4,762</u></u>

**State Teachers Retirement Plan**

**A. Plan Description**

Teachers, principals, superintendents or supervisors engaged in service of public schools plus professional employees at State Schools of higher education are eligible to participate in the Connecticut State Teachers' Retirement System Retiree Health Insurance Plan (TRS-RHIP), a cost sharing multiple-employer defined benefit other post employment benefit plan administered by the Teachers' Retirement Board (TRB), if they choose to be covered.

Chapter 167a of the State Statutes grants authority to establish and amend the benefit terms to the TRB. TRS-RHIP issues a publicly available financial report that can be obtained at [www.ct.gov/trb](http://www.ct.gov/trb).

**B. Benefit Provisions**

There are two types of the health care benefits offered through the system. Subsidized Local School District Coverage provides a subsidy paid to members still receiving coverage through their former employer and the CTRB Sponsored Medicare Supplemental Plans provide coverage for those participating in Medicare but not receiving Subsidized Local School District Coverage.

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Any member who is not currently participating in Medicare Parts A & B is eligible to continue health care coverage with their former employer. A subsidy of up to \$110 per month for a retired member plus an additional \$110 per month for a spouse enrolled in a local school district plan is provided to the school district to first offset the retiree's share of the cost of coverage, and any remaining portion is used to offset the district's cost. The subsidy amount is set by statute and has not increased since July 1996. A subsidy amount of \$220 per month may be paid for a retired member, spouse or the surviving spouse of a member who has attained the normal retirement age to participate in Medicare, is not eligible for Part A of Medicare without cost, and contributes at least \$220 per month towards coverage under a local school district plan.

Any member who is currently participating in Medicare Parts A & B is eligible to either continue health care coverage with their former employer, if offered, or enroll in the plan sponsored by the System. If they elect to remain in the plan with their former employer, the same subsidies as above will be paid to offset the cost of coverage.

If a member participating in Medicare Parts A & B so elects, they may enroll in one of the CTRB Sponsored Medicare Supplemental Plans. Active members, retirees and the State pay equally toward the cost of the basic coverage (medical and prescription drug benefits). There are three choices for coverage under the CTRB Sponsored Medicare Supplemental Plans. The choices and 2017 calendar year premiums charged for each choice are shown in the table below:

• Medicare Supplement with Prescriptions	\$ 92
• Medicare Supplement with Prescriptions and Dental	136
• Medicare Supplement with Prescriptions, Dental, Vision & Hearing	141

Those participants electing vision, hearing and/or dental are required by the System's funding policy to pay the full cost of coverage for these benefits, and no liability is assumed by the plan for these benefits.

### **Survivor Health Care Coverage**

Survivors of former employees or retirees remain eligible to participate in the plan and continue to be eligible to receive either the \$110 monthly subsidy or participate in the TRB-Sponsored Medicare Supplemental Plans, as long as they do not remarry.

### **C. Eligibility**

Any member who is currently receiving a retirement or disability benefit is eligible to participate in the plan.

#### **Credited Service**

One month for each month of service as a teacher in Connecticut public schools, maximum 10 months for each school year. Ten months of credited service constitutes one year of Credited Service. Certain other types of teaching services, State employment, or wartime military service may be purchased prior to retirement if the member pays one-half the cost.

#### **Normal Retirement**

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.

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**Early Retirement**

Age 55 with 20 years of Credited Service including 15 years of Connecticut service, or 25 years of Credited Service including 20 years of Connecticut service.

**Proratable Retirement**

Age 60 with 10 years of credited service.

**Disability Retirement**

No service requirement if incurred in the performance of duty, and 5 years of Credited Service in Connecticut if not incurred in the performance of duty.

**Termination of Employment**

Ten or more years of Credited Service.

**D. Contributions**

*State of Connecticut*

Per Connecticut General Statutes Section 10-183z, 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. The State contributions are not currently actuarially funded. The State appropriates from the General Fund one third of the annual costs of the Plan. Administrative costs of the Plan are financed by the State. Based upon Chapter 167a, Subsection D of Section 10-183t of the Connecticut statutes, it is assumed the State will pay for any long-term shortfall arising from insufficient active member contributions.

*Employer (School Districts)*

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

*Employees*

Each member is required to contribute 1.25% of their annual salary up to \$500,000. Contributions in excess of \$500,000 will be credited to the Retiree Health Insurance Plan.

**E. OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

At June 30, 2018, the Town reports no amounts for its proportionate share of the net OPEB 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 OPEB liability, the related State support and the total portion of the net OPEB liability that was associated with the Town was as follows:

Town's proportionate share of the net OPEB liability	\$	-
State's proportionate share of the net OPEB liability associated with the Town		<u>64,110</u>
Total	\$	<u>64,110</u>

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The net OPEB liability was measured as of June 30, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as June 30, 2016. At June 30, 2018, the Town has no proportionate share of the net OPEB liability.

For the year ended June 30, 2018, the Town recognized OPEB expense and revenue of \$2,971 in Exhibit II for on-behalf amounts for the benefits provided by the State.

**F. Actuarial Assumptions**

The total OPEB 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%
Health care costs trend rate	7.25% decreasing to 5.00% by 2022
Salary increases	3.25-6.50%, including inflation
Investment rate of return	3.56%, net of OPEB plan investment expense, including inflation
Year fund net position will be depleted	2018

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 increases (5% for females and 8% for males) over age 80. For disabled retirees, mortality rates were based on the RPH-2014 Disabled Mortality Table projected to 2017 using the BB improvement scale.

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.

The long-term expected rate of return on plan assets is reviewed as part of the GASB 74 valuation process. Several factors are considered in evaluating the long-term rate of return assumption, including the plan's current asset allocations and a log-normal distribution analysis using the best-estimate ranges of expected future real rates of return (expected return, net investment expense and inflation) for each major asset class. The long-term expected rate of return was determined by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. The plan is 100% invested in U.S. Treasuries (Cash Equivalents) for which the expected 10-Year Geometric Real Rate of Return is (0.04%).

**G. Discount Rate**

The discount rate used to measure the total OPEB liability was 3.56%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current member contribution rate and that contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members. No future State contributions were assumed to be made. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be depleted in 2018 and, as a result, the Municipal Bond Index Rate was used in the determination.



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**H. Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate and the Discount Rate**

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

**I. 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. Detailed information about the Connecticut State Teachers OPEB Plan fiduciary net position is available in the separately issued State of Connecticut Comprehensive Annual Financial Report at [www.ct.gov](http://www.ct.gov).

**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.

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, 2017 was as follows:

Inactive participants:	
Retirees and beneficiaries currently receiving benefits	1,124
Terminated vested employees	67
Total inactive participants	<u>1,191</u>
Active participants	<u>854</u>
Total	<u><u>2,045</u></u>

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**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, 2018 and 2017, were \$21,615 and \$20,551, respectively, and were in accordance with actuarially determined requirements.

**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, 2018:

Baring Core Property Fund, LP	\$	13,993
Acadian Non-US All Cap Equity Fund, USD Hedged, LLC	\$	11,066

**Rate of Return**

For the year ended June 30, 2018, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 9.21%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

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**E. Net Pension Liability of the Town**

The components of the net pension liability of the Town at June 30, 2018, were as follows:

Total pension liability	\$ 463,250
Plan fiduciary net position	<u>207,224</u>
Net Pension Liability	\$ <u>256,026</u>
Plan fiduciary net position as a percentage of the total pension liability	44.73%

For the year ended June 30, 2018, the Town's net pension liability is \$256,026, of which \$252,160 is reported as governmental activities and \$3,866 as business-type activities.

**F. Actuarial Assumptions**

The total pension liability was determined by an actuarial valuation as of July 1, 2017, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increases	2.50%
Investment rate of return	7.25%
Mortality	RP-2000 Annuitant and Non-Annuitant Mortality Tables for males and females projected from base year of 2006 to valuation date by Scale BB. A Blue Collar adjustment is applied pre- and post-retirement for members.

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, 2018 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Large Cap Equities	44.50 %	5.60 %
Core fixed income	30.00	1.75
U.S. Small Cap Equities	10.50	5.90
Developed foreign equities	10.00	5.80
Real estate (property)	<u>5.00</u>	4.25
	<u>100.00 %</u>	

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**G. Discount Rate**

The discount rate used to measure the total pension liability was 7.25%. 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.

<b>Employees' Pension Plan</b>			
	<b>Increase (Decrease)</b>		
	<b>Total Pension Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Net Pension Liability</b>
	<b>(a)</b>	<b>(b)</b>	<b>(a)-(b)</b>
Balances as of July 1, 2017	\$ 424,744	\$ 194,122	\$ 230,622
Changes for the year:			
Service cost	7,832		7,832
Interest on total pension liability	31,343		31,343
Effect of plan changes	(334)		(334)
Effect of economic/demographic gains or losses	5,865		5,865
Effect of assumptions changes or inputs	23,677		23,677
Benefit payments	(29,877)	(29,877)	-
Employer contributions		21,615	(21,615)
Member contributions		3,166	(3,166)
Net investment income (loss)		18,555	(18,555)
Administrative expenses		(357)	357
Net changes	38,506	13,102	25,404
Balances as of June 30, 2018	\$ 463,250	\$ 207,224	\$ 256,026

**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 7.25%, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	<b>1% Decrease (6.25%)</b>	<b>Current Discount Rate (7.25%)</b>	<b>1% Increase (8.25%)</b>
Net Pension Liability	\$ 306,137	\$ 256,026	\$ 213,731

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

At June 30, 2018, 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	\$ 12,121	\$	\$ 186	\$	\$ 12,307	\$ -
Changes of assumptions	17,340	3	266		17,606	3
Net difference between projected and actual earning on pension plan investments		2,995		46	-	3,041
Total	\$ 29,461	\$ 2,998	\$ 452	\$ 46	\$ 29,913	\$ 3,044

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	\$ 16,122	\$ 247	\$ 16,369
2019	7,383	113	7,496
2020	3,784	57	3,841
2021	(826)	(11)	(837)

For the year ended June 30, 2018, the Town recognized pension expense of \$38,305, of which \$37,727 is reported as governmental activities and \$578 as business-type activities.

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The following schedule presents the net position held in trust for pension benefits at June 30, 2018 and the changes in net position for the year ended June 30, 2018:

	<b><u>Pension Trust Fund</u></b>
Assets:	
Cash and cash equivalents	\$ 616
Investments:	
Mutual funds	154,765
Common stock	26,998
Alternative investments	25,059
Receivables:	
Interest and dividends	14
Total assets	<u>207,452</u>
Liabilities:	
Accounts and other payables	<u>228</u>
Net Position:	
Restricted for Pension Benefits	<u>\$ 207,224</u>
	<b><u>Pension Trust Fund</u></b>
Additions:	
Contributions:	
Employer	\$ 21,615
Plan members	3,166
Total contributions	<u>24,781</u>
Investment income:	
Net change in fair value of investments	15,244
Interest	56
Dividends	3,654
Total investment income	<u>18,954</u>
Less investment expense	<u>(399)</u>
Net investment income	<u>18,555</u>
Total additions	<u>43,336</u>
Deductions:	
Benefits	29,877
Administration	357
Total deductions	<u>30,234</u>
Change in Net Position	13,102
Net Position at Beginning of Year	<u>194,122</u>
Net Position at End of Year	<u>\$ 207,224</u>

## **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](http://www.ct.gov).

### **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.

**TOWN OF WEST HARTFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**  
**(In Thousands)**

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*Employees*

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

Effective January 1, 2018, the required contribution increased to 7% of pensionable salary.

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

At June 30, 2018, 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>249,079</u>
Total	\$	<u><u>249,079</u></u>

The net pension liability was measured as of June 30, 2017, 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, 2018, the Town has no proportionate share of the net pension liability.

For the year ended June 30, 2018, the Town recognized pension expense and revenue of \$28,811 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.



**TOWN OF WEST HARTFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**  
**(In Thousands)**

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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.

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:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
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
Fixed income (core)	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 bonds	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.

