

TOWN OF WEST HARTFORD CONNECTICUT



**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR
JULY 1, 2020 - JUNE 30, 2021**

Town of West Hartford Connecticut

Annual Comprehensive Financial Report
For the Fiscal Year
July 1, 2020 - June 30, 2021

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

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TOWN OF WEST HARTFORD, CONNECTICUT
TABLE OF CONTENTS
JUNE 30, 2021

Introductory Section		Page
	List of Principal Officials	i
	Organizational Chart of the Town Government	ii
	Organizational Chart of the Department of Financial Services	iii
	Letter of Transmittal	iv-ix
Financial Section		
	Independent Auditors' Report	1-3
	Management's Discussion and Analysis	4-17
	Basic Financial Statements	
Exhibit	Government-Wide Financial Statements:	
I	Statement of Net Position	18
II	Statement of Activities	19
	Fund Financial Statements:	
III	Balance Sheet - Governmental Funds	20-21
IV	Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	22-23
V	Statement of Net Position - Proprietary Funds	24
VI	Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds	25
VII	Statement of Cash Flows - Proprietary Funds	26
VIII	Statement of Net Position - Fiduciary Funds	27
IX	Statement of Changes in Net Position - Fiduciary Funds	28
	Notes to Financial Statements	29-74
	Required Supplementary Information	
	General Fund:	
RSI-1	Schedule of Revenues and Other Financing Sources - Budget and Actual	75-76
RSI-2	Schedule of Expenditures and Other Financing Uses - Budget and Actual	77-79
	Pension and OPEB Funds:	
RSI-3	Schedule of Changes in Net Pension Liability and Related Ratios - Retirement System	80
RSI-4	Schedule of Employer Contributions - Retirement System	81
RSI-5	Schedule of Investment Returns - Retirement System	82
RSI-6	Schedule of the Town's Proportionate Share of the Net Pension Liability - Teachers' Retirement Plan	83
RSI-7	Schedule of Changes in Net OPEB Liability and Related Ratios - OPEB Trust Fund	84
RSI-8	Schedule of Employer Contributions - OPEB Trust Fund	85
RSI-9	Schedule of Investment Returns - OPEB Trust Fund	86
RSI-10	Schedule of the Town's Proportionate Share of the Net OPEB Liability - Teachers' Retirement Plan	87

<u>Exhibit</u>		<u>Page</u>
	Supplemental, Combining and Individual Fund Statements and Schedules	
	General Fund:	
A-1	Report of Tax Collector	88
	Nonmajor Governmental Funds:	
B-1	Combining Balance Sheet	89-91
B-2	Combining Statement of Revenues, Expenditures and Changes in Fund Balances	92-94
B-3	Community Development Block Grant Fund: Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	95
B-4	CDBG Housing Rehabilitation Fund Schedule of Revenues, Expenditures and changes in Fund Balance	96
B-5	State Housing and Community Development Fund: Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	97
B-6	Parking Lot Fund: Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	98
B-7	Westmoor Park Fund: Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	99
B-8	Private School Services Fund: Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	100
B-9	West Hartford Library Fund: Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	101
B-10	Technology Investment Fund: Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	102
B-11	Police Private Duty Services Fund: Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	103
B-12	Cemetery Operating Fund: Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	104
	Internal Service Funds:	
C-1	Combining Statement of Net Position	105
C-2	Combining Statement of Revenues, Expenses and Changes in Fund Net Position	106
C-3	Combining Statement of Cash Flows	107
C-4	Risk Management Fund: Operating Results by Program	108

Exhibit**Page**

Supplemental, Combining and Individual Fund Statements and
Schedules (continued)

Fiduciary Funds:

Pension and OPEB Trust Fund:

D-1	Combining Statement of Net Position	109
D-2	Combining Statement of Changes in Net Position	110

Statistical Section

Table

	Financial Trends:	
1	Net Position by Component	111
2	Changes in Net Position	112
3	Fund Balances, Governmental Funds	113
4	Changes in Fund Balances, Governmental Funds	114
	Revenue Capacity:	
5	Assessed Value and Estimated Actual Value of Taxable Property	115
6	Principal Property Taxpayers	116
7	Property Tax Levies and Collections	117
	Debt Capacity:	
8	Ratios of Outstanding Debt by Type	118
9	Statement of Debt Limitation	119
10	Legal Debt Margin Information	120
	Demographic and Economic Statistics:	
11	Demographic and Economic Statistics	121
12	Principal Employers	122
	Operating Information:	
13	Full-Time Employees by Function	123
14	Operating Indicators by Function	124-125
15	Capital Asset Statistics by Function	126