**TOWN OF WEST HARTFORD, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**  
(In Thousands)

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**13. PRIOR PERIOD ADJUSTMENT AND RESTATEMENT**

The following restatements were recorded to the beginning net position of the governmental activities as a result of implementation of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*:

**Governmental Activities:**

Net position at June 30 2017, as previously reported	\$	21,212
Adjustments:		
Eliminate net OPEB obligation reported per GASB No. 45		8,336
Record net OPEB liability per GASB No. 75		<u>(151,981)</u>
Net Position Balance at July 1, 2017, as Restated	\$	<u><u>(122,433)</u></u>

**Business-Type Activities:**

Net position at June 30 2017, as previously reported	\$	7,624
Adjustments:		
Record net OPEB liability per GASB No. 75		<u>(2,206)</u>
Net Position Balance at July 1, 2017, as Restated	\$	<u><u>5,418</u></u>

**Business-Type Activities - Enterprise Funds**

**Leisure Services Fund:**

Net position at June 30 2017, as previously reported	\$	7,624
Adjustments:		
Record net OPEB liability per GASB No. 75		<u>(2,206)</u>
Net Position Balance at July 1, 2017, as Restated	\$	<u><u>5,418</u></u>



## **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, 2018**  
(In Thousands)

	Budgeted Amounts		Actual	Variance - Positive (Negative)
	Original	Final		
Property taxes:				
Current year levy	\$ 246,073	\$ 248,073	\$ 248,463	\$ 390
Prior year's collections	1,375	1,375	1,577	202
Interest and liens fees	775	775	860	85
Motor vehicle supplement	1,700	2,000	2,045	45
Suspense			55	55
Total property taxes	<u>249,923</u>	<u>252,223</u>	<u>253,000</u>	<u>777</u>
Intergovernmental revenues:				
Federal:				
Impact Aid			75	75
EMS grant	8	8	18	10
Police Grants		302	222	(80)
Dial-A-Ride grant		59	68	9
Total federal assistance	<u>8</u>	<u>369</u>	<u>383</u>	<u>14</u>
State:				
Education Cost-Sharing	20,961	20,961	18,233	(2,728)
School Building Grants	126	126	126	-
Payments In Lieu of Taxes	1,163	1,163	519	(644)
Municipal Revenue Sharing			1,461	1,461
Municipal Revenue Sharing - Sales Tax	2,075	2,075		(2,075)
Municipal Revenue Sharing - Motor Vehicles	2,506	2,506		(2,506)
Disabled Tax Relief	6	6	6	-
Elderly Tax Relief - Circuit Breaker	182	182		(182)
Veterans Exemptions	63	63	63	-
Youth Services Grant	37	37	36	(1)
Alcohol/Drug Abuse Grant	7	7	7	-
Highway Town Aid	687	687	686	(1)
Mashantucket Pequot Fund	195	195	195	-
Miscellaneous State Grants		7	7	-
Emergency 911 Grant	141	141	140	(1)
Telephone Grant	115	115	116	1
Total state assistance	<u>28,264</u>	<u>28,271</u>	<u>21,595</u>	<u>(6,676)</u>
Total intergovernmental revenues	<u>28,272</u>	<u>28,640</u>	<u>21,978</u>	<u>(6,662)</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, 2018**  
(In Thousands)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Charges for services:				
Town Clerk	\$ 1,501	\$ 1,501	\$ 1,360	\$ (141)
Corporation Counsel			1	1
Financial Services	1	1	1	-
Assessment	2	2	2	-
Fire Department	890	890	1,213	323
Police Department	307	307	290	(17)
Community Services	1,747	1,747	1,636	(111)
Public Works	357	357	250	(107)
Human & Leisure Services	722	722	778	56
Library	65	65	48	(17)
Total charges for services	<u>5,592</u>	<u>5,592</u>	<u>5,579</u>	<u>(13)</u>
Miscellaneous local revenues:				
Workers' compensation reimbursement	300	300	487	187
Sale of Assets			1	1
Town-owned property rentals	361	361	350	(11)
Miscellaneous	94	108	317	209
Total miscellaneous local revenues	<u>755</u>	<u>769</u>	<u>1,155</u>	<u>386</u>
Income on investments	<u>384</u>	<u>884</u>	<u>987</u>	<u>103</u>
Total revenues	284,926	288,108	282,699	(5,409)
Other financing sources:				
Transfers in	<u>448</u>	<u>448</u>	<u>3,577</u>	<u>3,129</u>
Total	\$ <u>285,374</u>	\$ <u>288,556</u>	286,276	\$ <u>(2,280)</u>
Budgetary revenues are different than GAAP revenues because:				
On-behalf contributions to the Connecticut State				
Teachers' Retirement System for Town teachers are not budgeted:				
Pension			28,811	
OPEB			2,971	
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>3,950</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>322,008</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, 2018**  
**(In Thousands)**

	Budgeted Amounts		Actual	Variance - Positive (Negative)
	Original	Final		
General Government:				
Town Clerk:				
Personal services	\$ 165	\$ 157	\$ 157	\$ -
Non-personal expense	80	84	84	-
Debt and sundry	10	9	9	-
Total	<u>255</u>	<u>250</u>	<u>250</u>	<u>-</u>
Town Council:				
Personal services	119	118	118	-
Non-personal expense	251	247	247	-
Debt and sundry	9	9	9	-
Total	<u>379</u>	<u>374</u>	<u>374</u>	<u>-</u>
Town Manager:				
Personal services	266	288	288	-
Non-personal expense	4	12	12	-
Debt and sundry	16	18	18	-
Total	<u>286</u>	<u>318</u>	<u>318</u>	<u>-</u>
Corporation Counsel:				
Personal services	257	287	287	-
Non-personal expense	70	65	65	-
Debt and sundry	18	19	19	-
Total	<u>345</u>	<u>371</u>	<u>371</u>	<u>-</u>
Registrar of Voters:				
Personal services	187	183	183	-
Non-personal expense	37	26	26	-
Debt and sundry	12	9	9	-
Total	<u>236</u>	<u>218</u>	<u>218</u>	<u>-</u>
Information Technology:				
Personal services	472	466	466	-
Non-personal expense	431	441	441	-
Debt and sundry	34	33	33	-
Total	<u>937</u>	<u>940</u>	<u>940</u>	<u>-</u>
Financial Services:				
Personal services	1,666	1,658	1,658	-
Non-personal expense	556	540	540	-
Debt and sundry	125	116	116	-
Total	<u>2,347</u>	<u>2,314</u>	<u>2,314</u>	<u>-</u>
Assessment:				
Personal services	618	648	648	-
Non-personal expense	59	53	53	-
Debt and sundry	47	48	48	-
Total	<u>724</u>	<u>749</u>	<u>749</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, 2018**  
**(In Thousands)**

	<b>Budgeted Amounts</b>			<b>Variance - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
Human Resources:				
Personal services	\$ 348	\$ 350	\$ 350	\$ -
Non-personal expense	63	60	60	-
Debt and sundry	25	25	25	-
Total	436	435	435	-
Total general government	5,945	5,969	5,969	-
Public Safety:				
Fire Department:				
Personal services	10,435	10,591	10,591	-
Non-personal expense	1,005	988	988	-
Debt and sundry	164	159	159	-
Total	11,604	11,738	11,738	-
Police Department:				
Personal services	13,619	13,728	13,728	-
Non-personal expense	921	780	780	-
Debt and sundry	307	291	291	-
Total	14,847	14,799	14,799	-
Total public safety	26,451	26,537	26,537	-
Community Maintenance:				
Community Development:				
Personal services	2,196	2,134	2,134	-
Non-personal expense	171	136	136	-
Debt and sundry	164	154	154	-
Total	2,531	2,424	2,424	-
Public Works:				
Personal services	4,200	4,193	3,799	394
Non-personal expense	7,187	5,905	5,905	-
Debt and sundry	315	258	258	-
Total	11,702	10,356	9,962	394
Plant and Facility Services:				
Personal services	1,184	1,072	1,072	-
Non-personal expense	1,295	1,703	1,703	-
Debt and sundry	84	78	78	-
Total	2,563	2,853	2,853	-
Total community maintenance	16,796	15,633	15,239	394

(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, 2018**  
**(In Thousands)**

	<b>Budgeted Amounts</b>			<b>Variance - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
Human and Cultural:				
Library:				
Personal services	\$ 2,588	\$ 2,488	\$ 2,488	\$ -
Non-personal expense	655	621	621	-
Debt and sundry	179	179	179	-
Total	<u>3,422</u>	<u>3,288</u>	<u>3,288</u>	<u>-</u>
Leisure and Social Services:				
Personal services	2,050	2,018	2,018	-
Non-personal expense	955	926	926	-
Debt and sundry	118	98	98	-
Total	<u>3,123</u>	<u>3,042</u>	<u>3,042</u>	<u>-</u>
Total human and cultural	<u>6,545</u>	<u>6,330</u>	<u>6,330</u>	<u>-</u>
Education	<u>159,575</u>	<u>159,575</u>	<u>158,523</u>	<u>1,052</u>
Debt and sundry	<u>50,884</u>	<u>50,935</u>	<u>46,400</u>	<u>4,535</u>
Total expenditures	<u>266,196</u>	<u>264,979</u>	<u>258,998</u>	<u>5,981</u>
Other financing uses:				
Transfers out	<u>19,178</u>	<u>23,577</u>	<u>23,568</u>	<u>9</u>
Total	<u>\$ 285,374</u>	<u>\$ 288,556</u>	<u>282,566</u>	<u>\$ 5,990</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:

Pension

28,811

OPEB

2,971

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.

3,950

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.

40

Inventory purchases are reported as expenditures for budgetary purposes

(12)

Total Expenditures and Other Financing Uses as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - Exhibit IV

\$ 318,326

**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, 2018**  
**(In Thousands)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
Revenues:			
Intergovernmental	\$ <u>250</u>	\$ <u>227</u>	\$ <u>(23)</u>
Expenditures:			
Current:			
Human and cultural:			
Non-personal expense	<u>250</u>	<u>114</u>	<u>136</u>
Excess of Revenues over Expenditures	-	113	113
Other Financing Uses:			
Transfers out	<u></u>	<u>(113)</u>	<u>(113)</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**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**  
**TOWN OF WEST HARTFORD RETIREMENT SYSTEM**  
**LAST FIVE FISCAL YEARS\***  
**(In Thousands)**

	2014	2015	2016	2017	2018
Total pension liability:					
Service cost	\$ 5,563	\$ 5,845	\$ 5,841	\$ 7,641	\$ 7,832
Interest	27,384	27,666	27,784	30,633	31,343
Effect of plan changes	57	(185)	3		(334)
Effect of economic/demographic gains or losses		886	31,784		5,865
Effect of assumption changes or inputs		7,220	(12)		23,677
Benefit payments	(24,332)	(25,209)	(26,515)	(28,080)	(29,877)
Net change in total pension liability	8,672	16,223	38,885	10,194	38,506
Total pension liability - beginning	350,770	359,442	375,665	414,550	424,744
Total pension liability - ending	359,442	375,665	414,550	424,744	463,250
Plan fiduciary net position:					
Contributions - employer	15,957	17,712	17,917	20,551	21,615
Contributions - member	2,621	2,675	3,047	3,063	3,166
Net investment income (loss)	28,230	8,632	(976)	23,647	18,555
Benefit payments	(24,332)	(25,209)	(26,515)	(28,080)	(29,877)
Administrative expense	(314)	(306)	(313)	(305)	(357)
Net change in plan fiduciary net position	22,162	3,504	(6,840)	18,876	13,102
Plan fiduciary net position - beginning	156,420	178,582	182,086	175,246	194,122
Plan fiduciary net position - ending	178,582	182,086	175,246	194,122	207,224
Net Pension Liability - Ending	\$ 180,860	\$ 193,579	\$ 239,304	\$ 230,622	\$ 256,026
Plan fiduciary net position as a percentage of the total pension liability	49.68%	48.47%	42.27%	45.70%	44.73%
Covered payroll	\$ 57,281	\$ 53,742	\$ 59,332	\$ 60,815	\$ 58,708
Net pension liability as a percentage of covered payroll	315.74%	360.20%	403.33%	379.22%	436.10%

**Notes to Schedule**

Assumption Changes:

Investment rate of return	7.95%	7.54%	7.50%	7.50%	7.25%
Discount rate	7.95%	7.54%	7.50%	7.50%	7.25%
Inflation	2.75%	2.75%	3.00%	3.00%	2.75%

Mortality:

RP-2000 Annuitant and Non-Annuitant Mortality Tables for males and females projected from base year of 2006 to valuation date by Scale BB. A Blue Collar adjustment is applied pre- and post-retirement for members.

\*\*

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

\*\* Applicable for that particular year

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

	<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>	<u>2018</u>
Actuarially determined contribution	\$ 6,813	\$ 7,481	\$ 10,002	\$ 11,648	\$ 14,167	\$ 15,957	\$ 17,712	\$ 17,917	\$ 20,551	\$ 21,615
Contributions in relation to the actuarially determined contribution	<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>	<u>21,615</u>
Contribution Deficiency (Excess)	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 48,107	\$ 50,031	\$ 53,028	\$ 55,150	\$ 55,078	\$ 57,281	\$ 53,742	\$ 59,332	\$ 60,815	\$ 58,708
Contributions as a percentage of covered payroll	14.16%	14.95%	18.86%	21.12%	25.72%	27.86%	32.96%	30.20%	33.79%	36.82%

**Notes to Schedule**

Valuation date: July 1, 2017  
Measurement date: June 30, 2018  
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	28-year closed period
Asset valuation method	5-year smoothed market
Inflation	2.75%; Prior: 3%
Salary increases	2.50%
Investment rate of return	7.25%; Prior: 7.5%
Retirement age	Rates vary by group and age
Mortality	RP-2000 Annuitant and Non-Annuitant Mortality Tables for males and females projected from base year of 2006 to valuation date by Scale BB. A Blue Collar adjustment is applied pre- and post-retirement for members. Prior: 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  
 TOWN OF WEST HARTFORD RETIREMENT SYSTEM  
 LAST FIVE FISCAL YEARS\***

	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
Annual money-weighted rate of return, net of investment expense	18.43%	4.69%	-0.52%	12.95%	9.21%

\* 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 FOUR FISCAL YEARS\***  
(In Thousands)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Town's proportion of the net pension liability	0.00%	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>	<u>249,079</u>
Total	<u>\$ 188,888</u>	<u>\$ 204,358</u>	<u>\$ 262,780</u>	<u>\$ 249,079</u>
Town's covered-employee payroll	\$ 70,896	\$ 73,271	\$ 75,921	\$ 76,720
Town's proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension	61.51%	59.50%	52.26%	55.93%