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Introductory Section

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TOWN OF WEST HARTFORD, CONNECTICUT
PRINCIPAL OFFICIALS
(As of June 30, 2021)

ELECTED OFFICIALS

Town Council

Shari Cantor, Mayor
Leon Davidoff, Deputy Mayor
Lee Gold, Minority Leader
Carol Blanks
Mary Fay
Beth Kerrigan
Liam Sweeney
Ben Wenograd
Chris Williams

Board of Education

Deb Polun, Chairperson
Lorna Thomas-Farquharson, Vice Chairperson
Amanda Aronson
Elizabeth Wilcox
Jason Oliver Chang
Ari Steinberg
Mark Zydanowicz

Town Clerk Essie Labrot
Registrar of Voters Beth Kyle
Registrar of Voters Beth Sweeney

APPOINTED OFFICIALS

Appointed by Town Council

Town Manager Matthew Hart
Corporation Counsel Dallas Dodge

Appointed by Board of Education

Superintendent of Schools Thomas Moore

Appointed by Town Manager

Chief, Fire Department Greg Priest
Chief, Police Department Vernon Riddick
Director of Community Services Duane Martin (Acting)
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

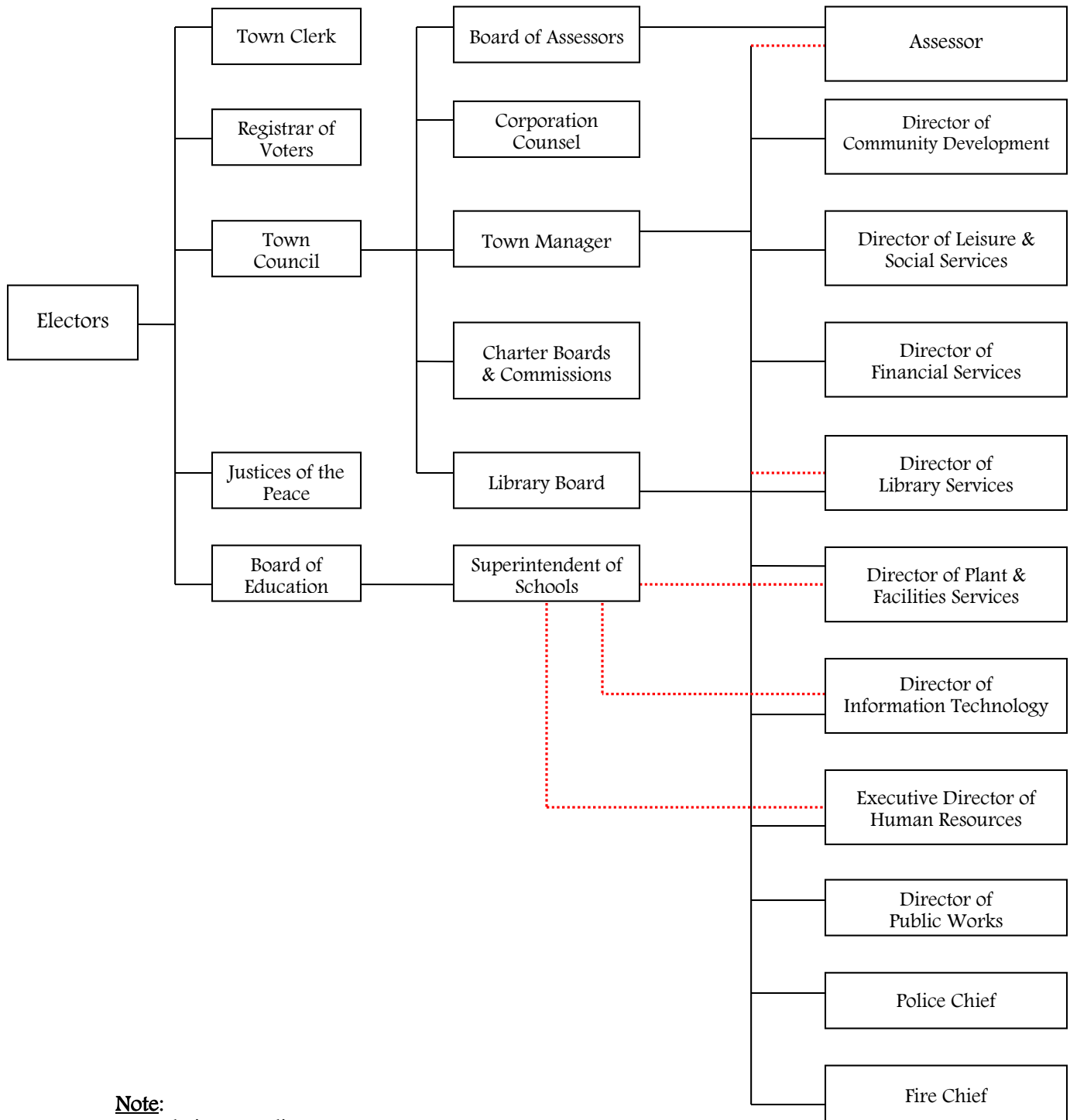
Appointed by Library Board

Director of Library Services Carol Waxman (Acting)