**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 TWO FISCAL YEARS\***  
**(In Thousands)**

	<u>2017</u>	<u>2018</u>
Total OPEB liability:		
Service cost	\$ 2,242	\$ 2,321
Interest	11,278	11,557
Change of benefit terms		70
Differences between expected and actual experience	2,300	2,694
Changes of assumptions		16,278
Benefit payments, including refunds of member contributions	<u>(11,141)</u>	<u>(10,944)</u>
Net change in total OPEB liability	4,679	21,976
Total OPEB liability - beginning	<u>152,469</u>	<u>157,148</u>
Total OPEB liability - ending	<u>157,148</u>	<u>179,124</u>
Plan fiduciary net position:		
Contributions - employer	12,019	12,208
Contributions - member	99	100
Contributions - TRB subsidy	378	358
Net investment income	166	79
Benefit payments, including refunds of member contributions	<u>(11,141)</u>	<u>(10,944)</u>
Net change in plan fiduciary net position	1,521	1,801
Plan fiduciary net position - beginning	<u>1,440</u>	<u>2,961</u>
Plan fiduciary net position - ending	<u>2,961</u>	<u>4,762</u>
Net OPEB Liability - Ending	<u>\$ 154,187</u>	<u>\$ 174,362</u>
Plan fiduciary net position as a percentage of the total OPEB liability	1.88%	2.66%
Covered payroll	\$ 113,393	\$ 120,515
Net OPEB liability as a percentage of covered payroll	135.98%	144.68%

**Notes to Schedule**

Assumption Changes:

Investment rate of return	7.50%	7.04%
Inflation	2.50%	2.60%

Healthcare cost trend rates:

7.1% in 2017, reducing by .5% each year to an ultimate rate of 4.6% per year rate for 2022 and later	**
--	----

8% in 2015, decreases by .5% per year down to 4.5% in 2022 and later.	**
---	----

Mortality:

RP-2000 Annuitant and Non-Annuitant Mortality Tables for males and females projected from base year of 2006 to valuation date by Scale BB. A Blue Collar adjustment is applied pre- and post-retirement for members.	**
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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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\* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

\*\* Applicable for that particular year

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Actuarially determined contribution (1)	\$ 6,658	\$ 7,062	\$ 6,979	\$ 7,318	\$ 8,506	\$ 8,999	\$ 9,780	\$ 11,251	\$ 11,981	\$ 12,689
Contributions in relation to the actuarially determined contribution	5,910	6,400	6,381	6,450	7,381	7,690	8,473	10,813	12,019	12,208
Contribution Deficiency (Excess)	\$ 748	\$ 662	\$ 598	\$ 868	\$ 1,125	\$ 1,309	\$ 1,307	\$ 438	\$ (38)	\$ 481
Covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	\$ 105,853	\$ 109,558	\$ 113,393	\$ 120,515
Contributions as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	8.00%	9.87%	10.60%	10.13%

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, 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 Normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	28 years, closed
Asset valuation method	Market Value
Inflation	2.60%; Prior: 2.50%
Healthcare cost trend rates	The annual healthcare cost trend rate starts at 7.1% in 2017, reducing by .5% each year to an ultimate rate of 4.6% per year rate for 2022 and later. Prior: 8% in 2015, decreases by .5% per year down to 4.5% in 2022 and later.
Salary increases	3.50%
Investment rate of return	7.04%; Prior: 7.5%
Retirement age	Varies by age
Mortality	RP-2000 Annuitant and Non-Annuitant Mortality Tables for males and females projected from base year of 2006 to valuation date by Scale BB. A Blue Collar adjustment is applied pre- and post-retirement for members. Prior: 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.

N/A - not available



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

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	<b>2017</b>	<b>2018</b>
Annual money-weighted rate of return, net of investment expense	11.19%	2.63%

\* 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 OPEB LIABILITY**  
**TEACHERS' RETIREMENT PLAN**  
**LAST FISCAL YEAR\***  
**(In Thousands)**

	<b>2018</b>
Town's proportion of the net pension liability	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>64,110</u>
Total	<u>\$ 64,110</u>
Town's covered payroll	\$ 76,720
Town's proportionate share of the net pension liability as a percentage of its covered payroll	0.00%
Plan fiduciary net position as a percentage of the total pension liability	1.79%

**Notes to Schedule**

Changes in benefit terms  
Changes of assumptions

None

The discount rate was increased from 3.01% to 3.56% to reflect the change in the Municipal Bond Index Rate.

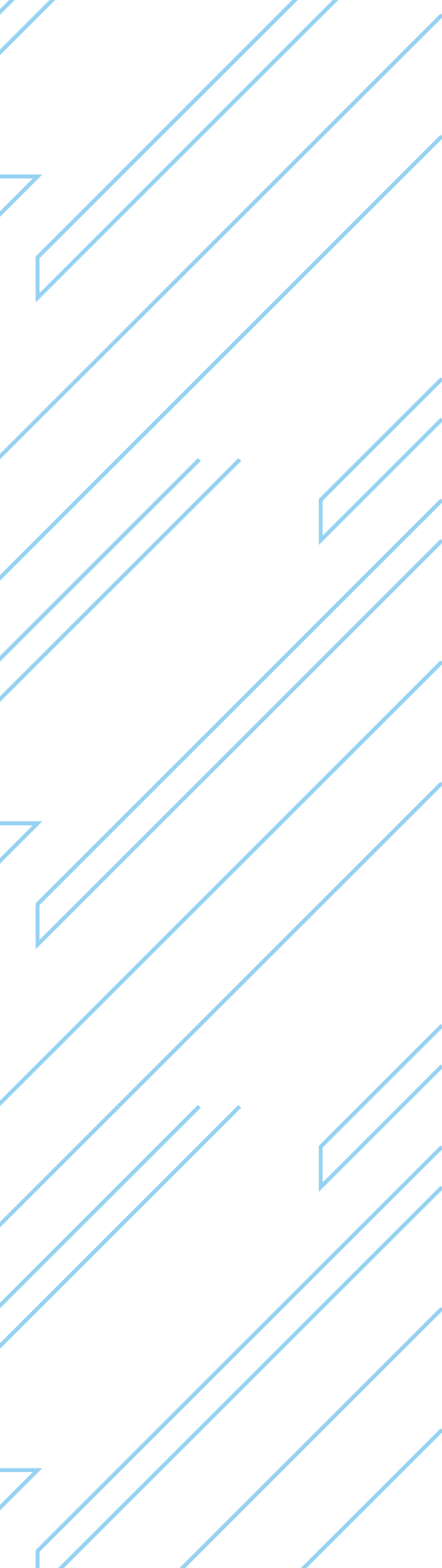
Changes were made to the assumed initial per capita health care costs, rates of health care inflation used to project the per capita costs, and the rates of Plan participation based upon recent experience and current expectations.

As a result of the experience study for the five-year period ended June 30, 2015, the payroll growth rate assumption was decreased from 3.75% to 3.25% to reflect the decrease in the rate of inflation and the decrease in the rate of real wage increase. Last, the salary growth assumption, the payroll growth rate, the rates of withdrawal, the rates of retirement, the rates of mortality, and the rates of disability incidence were adjusted based upon the experience study's findings and their adoption by the Board.

Actuarial cost method  
Amortization method  
Remaining amortization period  
Asset valuation method  
Investment rate of return

Entry age  
Level percent of payroll  
30 years, open  
Market value of assets  
4.25%, net of investment related expense including price inflation

\* 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, 2018 AND 2017**  
**(In Thousands)**

	<u>2018</u>	<u>2017</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 41,047	\$ 34,059
Investments	8,900	10,211
Receivables:		
Property taxes - net of allowance \$468 for 2018 and 2017	2,523	2,602
Due from other governments	514	746
Due from component unit	21	
Other	278	96
Due from other funds	2,494	2,457
Inventory	<u>289</u>	<u>193</u>
Total Assets	\$ <u>56,066</u>	\$ <u>50,364</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>		
Liabilities:		
Accounts payable	\$ 2,640	\$ 2,847
Payroll liabilities	8,142	6,503
Other liabilities	888	792
Unearned revenues	<u>2,478</u>	<u>1,347</u>
Total liabilities	<u>14,148</u>	<u>11,489</u>
Deferred inflows of resources:		
Unavailable revenue - property taxes	2,006	2,174
Unavailable revenue - school building grants		253
Advance property tax collections	<u>13,685</u>	<u>13,903</u>
Total deferred inflows of resources	<u>15,691</u>	<u>16,330</u>
Fund balances:		
Nonspendable	289	193
Assigned	500	541
Unassigned	<u>25,438</u>	<u>21,811</u>
Total fund balances	<u>26,227</u>	<u>22,545</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ <u>56,066</u>	\$ <u>50,364</u>

TOWN OF WEST HARTFORD, CONNECTICUT  
GENERAL FUND  
REPORT OF TAX COLLECTOR  
FOR THE YEAR ENDED JUNE 30, 2018  
(In Thousands)

Grand List	Uncollected Taxes July 1, 2017	Lawful Corrections		Transfers To Suspense	Net Amount Collectible	Collections				Uncollected Taxes June 30, 2018
		Additions	Deductions			Taxes	Interest	Fees	Total	
2016	\$ 253,661	\$ 567	\$ 1,230	\$	\$ 252,998	\$ 251,419	\$ 343	\$ 2	\$ 251,764	\$ 1,579
2015	1,819	234	172		1,881	1,169	259	3	1,431	712
2014	692	175	35	278	554	324	125	1	450	230
2013	161				161	44	22		66	117
2012	111				111	9	8		17	102
2011	96				96	14	12		26	82
2010	54				54	13	16		29	41
2009	42				42	3	2		5	39
2008	33				33	2	1		3	31
2007	20				20		1		1	20
2006	13				13		1		1	13
2005	9				9		1		1	9
2004	7				7				-	7
2003	5				5				-	5
2002	4				4				-	4
Total	\$ <u>256,727</u>	\$ <u>976</u>	\$ <u>1,437</u>	\$ <u>278</u>	\$ <u>255,988</u>	252,997	791	6	253,794	\$ <u>2,991</u>
Suspense collections						53	55	8	116	
Advance payments, June 30, 2017						(13,903)			(13,903)	
Advance payments, June 30, 2018						<u>13,685</u>			<u>13,685</u>	
Total						\$ <u>252,832</u>	\$ <u>846</u>	\$ <u>14</u>	\$ <u>253,692</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, 2018**  
**(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	\$	\$ 2,724	\$ 103	\$ 410	\$ 484	\$	\$ 152
Receivables, net		111	10		56	248	540	118
Inventory						59		
Total Assets	<u>\$ 9</u>	<u>\$ 111</u>	<u>\$ 2,734</u>	<u>\$ 103</u>	<u>\$ 466</u>	<u>\$ 791</u>	<u>\$ 540</u>	<u>\$ 270</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ 1	\$	\$ 26	\$	\$ 4	\$	\$ 45	\$ 242
Payroll liabilities	8		29		25	1	22	8
Due to other funds							473	
Unearned revenue			1		2	144		17
Total liabilities	<u>9</u>	<u>-</u>	<u>56</u>	<u>-</u>	<u>31</u>	<u>145</u>	<u>540</u>	<u>267</u>
Deferred inflows of resources:								
Unavailable revenue - loans on receivables		111						
Fund balances:								
Nonspendable						59		
Restricted				103	435			3
Committed			2,678			587		
Total fund balances	<u>-</u>	<u>-</u>	<u>2,678</u>	<u>103</u>	<u>435</u>	<u>646</u>	<u>-</u>	<u>3</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 9</u>	<u>\$ 111</u>	<u>\$ 2,734</u>	<u>\$ 103</u>	<u>\$ 466</u>	<u>\$ 791</u>	<u>\$ 540</u>	<u>\$ 270</u>

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**TOWN OF WEST HARTFORD, CONNECTICUT**  
**COMBINING BALANCE SHEET (CONTINUED)**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2018**  
**(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
<b>ASSETS</b>								
Cash and cash equivalents	\$ 1,629	\$ 75	\$ 169	\$ 2	\$ 125	\$ 17	\$ 1,715	\$ 5
Receivables, net	37				550		4	1
Inventory								
Total Assets	<u>\$ 1,666</u>	<u>\$ 75</u>	<u>\$ 169</u>	<u>\$ 2</u>	<u>\$ 675</u>	<u>\$ 17</u>	<u>\$ 1,719</u>	<u>\$ 6</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>								
Liabilities:								
Accounts payable	\$ 27	\$ 2	\$ 6	\$	\$	\$	\$ 27	\$
Payroll liabilities	37				356		5	
Due to other funds					307			
Unearned revenue	249	2						
Total liabilities	<u>313</u>	<u>4</u>	<u>6</u>	<u>-</u>	<u>663</u>	<u>-</u>	<u>32</u>	<u>-</u>
Deferred inflows of resources:								
Unavailable revenue - loans on receivables								
Fund balances:								
Nonspendable								
Restricted							1,166	6
Committed	1,353	71	163	2	12	17	521	
Total fund balances	<u>1,353</u>	<u>71</u>	<u>163</u>	<u>2</u>	<u>12</u>	<u>17</u>	<u>1,687</u>	<u>6</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 1,666</u>	<u>\$ 75</u>	<u>\$ 169</u>	<u>\$ 2</u>	<u>\$ 675</u>	<u>\$ 17</u>	<u>\$ 1,719</u>	<u>\$ 6</u>