Appointed by Board of Assessors

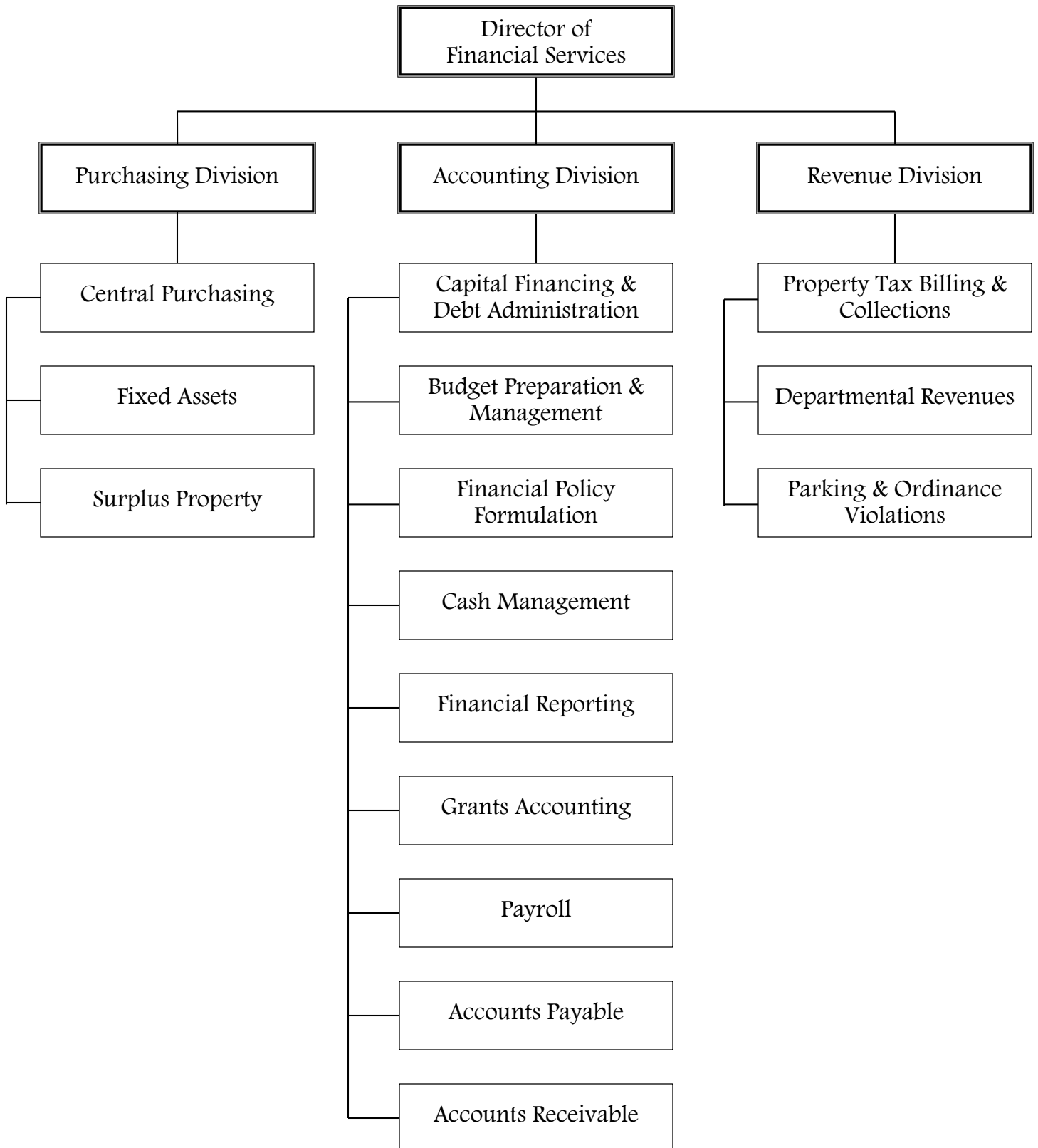
Assessor Joseph Dakers

**TOWN OF WEST HARTFORD, CONNECTICUT
TOWN GOVERNMENT
ORGANIZATIONAL CHART
Fiscal Year 2021**



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

**TOWN OF WEST HARTFORD, CONNECTICUT
TOWN GOVERNMENT
DEPARTMENTAL FUNCTIONS
Fiscal Year 2021**



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January 24, 2021

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 Annual Comprehensive Financial Report (ACFR) of the Town of West Hartford (Town) for the fiscal year ended June 30, 2021.

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.

CliftonLarsonAllen LLP, 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, 2021. The independent auditors' report is presented as the first component in the financial section of this report.

The Town's fiscal year 2021 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.

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, which is comprised of nine members who are elected biennially. The Town Council formulates policies for the administration of the Town. The Town Manager is appointed by the Town 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 Town 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 64,083.

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 Town Council. These functions encompass all activities considered to be part of (controlled by or dependent on) the financial reporting entity. Control by or dependence on the Town is determined on the basis of budget adoption, taxing authority, or outstanding debt secured by revenues or general obligations of the Town. Further information concerning the financial condition of the Town is contained in the MD&A.

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

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

In March 1981, the Town Council adopted a comprehensive budgeting and accounting ordinance. The ordinance sets forth the standards and practices that apply to the Town's financial management. Included in the ordinance is a provision requiring the appropriation of all

funds not otherwise provided by specific law, to be expended outside of budgetary operations. Annually, the Town Council adopts a balanced operating budget, a capital improvement budget, and a twelve-year capital improvement program (CIP). The budget calendar is outlined in Note 2 of the notes to the basic financial statements. Budget development and administration is performed by the Department of Financial Services.

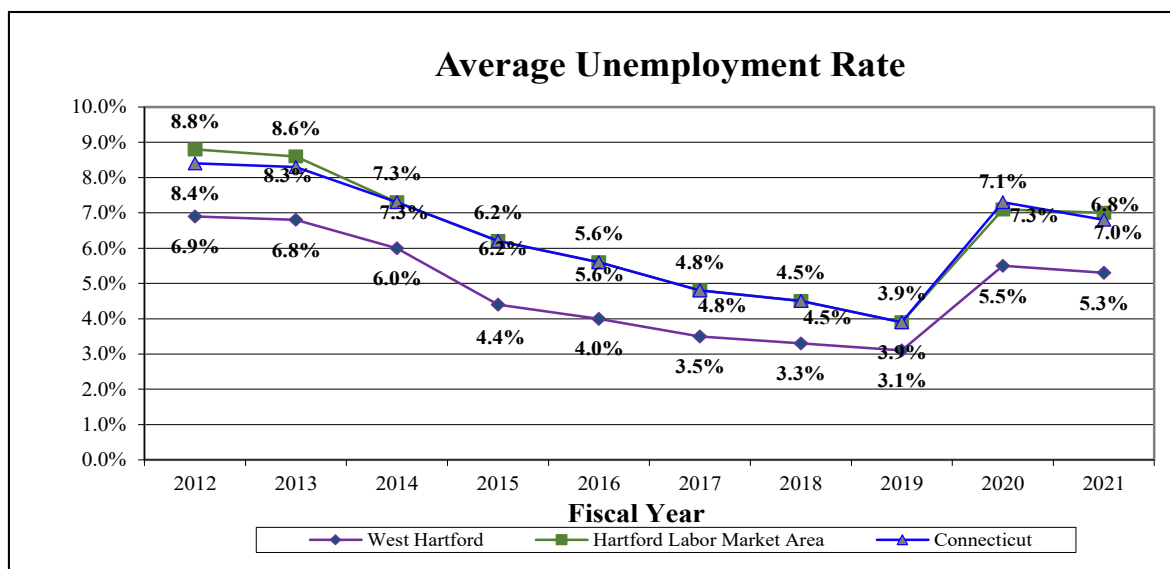
The budget is legally enacted at the character of expenditure level within the department. Budgetary control is achieved through the use of a full encumbrance system, which encumbers appropriations upon the issuance of purchase orders. Commitments which could result in an over-expenditure of an appropriation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