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**TOWN OF WEST HARTFORD, CONNECTICUT**  
**COMBINING BALANCE SHEET (CONTINUED)**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2018**  
**(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
<b>ASSETS</b>							
Cash and cash equivalents	\$ 579	\$ 113	\$ 4	\$ 41	\$ 8,356	\$ 82	\$ 8,438
Receivables, net			3		1,678		1,678
Inventory					59		59
Total Assets	<u>\$ 579</u>	<u>\$ 113</u>	<u>\$ 7</u>	<u>\$ 41</u>	<u>\$ 10,093</u>	<u>\$ 82</u>	<u>\$ 10,175</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>							
Liabilities:							
Accounts payable	\$ 8	\$ 2	\$	\$ 2	\$ 392	\$	\$ 392
Payroll liabilities		2			493		493
Due to other funds					780		780
Unearned revenue	421				836		836
Total liabilities	<u>429</u>	<u>4</u>	<u>-</u>	<u>2</u>	<u>2,501</u>	<u>-</u>	<u>2,501</u>
Deferred inflows of resources:							
Unavailable revenue - loans on receivables			3		114		114
Fund balances:							
Nonspendable					59	82	141
Restricted	150	109	4	39	2,015		2,015
Committed					5,404		5,404
Total fund balances	<u>150</u>	<u>109</u>	<u>4</u>	<u>39</u>	<u>7,478</u>	<u>82</u>	<u>7,560</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 579</u>	<u>\$ 113</u>	<u>\$ 7</u>	<u>\$ 41</u>	<u>\$ 10,093</u>	<u>\$ 82</u>	<u>\$ 10,175</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, 2018**  
**(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	\$ 753	\$	\$	\$ 6	\$	\$ 1,568	\$ 559	\$ 5,250
Charges for services			3,188		306	1,976		
Income on investments			14	1	381	5		
Miscellaneous				5	16			
Total revenues	<u>753</u>	<u>-</u>	<u>3,202</u>	<u>12</u>	<u>703</u>	<u>3,549</u>	<u>559</u>	<u>5,250</u>
Expenditures:								
Current:								
Public safety				16				
Community maintenance			2,775					
Human and cultural	537				651			
Education						3,501	2,159	5,247
Capital outlay			91	21				
Total expenditures	<u>537</u>	<u>-</u>	<u>2,866</u>	<u>37</u>	<u>651</u>	<u>3,501</u>	<u>2,159</u>	<u>5,247</u>
Excess (Deficiency) of Revenues over Expenditures	<u>216</u>	<u>-</u>	<u>336</u>	<u>(25)</u>	<u>52</u>	<u>48</u>	<u>(1,600)</u>	<u>3</u>
Other Financing Sources (Uses):								
Transfers in	113						1,600	
Transfers out	<u>(329)</u>	<u>(9)</u>			<u>(28)</u>	<u>(6)</u>		
Total other financing sources (uses)	<u>(216)</u>	<u>(9)</u>	<u>-</u>	<u>-</u>	<u>(28)</u>	<u>(6)</u>	<u>1,600</u>	<u>-</u>
Net Change in Fund Balances	-	(9)	336	(25)	24	42	-	3
Fund Balances at Beginning of Year	<u>-</u>	<u>9</u>	<u>2,342</u>	<u>128</u>	<u>411</u>	<u>604</u>	<u>-</u>	
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,678</u>	<u>\$ 103</u>	<u>\$ 435</u>	<u>\$ 646</u>	<u>\$ -</u>	<u>\$ 3</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, 2018**  
**(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	\$ 265	\$ 8	\$	\$	\$	\$	\$	\$
Charges for services	1,217	18		12	2,007		407	
Income on investments	21	1	1			1	14	6
Miscellaneous	176		489					
Total revenues	<u>1,679</u>	<u>27</u>	<u>490</u>	<u>12</u>	<u>2,007</u>	<u>1</u>	<u>421</u>	<u>6</u>
Expenditures:								
Current:								
Public safety					2,112			
Community maintenance								
Human and cultural		19					390	
Education	2,130		410					
Capital outlay								
Total expenditures	<u>2,130</u>	<u>19</u>	<u>410</u>	<u>-</u>	<u>2,112</u>	<u>-</u>	<u>390</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(451)</u>	<u>8</u>	<u>80</u>	<u>12</u>	<u>(105)</u>	<u>1</u>	<u>31</u>	<u>6</u>
Other Financing Sources (Uses):								
Transfers in	283							
Transfers out	(3)						(3)	(45)
Total other financing sources (uses)	<u>280</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3)</u>	<u>(45)</u>
Net Change in Fund Balances	(171)	8	80	12	(105)	1	28	(39)
Fund Balances at Beginning 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>
Fund Balances at End of Year	<u>\$ 1,353</u>	<u>\$ 71</u>	<u>\$ 163</u>	<u>\$ 2</u>	<u>\$ 12</u>	<u>\$ 17</u>	<u>\$ 1,687</u>	<u>\$ 6</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, 2018**  
**(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	\$	\$	\$	\$	8,409	\$	8,409
Charges for services					9,131		9,131
Income on investments	1	1			447		447
Miscellaneous	125	163			974		974
Total revenues	126	164	-	-	18,961	-	18,961
Expenditures:							
Current:							
Public safety					2,128		2,128
Community maintenance					2,775		2,775
Human and cultural	136			4	1,737		1,737
Education		177			13,624		13,624
Capital outlay					112		112
Total expenditures	136	177	-	4	20,376	-	20,376
Excess (Deficiency) of Revenues over Expenditures	(10)	(13)	-	(4)	(1,415)	-	(1,415)
Other Financing Sources (Uses):							
Transfers in					1,996		1,996
Transfers out					(423)		(423)
Total other financing sources (uses)	-	-	-	-	1,573	-	1,573
Net Change in Fund Balances	(10)	(13)	-	(4)	158	-	158
Fund Balances at Beginning of Year	160	122	4	43	7,320	82	7,402
Fund Balances at End of Year	\$ 150	\$ 109	\$ 4	\$ 39	\$ 7,478	\$ 82	\$ 7,560

**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, 2018  
(In Thousands)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
Revenues:			
Intergovernmental	\$ <u>1,440</u>	\$ <u>753</u>	\$ <u>(687)</u>
Expenditures:			
Current:			
Human and cultural:			
Human services:			
Personal services	263	250	13
Non-personal expense	132	123	9
Capital outlay	121		121
Debt and sundry	161	164	(3)
Total expenditures	<u>677</u>	<u>537</u>	<u>140</u>
Excess of Revenues over Expenditures	<u>763</u>	<u>216</u>	<u>(547)</u>
Other Financing Uses:			
Transfers in		113	113
Transfers out	<u>(763)</u>	<u>(329)</u>	<u>434</u>
Total other financing uses	<u>(763)</u>	<u>(216)</u>	<u>547</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  
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, 2018  
(In Thousands)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
Revenues:			
Interest	\$	\$	\$ -
Miscellaneous			-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:			
Human and cultural:			
Non-personal	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues over Expenditures	-	-	-
Other Financing Uses:			
Transfers out	<u>(9)</u>	<u>(9)</u>	<u>-</u>
Net Change in Fund Balance	\$ <u><u>(9)</u></u>	(9)	\$ <u><u>-</u></u>
Fund Balance at Beginning of Year		<u>9</u>	
Fund Balance at End of Year		\$ <u><u>-</u></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, 2018

(In Thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
Revenues:			
Charges for services	\$ 3,401	\$ 3,109	\$ (292)
Fines and forfeitures	100	79	(21)
Interest	5	14	9
Total revenues	<u>3,506</u>	<u>3,202</u>	<u>(304)</u>
Expenditures:			
Current:			
Community maintenance:			
Personal services	908	911	(3)
Non-personal expense	1,141	1,115	26
Capital outlay	246	39	207
Debt and sundry	744	749	(5)
Total expenditures	<u>3,039</u>	<u>2,814</u>	<u>225</u>
Excess of Revenues over Expenditures	\$ <u>467</u>	388	\$ <u>(79)</u>
Fund Balance at Beginning of Year		<u>2,290</u>	
Fund Balance at End of Year		\$ <u>2,678</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, 2018**  
**(In Thousands)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
Revenues:			
Charges for services	\$ 307	\$ 306	\$ (1)
Interest	340	381	41
Miscellaneous	22	16	(6)
Total revenues	<u>669</u>	<u>703</u>	<u>34</u>
Expenditures:			
Current:			
Human and cultural:			
Personal services	355	351	4
Non-personal expense	116	134	(18)
Debt and sundry	172	166	6
Total expenditures	<u>643</u>	<u>651</u>	<u>(8)</u>
Excess of Revenues over Expenditures	26	52	26
Other Financing Uses:			
Transfers out	<u>(28)</u>	<u>(28)</u>	<u>-</u>
Net Change in Fund Balance	\$ <u>(2)</u>	24	\$ <u>26</u>
Fund Balance at Beginning of Year		<u>411</u>	
Fund Balance at End of Year		\$ <u>435</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, 2018**  
**(In Thousands)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
Revenues:			
Intergovernmental	\$ 656	\$ 559	\$ (97)
Expenditures:			
Current:			
Education	<u>2,266</u>	<u>2,159</u>	<u>107</u>
Deficiency of Revenues over Expenditures	(1,610)	(1,600)	10
Other Financing Sources:			
Transfers in	<u>1,610</u>	<u>1,600</u>	<u>(10)</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, 2018**  
**(In Thousands)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
Revenues:			
Intergovernmental	\$	\$ 8	\$ 8
Charges for services	15	18	3
Interest		1	1
Total revenues	<u>15</u>	<u>27</u>	<u>12</u>
Expenditures:			
Current:			
Human and cultural:			
Non-personal expense	15	19	(4)
Capital outlay	85		85
Total expenditures	<u>100</u>	<u>19</u>	<u>81</u>
Excess (Deficiency) of Revenues over Expenditures	\$ <u>(85)</u>	8	\$ <u>93</u>
Fund Balance at Beginning of Year		<u>63</u>	
Fund Balance at End of Year		\$ <u>71</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, 2018  
 (In Thousands)**

---

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
Revenues:			
Charges for services	\$ <u>12</u>	\$ 12	\$ <u>-</u>
Fund Balance at Beginning of Year		<u>(10)</u>	
Fund Balance at End of Year		\$ <u>2</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, 2018**  
**(In Thousands)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
Revenues:			
Charges for services	\$ <u>2,100</u>	\$ <u>2,007</u>	\$ <u>(93)</u>
Expenditures:			
Current:			
Public safety:			
Personal services	1,400	1,466	(66)
Non-personal expense	17	118	(101)
Debt and sundry	<u>529</u>	<u>528</u>	<u>1</u>
Total expenditures	<u>1,946</u>	<u>2,112</u>	<u>(166)</u>
Excess (Deficiency) of Revenues over Expenditures	154	(105)	(259)
Other Financing Uses:			
Transfers out	<u>(125)</u>		<u>125</u>
Net Change in Fund Balance	\$ <u>29</u>	(105)	\$ <u>(134)</u>
Fund Balance at Beginning of Year		<u>117</u>	
Fund Balance at End of Year		\$ <u>12</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, 2018  
(In Thousands)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
Revenues:			
Charges for services	\$ 340	\$ 407	\$ 67
Income on investments	7	14	7
Total revenues	<u>347</u>	<u>421</u>	<u>74</u>
Expenditures:			
Current:			
Human and cultural:			
Personal services	132	136	(4)
Non-personal expense	179	164	15
Debt and sundry	91	90	1
Total expenditures	<u>402</u>	<u>390</u>	<u>12</u>
Excess (Deficiency) of Revenues over Expenditures	(55)	31	86
Other Financing Uses:			
Transfers out	<u>(3)</u>	<u>(3)</u>	<u>-</u>
Net Change in Fund Balance	\$ <u>(58)</u>	28	\$ <u>86</u>
Fund Balance at Beginning of Year		<u>493</u>	
Fund Balance at End of Year		\$ <u>521</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, 2018**  
**(In Thousands)**

<b>Fiscal Year</b>	<b>Project Name</b>	<b>Amended Budget</b>	<b>Expended and Encumbered Current Year</b>	<b>Total All Years</b>	<b>Project Balance</b>
	Public Buildings:				
2012	Town Building Improvements	\$ 1,268	\$ 19	\$ 1,268	\$ -
2013	Town Building Improvements	1,386	1	1,386	-
2015	Town Building Improvements	1,385	4	1,385	-
2015	Cemetery Improvements	310	-	310	-
2016	Town Building Improvements	1,430	114	1,430	-
2016	Energy Conservation	4,399	2,135	4,262	137
2017	Town Building Improvements	1,470	511	1,442	28
2017	Energy Conservation	100	-	-	100
2017	Cemetery Improvements	210	76	110	100
2018	Town Building Improvements	1,364	922	922	442
	Total Public Buildings	13,322	3,782	12,515	807
	Parks and Recreation:				
2003	Beachland Park Improvements	150	4	150	-
2010	Children's Museum	499	-	499	-
2010	WH Dog Park	2	-	-	2
2011	Fernridge Pool	150	-	150	-
2013	Beachland Pool	150	25	139	11
2014	Park/Playscape Improvements	88	7	88	-
2014	Troutbrook Trail - Phase II	76	-	58	18
2015	Athletic Playfield Improvements	110	3	39	71
2015	Cornerstone Pool	25	9	22	3
2015	Outdoor Pool Improvements	50	-	50	-
2015	Goodrich Field Improvements	165	-	162	3
2015	Troutbrook Trail - Phase II Construction	560	57	440	120
2015	Troutbrook Trail - Phase VI	330	19	64	266
2015	Sarah Whitman Hooker House	25	22	24	1
2016	Sitework - Recreational Facilities	50	-	50	-
2016	Rockledge Golf Course	50	20	27	23
2016	Outdoor Pool Improvements	51	33	36	15
2016	Park/Playscape Improvements	60	58	60	-
2017	Sitework - Recreational Facilities	50	20	50	-
2017	ECC Site Improvements - CDBG	96	5	96	-
2017	Cornerstone - CDBG	218	218	218	-
2017	Outdoor Pool Improvements	75	5	7	68
2017	Park & Playfield Improvements	100	-	-	100
2017	Park & Playscape Management	78	14	14	64
2018	Sitework - Recreational Facilities	50	38	38	12
2018	Rockledge Improvements	50	-	-	50
2018	Rockledge Deck Improvements	45	45	45	-
2018	Park & Playfield Improvements	125	-	-	125
2018	Park & Playscape Management	62	-	-	62
2018	Troutbrook Trail - Phase III	500	-	-	500
	Total Parks and Recreation	4,040	602	2,526	1,514

(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, 2018**  
**(In Thousands)**

<b>Fiscal Year</b>	<b>Project Name</b>	<b>Amended Budget</b>	<b>Expended and Encumbered Current Year</b>	<b>Total All Years</b>	<b>Project Balance</b>
	Infrastructure:				
2014	Streetlight Relamping	\$ 90	\$ -	\$ 74	\$ 16
2014	Stormwater Management	740	8	740	-
2014	Park Road/I84 Design	431	1	399	32
2015	Stormwater Management	340	18	340	-
2016	Arterial Street Reconstruction	1,360	5	1,360	-
2016	Street Resurfacing	706	43	706	-
2016	Street Resurfacing - CDBG	138	-	138	-
2016	Traffic System Management	200	65	161	39
2016	Stormwater Management	720	5	720	-
2016	Whitman Avenue Bridge	129	4	35	94
2016	Mayflower Street Bridge	71	12	70	1
2016	Pedestrian & Bicycle Management	402	-	402	-
2017	Arterial Street Reconstruction	1,390	260	1,390	-
2017	Neighborhood Street Improvements	1,532	85	1,532	-
2017	Street Resurfacing	1,473	61	1,473	-
2017	Street Resurfacing - CDBG	85	85	85	-
2017	Traffic System Management	82	21	82	-
2017	Stormwater Management	628	17	628	-
2017	Pedestrian & Bicycle Management	1,174	82	723	451
2017	Park Road Interchange	5,088	5,030	5,088	-
2018	Arterial Street Reconstruction	1,442	817	1,442	-
2018	Neighborhood Street Reconstruction	1,478	796	1,478	-
2018	Street Resurfacing	856	706	856	-
2018	Street Resurfacing - CDBG	100	100	100	-
2018	Traffic System Management	234	203	203	31
2018	Stormwater Management	699	405	541	158
2018	North Main Street Bridge Rehabilitation	1,696	35	35	1,661
2018	Pedestrian and Bicycle Management	470	175	470	-
2018	Park Road Interchange	2,951	2,214	2,214	737
2018	Albany Ave at Mountain Road	1,555	-	-	1,555
2018	Arterial Street Reconstruction	1,486	364	364	1,122
2018	Neighborhood Street Reconstruction	1,625	1,323	1,323	302
2018	Street Resurfacing	962	814	814	148
2018	Stormwater Management	400	-	-	400
2018	Pedestrian & Bicycle Management	400	378	378	22
	Total Infrastructure	33,133	14,132	26,364	6,769
	Miscellaneous:				
2011	Radio Communications System	995	509	995	-
2013	Fire Station Alerting System	100	100	100	-
2015	Fire Apparatus	790	-	629	161
2015	Property Revaluation - 2016	600	12	600	-
2015	Personal Property Assessment	50	13	35	15
2015	Economic Development	350	55	334	16
2016	Financial Management System	500	55	482	18
2017	Communications Infrastructure	708	18	708	-
2017	Public Works Rolling Stock	780	49	780	-
2017	Radio System Replacement	4,900	3,693	3,693	1,207
2017	Public Safety Facility	100	-	-	100
2017	Recycling Center	200	13	43	157
2018	Communications Infrastructure	657	256	657	-
2018	Public Works Rolling Stock	482	222	482	-
2019	Communications Infrastructure	100	100	100	-
2019	Public Works Rolling Stock	510	210	210	300
	Total Miscellaneous	11,822	5,305	9,848	1,974

(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, 2018**  
**(In Thousands)**

<b>Fiscal Year</b>	<b>Project Name</b>	<b>Amended Budget</b>	<b>Expended and Encumbered Current Year</b>	<b>Total All Years</b>	<b>Project Balance</b>
	Schools:				
2012	School Building Improvements	\$ 982	\$ -	\$ 982	\$ -
2013	School Building Improvements	1,028	20	1,028	-
2014	Charter Oak School	3,000	20	3,000	-
2015	Charter Oak School	42,000	873	41,368	632
2015	Exterior School Building Improvements	1,100	2	1,100	-
2016	Interior School Building Improvements	620	-	620	-
2016	School Security	350	114	350	-
2016	Stage and Auditorium Renovations	200	19	200	-
2017	Computer Infrastructure	300	1	300	-
2017	Hall Science Labs	6,400	5,333	5,334	1,066
2017	Asbestos Removal	225	63	225	-
2017	Furniture & Equipment Replacement	175	55	175	-
2017	Exterior School Building Improvements	1,150	19	1,150	-
2017	School Security	350	86	319	31
2017	Stage & Auditorium Renovations	200	41	200	-
2018	Computer Infrastructure	300	300	300	-
2018	Hall Science Labs	6,400	6,400	6,400	-
2018	Asbestos Removal	225	222	222	3
2018	Furniture & Equipment Replacement	75	10	10	65
2018	Exterior School Building Improvements	1,450	619	781	669
2018	Interior School Building Improvements	750	656	750	-
2018	Stage & Auditorium Renovations	200	181	181	19
2019	Asbestos Removal	250	4	4	246
2019	Interior School Building Improvements	1,350	292	292	1,058
2014	Site & Athletic Field Improvements	862	5	862	-
2016	Site & Athletic Field Improvements	500	1	500	-
2016	Heating & Ventilation Systems	800	17	800	-
2018	Heating & Ventilation Systems	800	266	800	-
2018	Site and Athletic Fields	900	770	900	-
2018	Heating & Ventilation Systems	150	121	121	29
2019	Site and Athletic Fields	20	16	16	4
	Total Schools	<u>73,112</u>	<u>16,526</u>	<u>69,290</u>	<u>3,822</u>
	Total	<u>\$ 135,429</u>	<u>\$ 40,347</u>	<u>\$ 120,543</u>	<u>\$ 14,886</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, 2018**  
**(In Thousands)**

	<b>Risk Management Fund</b>	<b>Utilities Services Fund</b>	<b>Total</b>
<b>Assets:</b>			
<b>Current:</b>			
Cash and cash equivalents	\$ 5,254	\$ 1,417	\$ 6,671
Investments	20,248		20,248
Receivables, net	1,174		1,174
Prepaid items	1		1
<b>Total assets</b>	<b>26,677</b>	<b>1,417</b>	<b>28,094</b>
<b>Liabilities:</b>			
<b>Current:</b>			
Accounts and other payables	1,005	225	1,230
Payroll liabilities	14	1	15
Risk management claims	5,941		5,941
<b>Total current liabilities</b>	<b>6,960</b>	<b>226</b>	<b>7,186</b>
<b>Noncurrent:</b>			
Risk management claims	4,852		4,852
<b>Total liabilities</b>	<b>11,812</b>	<b>226</b>	<b>12,038</b>
<b>Net Position:</b>			
Unrestricted	\$ 14,865	\$ 1,191	\$ 16,056



**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, 2018**  
**(In Thousands)**

	<b>Risk Management Fund</b>	<b>Utilities Services Fund</b>	<b>Total</b>
Operating Revenues:			
Fund premiums	\$ 36,041	\$ 4,855	\$ 40,896
Employee contributions	8,021		8,021
Other	138		138
Total operating revenues	<u>44,200</u>	<u>4,855</u>	<u>49,055</u>
Operating Expenses:			
Administrative expense	266	92	358
Employee benefits	38,822		38,822
Insurance and program services	6,122		6,122
Utility services		4,464	4,464
Total operating expenses	<u>45,210</u>	<u>4,556</u>	<u>49,766</u>
Operating (Income) Loss	(1,010)	299	(711)
Nonoperating Revenue:			
Income on investments	<u>1,270</u>	<u>6</u>	<u>1,276</u>
Income Before Transfers	260	305	565
Transfers Out	<u>(50)</u>		<u>(50)</u>
Change in Net Position	210	305	515
Net Position at Beginning of Year	<u>14,655</u>	<u>886</u>	<u>15,541</u>
Net Position at End of Year	<u>\$ 14,865</u>	<u>\$ 1,191</u>	<u>\$ 16,056</u>

**TOWN OF WEST HARTFORD, CONNECTICUT**  
**COMBINING STATEMENT OF CASH FLOWS - INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2018**  
(In Thousands)

	<b>Risk Management Fund</b>	<b>Utilities Services Fund</b>	<b>Total</b>
Cash Flows from Operating Activities:			
Cash received from employees	\$ 8,021	\$	\$ 8,021
Cash received from operating funds	36,041	4,855	40,896
Cash payments to providers benefits	(37,787)		(37,787)
Cash payments to suppliers for goods and services	(6,215)	(4,378)	(10,593)
Other operating receipts	140		140
Net cash provided by (used in) operating activities	<u>200</u>	<u>477</u>	<u>677</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	32	6	38
Purchase of investments	<u>(107)</u>		<u>(107)</u>
Net cash provided by (used in) investing activities	<u>(75)</u>	<u>6</u>	<u>(69)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	75	483	558
Cash and Cash Equivalents at Beginning of Year	<u>5,179</u>	<u>934</u>	<u>6,113</u>
Cash and Cash Equivalents at End of Year	<u>\$ 5,254</u>	<u>\$ 1,417</u>	<u>\$ 6,671</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:			
Operating income (loss)	\$ (1,010)	\$ 299	\$ (711)
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	504		504
(Increase) decrease in prepaid items	2		2
Increase (decrease) in accounts and other payables	167	180	347
Increase (decrease) in payroll liabilities	6	(2)	4
Increase (decrease) in risk management claim liability	<u>531</u>		<u>531</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ 200</u>	<u>\$ 477</u>	<u>\$ 677</u>
Noncash Investing and Capital Financing Activities:			
Net Increase in Fair Value of Investments	<u>\$ 873</u>	<u>\$ -</u>	<u>\$ 873</u>

**TOWN OF WEST HARTFORD, CONNECTICUT**  
**RISK MANAGEMENT FUND**  
**OPERATING RESULTS BY PROGRAM**  
**FOR FISCAL YEAR JUNE 30, 2018 WITH COMPARATIVE TOTALS FOR 2017**  
**(In Thousands)**

	<b>Workers' Compensation</b>	<b>Town Health</b>	<b>Heart and Hypertension</b>	<b>Self-Insured Program</b>	<b>Insured Program</b>	<b>BOE Health</b>	<b>Interfund Elimination</b>	<b>2018 Total</b>	<b>2017 Total</b>
Operating revenues:									
Fund premiums	\$ 2,920	\$ 16,024	\$ 117	\$ 949	\$ 1,146	\$ 25,829	\$ (10,944)	\$ 36,041	\$ 41,906
Employee contributions		1,178				6,843		8,021	7,497
Subrogations/miscellaneous	16	99				23		138	186
Total	<u>2,936</u>	<u>17,301</u>	<u>117</u>	<u>949</u>	<u>1,146</u>	<u>32,695</u>	<u>(10,944)</u>	<u>44,200</u>	<u>49,589</u>
Investment income	111	32	34	155		938		1,270	1,546
Total revenues	<u>3,047</u>	<u>17,333</u>	<u>151</u>	<u>1,104</u>	<u>1,146</u>	<u>33,633</u>	<u>(10,944)</u>	<u>45,470</u>	<u>51,135</u>
Operating expenses:									
Employee claims expenses	2,142	8,376	316	1,120		25,651	(10,944)	26,661	35,844
Retiree claims expenses		7,652				4,509		12,161	12,369
Program expenses	126	1,419	2	57	1,169	1,309		4,082	4,539
Insurance services	361	433	5	112		1,129		2,040	1,708
Administrative expenses	106		27	106	27			266	279
Total expenses	<u>2,735</u>	<u>17,880</u>	<u>350</u>	<u>1,395</u>	<u>1,196</u>	<u>32,598</u>	<u>(10,944)</u>	<u>45,210</u>	<u>54,739</u>
Income (loss) before transfers	<u>312</u>	<u>(547)</u>	<u>(199)</u>	<u>(291)</u>	<u>(50)</u>	<u>1,035</u>	<u>-</u>	<u>260</u>	<u>(3,604)</u>
Other financing uses:									
Transfers in	750						(750)	-	
Transfers out	(4)	(40)	(1)	(754)	(1)		750	(50)	(50)
Total other financing sources (uses)	<u>746</u>	<u>(40)</u>	<u>(1)</u>	<u>(754)</u>	<u>(1)</u>	<u>-</u>	<u>-</u>	<u>(50)</u>	<u>(50)</u>
Change in Net Position	1,058	(587)	(200)	(1,045)	(51)	1,035		210	(3,654)
Net Position at Beginning 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>
Net Position at End of Year	<u>\$ (134)</u>	<u>\$ 178</u>	<u>\$ (31)</u>	<u>\$ 1,660</u>	<u>\$ 101</u>	<u>\$ 13,091</u>	<u>\$ -</u>	<u>\$ 14,865</u>	<u>\$ 14,655</u>
Distribution of net position:									
Reserved net position	\$	\$ (143)	\$	\$ 1,493	\$	\$ 13,167	\$	\$ 14,517	\$ 13,549
Unreserved net position	<u>(134)</u>	<u>321</u>	<u>(31)</u>	<u>167</u>	<u>101</u>	<u>(76)</u>	<u>-</u>	<u>348</u>	<u>1,106</u>
Net Position at End of Year	<u>\$ (134)</u>	<u>\$ 178</u>	<u>\$ (31)</u>	<u>\$ 1,660</u>	<u>\$ 101</u>	<u>\$ 13,091</u>	<u>\$ -</u>	<u>\$ 14,865</u>	<u>\$ 14,655</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, 2018**  
**(In Thousands)**

	<u>Pension Trust Fund</u>	<u>OPEB Trust Fund</u>	<u>Total</u>
Assets:			
Cash and cash equivalents	\$ 616	\$ 81	\$ 697
Investments:			
Mutual funds	154,765	4,683	159,448
Common stock	26,998		26,998
Alternative investments	25,059		25,059
Receivables:			
Interest and dividends	14		14
Total assets	<u>207,452</u>	<u>4,764</u>	<u>212,216</u>
Liabilities:			
Accounts and other payables	<u>228</u>	<u>2</u>	<u>230</u>
Net Position:			
Restricted for pension benefits	207,224		207,224
Restricted for OPEB benefits		<u>4,762</u>	<u>4,762</u>
Total Net Position	\$ <u>207,224</u>	\$ <u>4,762</u>	\$ <u>211,986</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, 2018**  
**(In Thousands)**

	<b>Pension Trust Fund</b>	<b>OPEB Trust Fund</b>	<b>Total</b>
Additions:			
Contributions:			
Employer	\$ 21,615	\$ 12,208	\$ 33,823
Plan members	3,166	100	3,266
Other revenue		358	358
Total contributions	<u>24,781</u>	<u>12,666</u>	<u>37,447</u>
Investment income:			
Net change in fair value of investments	15,244	1	15,245
Interest	56	1	57
Dividends	<u>3,654</u>	<u>79</u>	<u>3,733</u>
Total investment income	<u>18,954</u>	<u>81</u>	<u>19,035</u>
Less investment expense	<u>(399)</u>	<u>(2)</u>	<u>(401)</u>
Net investment income	<u>18,555</u>	<u>79</u>	<u>18,634</u>
Total additions	<u>43,336</u>	<u>12,745</u>	<u>56,081</u>
Deductions:			
Benefits	29,877	10,944	40,821
Administration	<u>357</u>		<u>357</u>
Total deductions	<u>30,234</u>	<u>10,944</u>	<u>41,178</u>
Change in Net Position	13,102	1,801	14,903
Net Position at Beginning of Year	<u>194,122</u>	<u>2,961</u>	<u>197,083</u>
Net Position at End of Year	<u>\$ 207,224</u>	<u>\$ 4,762</u>	<u>\$ 211,986</u>

**TOWN OF WEST HARTFORD, CONNECTICUT**  
**AGENCY FUNDS**  
**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**FOR THE YEAR ENDED JUNE 30, 2018**  
**(In Thousands)**

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	<b>Balance</b> <b>July 1, 2017</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance</b> <b>June 30, 2018</b>
<b>Student Activity Fund</b>				
Assets:				
Cash and cash equivalents	\$ <u>914</u>	\$ <u>2,986</u>	\$ <u>2,782</u>	\$ <u>1,118</u>
Liabilities:				
Due to student groups	\$ <u>914</u>	\$ <u>2,986</u>	\$ <u>2,782</u>	\$ <u>1,118</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									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental activities:										
Net investment in capital assets	\$ 167,077	\$ 164,752	\$ 167,371	\$ 159,716	\$ 171,505	\$ 161,236	\$ 154,273	\$ 180,092	\$ 194,218	\$ 203,759
Restricted	2,350	2,273	2,502	2,508	2,601	2,515	891	831	82	82
Unrestricted	13,864	23,132	23,842	28,991	22,389	32,883	(133,041)	(152,445)	(173,088)	(334,271)
Total governmental activities net position	\$ 183,291	\$ 190,157	\$ 193,715	\$ 191,215	\$ 196,495	\$ 196,634	\$ 22,123	\$ 28,478	\$ 21,212	\$ (130,430)
Business-type activities:										
Net investment in capital assets	\$ 12,781	\$ 12,490	\$ 11,950	\$ 13,010	\$ 13,040	\$ 12,533	\$ 14,052	\$ 13,740	\$ 12,937	\$ 11,663
Unrestricted	(2,129)	(2,137)	(2,185)	(2,244)	(2,256)	(2,186)	(5,034)	(5,007)	(5,313)	(8,234)
Total business-type activities net position	\$ 10,652	\$ 10,353	\$ 9,765	\$ 10,766	\$ 10,784	\$ 10,347	\$ 9,018	\$ 8,733	\$ 7,624	\$ 3,429
Primary government:										
Net investment in capital assets	\$ 179,858	\$ 177,242	\$ 179,321	\$ 172,726	\$ 184,545	\$ 173,769	\$ 168,325	\$ 193,832	\$ 207,155	\$ 215,422
Restricted	2,350	2,273	2,502	2,508	2,601	2,515	891	831	82	82
Unrestricted	11,735	20,995	21,657	26,747	20,133	30,697	(138,075)	(157,452)	(178,401)	(342,505)
Total primary government net position	\$ 193,943	\$ 200,510	\$ 203,480	\$ 201,981	\$ 207,279	\$ 206,981	\$ 31,141	\$ 37,211	\$ 28,836	\$ (127,001)

**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									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Expenses:</b>										
Governmental activities:										
General government	\$ 9,424	\$ 8,168	\$ 8,088	\$ 8,220	\$ 9,410	\$ 11,362	\$ 10,059	\$ 13,391	\$ 15,064	\$ 12,947
Public safety	31,629	32,541	35,114	40,231	43,699	45,213	48,798	55,382	56,932	62,903
Community maintenance	36,133	35,908	36,593	45,350	34,227	35,598	37,042	39,475	40,717	42,443
Human and cultural	9,043	9,246	9,459	11,833	11,308	11,526	13,858	13,356	13,144	13,812
Education	149,585	152,122	161,282	167,347	172,635	178,648	180,805	191,683	213,041	220,200
Interest on long-term debt	6,843	5,835	5,679	5,458	4,978	4,963	4,989	4,826	4,696	4,601
Total governmental activities expenses	242,657	243,820	256,215	278,439	276,257	287,310	295,551	318,113	343,594	356,906
Business-type activities:										
Leisure services	3,386	3,686	3,694	3,761	3,896	3,971	4,122	4,503	4,668	6,179
Total primary government expenses	\$ 246,043	\$ 247,506	\$ 259,909	\$ 282,200	\$ 280,153	\$ 291,281	\$ 299,673	\$ 322,616	\$ 348,262	\$ 363,085
<b>Program Revenues:</b>										
Governmental activities:										
Charges for services:										
General government	\$ 1,264	\$ 1,482	\$ 1,271	\$ 1,359	\$ 1,478	\$ 1,445	\$ 1,434	\$ 1,676	\$ 1,570	\$ 1,376
Public safety	1,772	1,851	2,847	3,171	3,290	3,048	3,021	2,784	3,333	3,668
Community maintenance	3,619	4,140	3,386	3,847	4,132	4,128	5,303	5,083	5,064	5,078
Human and cultural	1,337	1,374	1,579	1,422	1,409	1,423	1,493	1,463	1,523	1,601
Education	3,916	3,903	4,549	4,522	4,288	3,918	3,888	3,730	3,692	3,683
Interest on long-term debt		94	71	47						
Operating grants and contributions	36,938	39,951	41,375	51,883	45,239	48,077	46,460	49,472	64,163	63,999
Capital grants and contributions	6,560	2,317	1,837	1,857	2,277	962	7,627	21,695	8,388	6,673
Total governmental activities program revenues	55,406	55,112	56,915	68,108	62,113	63,001	69,226	85,903	87,733	86,078
Business-type activities:										
Charges for services	2,729	2,794	2,752	2,766	2,648	2,889	2,968	3,140	2,943	3,814
Operating grants and contributions				19	20	26				
Capital grants and contributions		279	332	1,906	923	468	2,520	757	299	356
Total business-type activities program revenues	2,729	3,073	3,084	4,691	3,591	3,383	5,488	3,897	3,242	4,170
Total primary government program revenues	\$ 58,135	\$ 58,185	\$ 59,999	\$ 72,799	\$ 65,704	\$ 66,384	\$ 74,714	\$ 89,800	\$ 90,975	\$ 90,248
<b>Net (Expense) Revenue:</b>										
Governmental activities	\$ (187,251)	\$ (188,708)	\$ (199,300)	\$ (210,331)	\$ (214,144)	\$ (224,309)	\$ (226,325)	\$ (232,210)	\$ (255,861)	\$ (270,828)
Business-type activities	(657)	(613)	(610)	930	(305)	(588)	1,366	(606)	(1,426)	(2,009)
Total primary government net expense	\$ (187,908)	\$ (189,321)	\$ (199,910)	\$ (209,401)	\$ (214,449)	\$ (224,897)	\$ (224,959)	\$ (232,816)	\$ (257,287)	\$ (272,837)
<b>General Revenues and Other Changes in Net Position:</b>										
Governmental activities:										
Property taxes	\$ 182,124	\$ 186,278	\$ 193,695	\$ 199,769	\$ 210,661	\$ 214,970	\$ 222,840	\$ 229,698	\$ 237,427	\$ 252,899
Unrestricted grants and contributions	3,742	2,750	2,800	3,185	3,001	2,855	2,895	2,495	4,261	2,360
Unrestricted investment earnings	1,804	2,159	2,311	1,076	2,024	2,685	1,378	1,567	2,356	2,737
Miscellaneous	4,476	4,700	4,072	3,859	4,042	4,089	4,512	5,126	4,868	4,855
Transfers	(710)	(313)	(20)	(58)	(304)	(151)	(145)	(321)	(317)	(20)
Total governmental activities	191,436	195,574	202,858	207,831	219,424	224,448	231,480	238,565	248,595	262,831
Business-type activities:										
Miscellaneous	21	1	2	13	19					
Transfers	710	313	20	58	304	151	145	321	317	20
Total business-type activities	731	314	22	71	323	151	145	321	317	20
Total primary government	\$ 192,167	\$ 195,888	\$ 202,880	\$ 207,902	\$ 219,747	\$ 224,599	\$ 231,625	\$ 238,886	\$ 248,912	\$ 262,851
<b>Changes in Net Position:</b>										
Governmental activities	\$ 4,185	\$ 6,866	\$ 3,558	\$ (2,500)	\$ 5,280	\$ 139	\$ 5,155	\$ 6,355	\$ (7,266)	\$ (7,997)
Business-type activities	74	(299)	(588)	1,001	18	(437)	1,511	(285)	(1,109)	(1,989)
Total primary government	\$ 4,259	\$ 6,567	\$ 2,970	\$ (1,499)	\$ 5,298	\$ (298)	\$ 6,666	\$ 6,070	\$ (8,375)	\$ (9,986)

**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									
	2009	2010	2011*	2012	2013	2014	2015	2016	2017	2018
General Fund:										
Reserved	\$ 482	\$ 809								
Unreserved	16,378	17,193								
Nonspendable			\$ 178	\$ 169	\$ 179	\$ 178	\$ 172	\$ 257	\$ 193	\$ 289
Assigned			652	355	333	374	262	441	541	500
Unassigned			17,881	17,831	18,931	19,653	20,621	21,094	21,811	25,438
Total General Fund	\$ 16,860	\$ 18,002	\$ 18,711	\$ 18,355	\$ 19,443	\$ 20,205	\$ 21,055	\$ 21,792	\$ 22,545	\$ 26,227
All other Governmental Funds:										
Reserved	\$ 6,314	\$ 5,642								
Unreserved, reported in:										
Special Revenue Funds	5,399	8,400								
Capital Projects Funds	(4,807)	4,103								
Nonspendable			\$ 77	\$ 81	\$ 66	\$ 88	\$ 55	\$ 128	\$ 128	\$ 141
Restricted			1,191	1,104	1,164	1,136	2,535	2,282	2,088	2,015
Committed			17,254	18,704	9,409	17,459	28,682	16,681	16,755	19,322
Assigned			56	13	11	74	28	4	52	
Unassigned			(720)	(35)	(1,251)				(10)	
Total all other Governmental Funds	\$ 6,906	\$ 18,145	\$ 17,858	\$ 19,867	\$ 9,399	\$ 18,757	\$ 31,300	\$ 19,095	\$ 19,013	\$ 21,478

\*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									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues:										
Property taxes	\$ 182,125	\$ 186,852	\$ 192,984	\$ 200,033	\$ 210,571	\$ 214,923	\$ 223,062	\$ 229,630	\$ 236,916	\$ 253,000
Intergovernmental	47,143	42,039	45,636	55,878	49,523	51,510	56,573	73,428	75,975	72,835
Charges for services	11,839	12,724	13,252	13,939	14,499	13,577	14,734	14,547	14,853	14,928
Income on investments	2,463	1,420	1,077	796	790	678	695	1,011	751	1,434
Miscellaneous	4,573	7,632	5,221	5,535	5,500	5,195	5,601	5,908	6,243	5,961
Total revenues	248,143	250,667	258,170	276,181	280,883	285,883	300,665	324,524	334,738	348,158
Expenditures:										
General government	6,357	4,797	5,114	5,116	5,220	5,328	5,440	5,842	6,321	5,954
Public safety	30,686	23,215	24,998	26,802	27,660	27,337	27,495	27,917	28,461	28,658
Community maintenance	20,913	17,250	17,134	16,523	17,484	17,881	18,122	18,329	18,482	17,973
Human and cultural	8,900	8,038	7,646	7,705	7,531	7,929	7,916	8,118	8,095	8,175
Education	143,262	146,455	155,709	162,737	168,117	173,040	175,600	180,708	199,184	207,915
Capital outlay	17,806	10,003	9,749	12,150	13,665	14,378	18,862	50,360	28,407	18,785
Debt:										
Principal	12,845	12,895	14,130	14,475	12,535	12,255	12,550	26,900	15,220	16,370
Interest	6,843	6,288	5,679	5,458	5,417	4,977	4,977	5,233	5,116	5,166
Other charges	1	85	68	89	5					
Sundry	11,961	24,997	25,854	40,512	32,375	34,564	37,629	26,997	42,193	46,537
Total expenditures	259,574	254,023	266,081	291,567	290,009	297,689	308,591	350,404	351,479	355,533
Excess of revenue under expenditures	(11,431)	(3,356)	(7,911)	(15,386)	(9,126)	(11,806)	(7,926)	(25,880)	(16,741)	(7,375)
Other financing sources (uses):										
Bonds issued		15,000	8,000	15,000		20,000	21,000	14,000	17,000	13,000
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	492
Transfers in	4,789	4,644	17,789	14,585	16,941	17,372	19,981	21,367	22,190	27,582
Transfers out	(4,736)	(4,633)	(17,759)	(14,593)	(17,195)	(17,473)	(20,076)	(21,638)	(22,457)	(27,552)
Total other financing sources (uses)	53	15,737	8,332	17,039	(254)	21,926	21,319	14,412	17,412	13,522
Net change in fund balances	\$ (11,378)	\$ 12,381	\$ 421	\$ 1,653	\$ (9,380)	\$ 10,120	\$ 13,393	\$ (11,468)	\$ 671	\$ 6,147
Debt service as a percentage of noncapital expenditures	8.04%	7.85%	7.71%	7.05%	7.05%	6.05%	5.99%	10.61%	6.27%	6.39%

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

**TABLE 5**

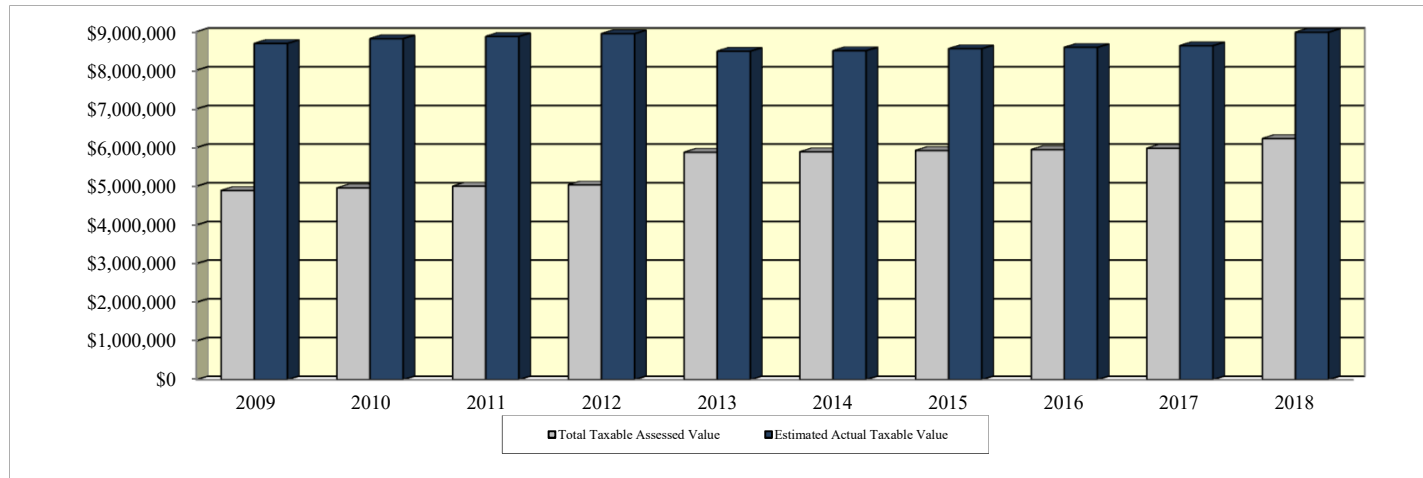
Fiscal Year	Real Property			Personal Property		Less: Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value Percentage of Actual Taxable Value <sup>2</sup>
	Residential <sup>1</sup>	Commercial <sup>1</sup>	Industrial <sup>1</sup>	Other <sup>1</sup>	Motor Vehicle <sup>1</sup>					
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	39.51	8,634,838	70%
2018	4,517,901	1,038,528	87,682	213,611	429,408	54,419	6,232,712	41.04	8,981,615	70%

**Source:** Town of West Hartford, Department of Assessment

<sup>1</sup>Includes tax exempt property.

<sup>2</sup>Assessed 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
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		Grand List of October 1, 2016			Grand List of October 1, 2007		
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	\$ 79,794	1	1.28%	\$ 39,182	1	0.70%
Westfarms Associates	Shopping Mall	57,586	2	0.92%	35,000	2	0.66%
FW CT Corbins Corner Shopping Center	Retail	42,378	3	0.68%	34,558	3	0.62%
Connecticut Light and Power	Utility	39,016	4	0.63%	26,674	5	0.55%
Town Center West Associates	Office/Retail	28,069	5	0.45%	23,053	6	0.48%
McAuley Center Inc. (Sisters of Mercy)	Assisted Living	24,529	6	0.39%	15,963	9	0.24%
Westgate Apartments LLC	Apartments	20,504	7	0.33%			
E&A Northeast Limited Partnership	Retail	18,885	8	0.30%	27,933	4	0.56%
Bishop's Corner (E&A) LLC	Retail	18,789	9	0.30%	17,039	8	0.33%
Prospect Plaza Improvements LLC	Retail	17,142	10	0.28%	14,619	10	0.21%
Wiremold	Industrial				21,875	7	0.45%
		\$ 346,691		5.56%	\$ 255,896		4.80%

2018 Revenue from Principal Taxpayers	\$	14,228
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2018 Percent of Total General Fund Revenue	4.97%
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**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
2009	36.97	\$ 181,771	\$ 180,089	99.1%	1,345	\$ 181,434	99.8%
2010	37.54	186,542	184,817	99.1%	1,539	186,356	99.9%
2011	38.38	192,761	190,585	98.9%	1,759	192,344	99.8%
2012	39.44	199,192	197,344	99.1%	1,441	198,785	99.8%
2013	35.75	210,065	208,258	99.1%	1,449	209,707	99.8%
2014	36.30	214,310	212,530	99.2%	1,348	213,878	99.8%
2015	37.37	222,213	220,483	99.2%	1,336	221,819	99.8%
2016	38.31	229,112	227,450	99.3%	1,309	228,759	99.8%
2017	39.51	236,740	234,921	99.2%	1,169	236,090	99.7%
2018	41.04	252,998	251,418	99.4%	n/a	251,418	99.4%

**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**

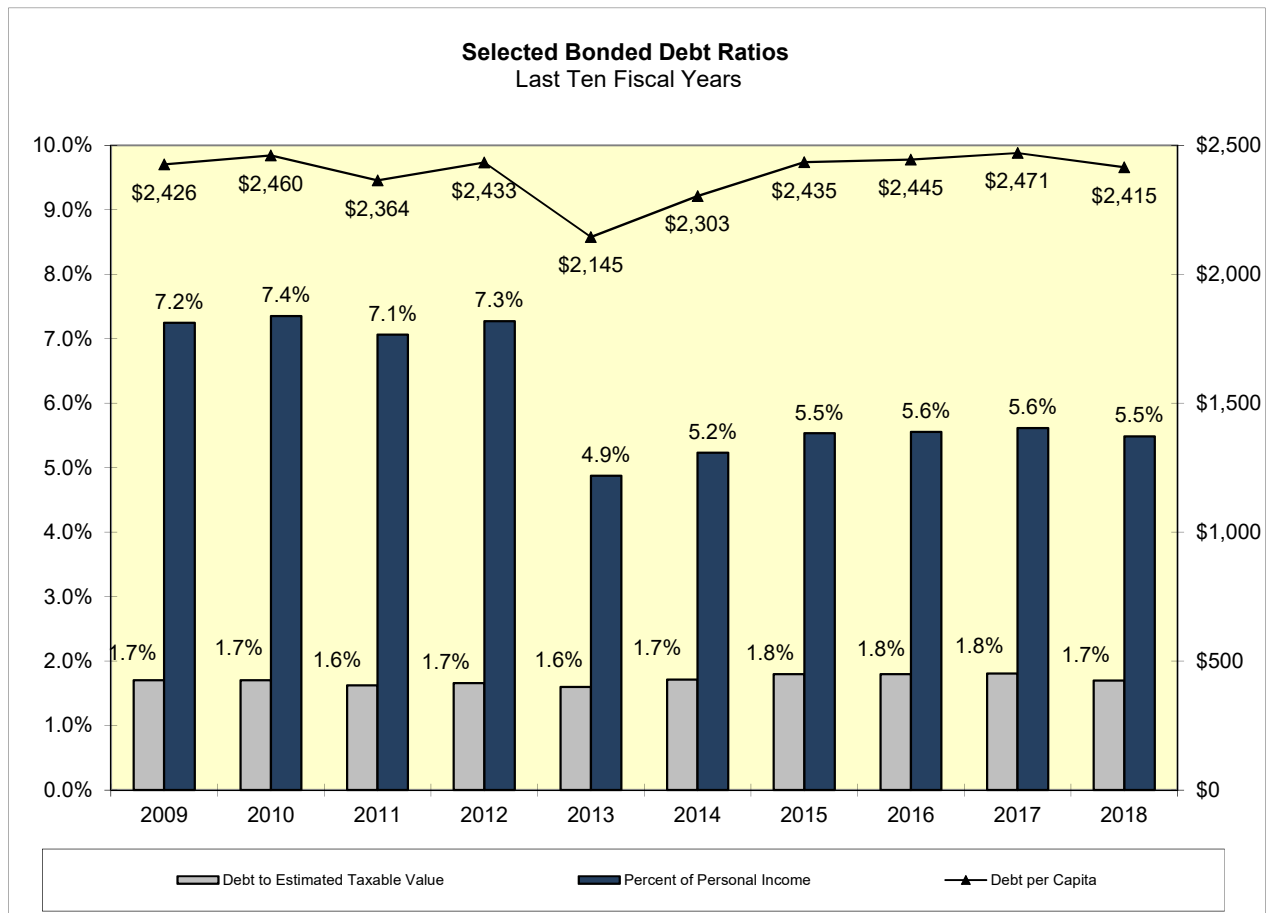
Fiscal Year	Governmental Activities		Business-Type Activities	Total Primary Government	Bonded Debt to Estimated Actual Taxable Value <sup>1</sup>	Bonded Debt as Percentage of Personal Income <sup>2</sup>	Bonded Debt Per Capita <sup>3</sup>
	General Obligation Bonds	Capital Leases	Leisure Services				
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
2018	152,770	-	-	152,770	1.7%	5.5%	2,415

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

<sup>1</sup> See Table 5 for property value data.

<sup>2</sup> See Table 11 for Personal Income data.

<sup>3</sup> 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	6
Base	<u>\$ 237,045</u>

	General Purpose	Schools	Sewers	Urban Renewal	Pension Deficit
Debt limitation:					
2.25 times base	\$ 533,351	\$ 1,066,703	\$	\$	\$
4.50 times base			888,919		
3.75 times base				770,396	
3.25 times base					711,135
3.00 times base					
Total debt limitation	533,351	1,066,703	888,919	770,396	711,135
Indebtedness:					
Bonds payable	102,610	44,475			
Bonds authorized-unissued	5,314	8,507			
Overlapping debt			219,698		
School building grants		(133)			
Total indebtedness	107,924	52,849	219,698		
Debt margin	\$ 425,427	\$ 1,013,854	\$ 669,221	\$ 770,396	\$ 711,135

\* **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**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Debt limitation	\$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	\$ 1,659,315
Total net debt applicable to limit	177,669	194,672	207,145	237,328	254,930	285,919	314,603	368,176	379,642	380,471
Legal debt margin	<u>\$1,097,661</u>	<u>\$1,112,823</u>	<u>\$1,142,826</u>	<u>\$1,163,232</u>	<u>\$1,219,564</u>	<u>\$1,218,892</u>	<u>\$1,246,537</u>	<u>\$1,239,612</u>	<u>\$1,279,673</u>	<u>\$1,278,844</u>
Total net debt applicable to the limit as a percentage of debt limit	13.93%	14.89%	15.34%	16.95%	17.29%	19.00%	20.15%	22.90%	22.88%	22.93%

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

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

**TABLE 11**

<b>Fiscal Year</b>	<b>Population<sup>1</sup></b>	<b>Total Personal Income<sup>1</sup> (in thousands)</b>	<b>Per Capita Personal Income<sup>1</sup></b>	<b>Median Age<sup>1</sup></b>	<b>School Enrollment<sup>2</sup></b>	<b>Average Unemployment Rate<sup>3</sup></b>
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%
2018	63,268	2,783,665	43,998	41.5	9,400	3.3%

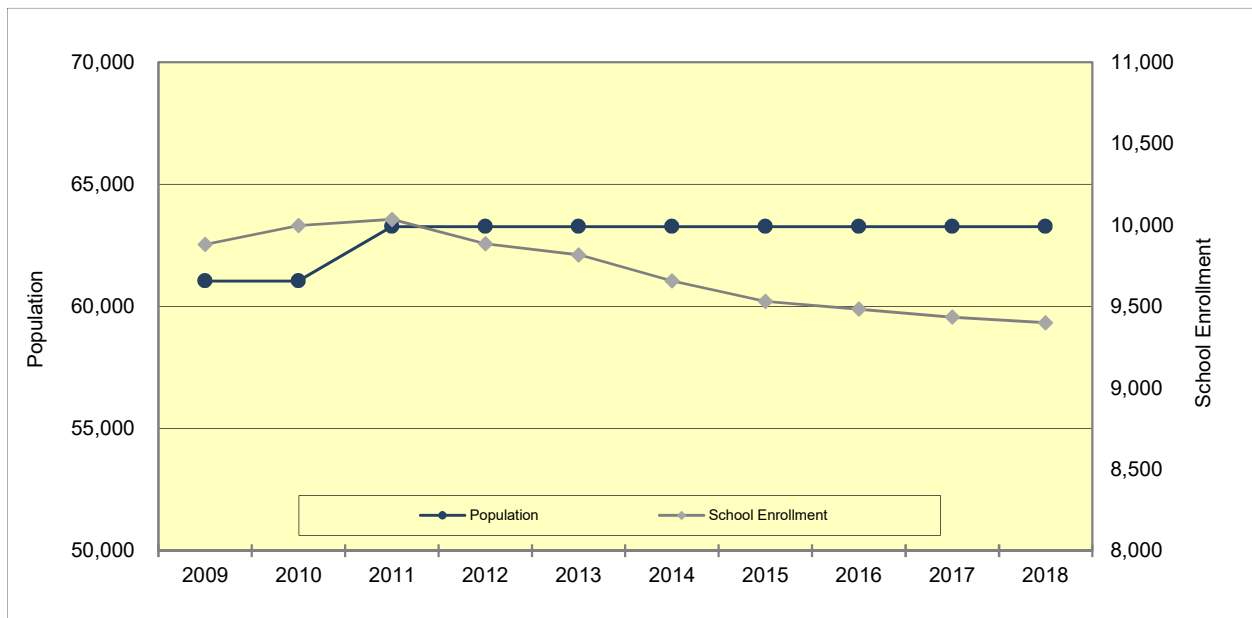
<sup>1</sup> Fiscal years 2008-2010, U.S. Census Bureau - 2000 Census.

Fiscal years 2011-2018, U.S. Census Bureau - 2010 Census.

<sup>2</sup> Town of West Hartford Board of Education.

<sup>3</sup> 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	2018			2009		
		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	5.2%
Town of West Hartford	Government	1,000-1,999	2	5.2%	1,000-1,999	2	5.2%
Hospital at Hebrew Health Care	Hospital	500-999	3	2.6%	500-999	3	2.6%
Wiremold Products, Inc.	Manufacturing	500-999	4	2.6%	500-999	7	2.6%
UTC-Aerospace Systems/Goodrich Corp.	Manufacturing	250-499	5	1.3%	250-499	9	1.3%
Colt Manufacturing	Manufacturing	250-499	6	1.3%	500-999	6	2.6%
American School for the Deaf	Education	250-499	7	1.3%			
American Medical Response	Ambulance Service	250-499	8	1.3%			
St. Mary's Home	Nursing Home	250-499	9	1.3%	500-999	5	2.6%
Cheesecake Factory	Restaurant	250-499	10	1.3%			
St. Joseph College	Education				500-999	4	2.6%
Macy's/Filene's	Retail				500-999	8	2.6%
University of Connecticut	Education				250-499	10	1.3%
		<b>5,500-9,990</b>		<b>26.9%</b>	<b>5,500-10,990</b>		<b>28.6%</b>

**Source:** 2018 data - Connecticut Department of Labor and Connecticut Economic Resources Center, Inc.

2009 data - Fiscal year 2009 Town of West Hartford Comprehensive Annual Financial Report.

**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	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>General Government</b>										
Town Clerk/Town Council	4.5	4.5	4.0	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	3.0	3.0	3.0	3.0	3.0	3.0	3.0	2.0
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 <sup>1</sup>	-	-	-	-	4.0	4.0	4.0	4.0	4.0	4.0
Financial Services	22.5	22.5	21.0	21.0	17.0	17.0	17.0	17.0	17.0	17.0
Employee Services	11.0	10.0	9.5	9.5	9.5	9.5	9.5	9.5	9.5	9.5
<b>Public Safety</b>										
Fire	92.0	92.0	92.0	92.0	92.0	92.0	92.0	92.0	92.0	93.0
Police	152.0	152.0	152.0	152.0	152.0	152.0	152.0	153.0	153.0	153.0
Communications System	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
<b>Community Maintenance</b>										
Community Services	31.0	28.0	27.0	26.0	24.5	24.5	24.2	25.2	26.2	26.0
Public Works	61.0	58.0	58.0	58.0	58.0	58.0	58.0	58.0	60.0	60.0
Plant and Facilities Services	7.5	7.5	7.5	7.5	9.0	9.0	8.3	8.3	8.3	8.5
<b>Human and Cultural</b>										
Human and Leisure Services	28.0	27.0	26.0	26.0	25.0	25.0	25.0	25.0	25.0	25.0
Library	28.0	26.0	25.0	24.0	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
<b>Total - Town</b>	460.0	450.0	444.0	442.0	441.0	441.0	440.0	442.0	445.0	445.0
<b>Education</b>										
Instructional Staff	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	1,260.5
Non-instructional staff	302.3	293.5	292.5	293.3	283.3	286.2	285.3	284.3	287.1	280.8
<b>Total - Education</b>	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	1,541.3
<b>Total</b>	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	1,986.3

**Source:** Department of Financial Services and Board of Education

<sup>1</sup>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	2013	2014	2015	2016	2017
General Government					
Town Clerk <sup>1</sup>					
Land records processed	12,158	8,856	9,295	9,031	8,897
Registrar of Voters <sup>1</sup>					
Number of registered voters	38,826	39,517	38,266	43,248	38,855
Voter turnout percent - national election				78%	
Voter turnout percent - state election		61%			
Voter turnout percent - local election	27%		29%		32%
Public Safety					
Fire <sup>1</sup>					
Number of fire related calls	168	184	228	205	179
Number of emergency medical/rescue calls <sup>2</sup>	1,602	1,742	5,646	5,820	6,781
Number of hazardous material calls	189	157	157	162	150
Number of other calls for service	1,832	1,814	2,202	2,214	2,367
Total Calls	3,791	3,897	8,233	8,401	9,477
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%
Community Maintenance					
Community Services <sup>1</sup>					
Miles of street repaved	8.03	7.27	10.63	9.04	10.21

For the Fiscal Year Ended June 30,					
Function/Department	2014	2015	2016	2017	2018
Public Safety					
Police					
Reported crimes or town ordinance violations	11,673	11,601	11,709	10,971	10,210
Service and medical calls	32,532	33,625	31,955	27,512	30,705
Motor vehicle accidents	2,286	2,422	2,460	2,498	2,264
Number of motor vehicle stops	7,187	8,533	9,255	6,959	5,657
Total calls for service	66,835	66,888	65,483	45,374	45,228
Number of criminal arrests	1,848	1,881	1,719	1,237	1,122
Number of motor vehicle arrests	5,423	6,203	5,313	5,036	5,218
Number of DUI arrests	215	199	157	93	77
Community Maintenance					
Community Services					
Number of inspections conducted	8,812	10,474	10,486	10,280	11,106
Number of total building permits <sup>3</sup>	5,604	5,567	6,223	6,005	6,321
Dollar value of total building permits <sup>3</sup>	\$ 71,572,250	\$ 151,335,754	\$ 104,751,012	\$ 72,729,574	\$ 88,272,197
Public Works					
Volume of leaves collected (cubic yards) <sup>4</sup>	23,865	6,637	8,010	6,606	5,750
Tons of leave collected <sup>4</sup>	5,966	1,659	2,002	1,651	1,438
Tons of refuse collected	19,551	18,938	19,533	18,824	18,674
Refuse contractor cost per household	\$ 141.82	\$ 153.57	\$ 166.76	\$ 161.00	\$ 124.45
Tons of waste recycled	7,152	6,942	7,014	6,853	7,269
Percent of total waste recycled	26.8%	26.8%	26.4%	26.6%	28.0%
Amount recycled per household (tons)	0.37	0.34	0.34	0.33	0.34
Number of snow operations	25	18	14	17	17
Percent of snowstorms cleared within 8 hours	75%	89%	92%	89%	100%
Percent of catch basins cleaned	1%	1%	8%	9%	4%

<sup>1</sup>Performance data maintained on a calendar year basis.

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

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

<sup>4</sup>The 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	2014	2015	2016	2017	2018
Human and Cultural					
Leisure Services					
Number of instructional programs conducted	2,946	2,896	2,780	2,803	3,807
Number of instructional program registrations	28,688	28,596	30,781	29,061	34,314
Number of Senior Center members	1,939	1,959	1,952	1,941	1,785
Number of swim lesson registrations-outdoor pools	1,682	1,741	1,470	1,579	1,312
Number of swim lesson registrations-indoor pool	5,065	4,862	4,789	4,754	2,836
Public session attendance at Veterans Memorial Skating Rink	25,276	23,967	19,914	19,857	22,551
Number of golf rounds played at Rockledge Golf Course	45,042	43,106	46,898	39,422	37,337
Number of golf rounds played at Buena Vista Golf Course	15,406	16,094	16,308	11,869	10,884
Social Services					
Hours of volunteer service	9,272	9,590	9,302	9,751	9,002
Number of Dial-A-Ride trips	13,688	12,052	11,308	11,186	11,300
Library					
Library visitors	510,489	470,676	472,554	461,084	437,580
Library website visitors	481,513	391,619	357,847	331,812	315,289
Programs and museum passes	2,635	3,105	3,323	3,608	3,916
Card Holders	31,236	29,934	28,541	27,588	27,008
Social Media Followers/Subscribers				35,798	129,767
Newsletter Views				195,054	214,151
Number of print book and media loans	820,678	798,797	756,673	635,681	597,763
Number of electronic book and media loans	34,687	38,427	42,286	49,438	59,238
Loans per capita	13.5	13.2	12.6	10.8	10.4
Reference inquiries	54,345	86,588	83,467	77,676	74,902
Electronic information retrievals	341,668	370,292	373,657	309,818	444,368
Wireless (WIFI) usage	50,529	75,714	94,698	100,340	94,820
Hours of computer use	94,436				
Number of computer sessions		58,686	56,871	53,438	47,528
Education					
Average Class Size					
Elementary School	20.2	19.7	19.5	20.0	20.2
Middle School	19.4	19.8	19.7	19.8	19.8
High School	21.1	21.1	21.2	21.1	21.4
SAT Scores - Math/Verbal/Writing	537/533/535	533/525/526	543/538/531		
SAT Scores - Math/ERW				559/575	568/580
SBAC Scores -					
Grade 3 - ELA, Math	n/a	68.4%	68.4%	69.1%	67.8%
% meeting target					
Grade 4 - ELA, Math	n/a	69.3%	70.6%	70.2%	67.5%
Grade 5 - ELA, Math	n/a	68.0%	67.8%	63.5%	68.4%
Grade 6 - ELA, Math	n/a	63.5%	62.2%	64.3%	59.6%
Grade 7 - ELA, Math	n/a	58.8%	61.6%	65.6%	61.7%
Grade 8 - ELA, Math	n/a	59.3%	56.5%	64.0%	66.5%
Overall SBAC Average	n/a	64.6%	64.5%	66.1%	65.3%
% of Students Pursuing Higher Education	93.2%	94.1%	94.5%	93.9%	93.2%
Annual Dropout Rate	1.0%	0.6%	1.2%	0.4%	0.5%

n/a - 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	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Public Safety</b>										
Police Cars	76	67	67	67	67	67	67	70	76	76
Fire Stations	5	5	5	5	5	5	5	5	5	5
Fire Apparatus	7	7	7	7	7	7	7	7	7	8
<b>Community Maintenance</b>										
Miles of Town Streets	212	212	212	212	212	217	217	217	217	217
Miles of Private Streets	11	11	11	11	11	15	15	15	15	15
Miles of State Highway	15	15	15	15	15	17	17	17	17	17
Miles of Curb	220	220	220	220	220	220	220	221	222	222
Miles of Sidewalk	245	245	245	245	245	300	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	7,640	7,640	7,640	7,640	7,640
Metered Parking Spaces	498	498	498	498	498	533	533	533	1,673	1,689
Leased Parking Spaces	132	337	337	337	337	393	393	393	393	393
Gated Parking Spaces	1,392	1,392	1,392	1,392	1,392	1,514	1,514	1,514	755	779
Parking Garages	2	2	2	2	2	2	2	2	2	2
<b>Human and Cultural</b>										
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	42	42	42	42	42
Athletic Fields	99	99	99	99	99	99	99	92	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
<b>Education</b>										
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