The budget is integrated into the accounting system and amended budgetary data (as presented in the financial statements for all funds with annual budgets) is compared to actual expenditures. Accordingly, budget to actual comparisons are provided in the report for each governmental fund for which an appropriated annual budget has been adopted. For the General Fund, 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-12.

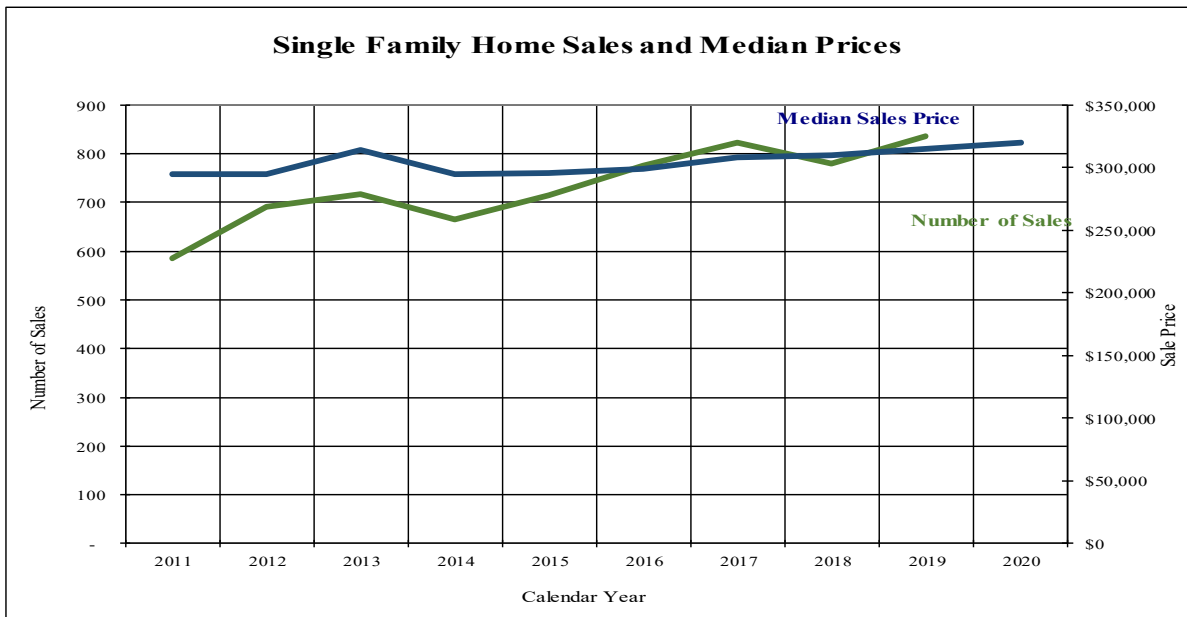
FACTORS AFFECTING FINANCIAL CONDITION

Economic condition and outlook - The COVID-19 pandemic posed economic and financial challenges for the Town, State and Country as a whole. The Town was faced with a number of financial challenges. Over 400 part-time employees were laid off, as the majority of programs offered by the Department of Leisure and Social Services were reduced or eliminated. The outdoor Town pools remained closed through June 2020 as well as two Senior Centers, Elmwood Community Center and the main Library and its branches. In fiscal year 2021, a number of part time positions were restored as Town facilities began to open to the public again. Tax collections as well as charges for services remained strong. This contributed to the Town's ability to sustain budgetary balance, even through a period of economic uncertainty, due to the pandemic.

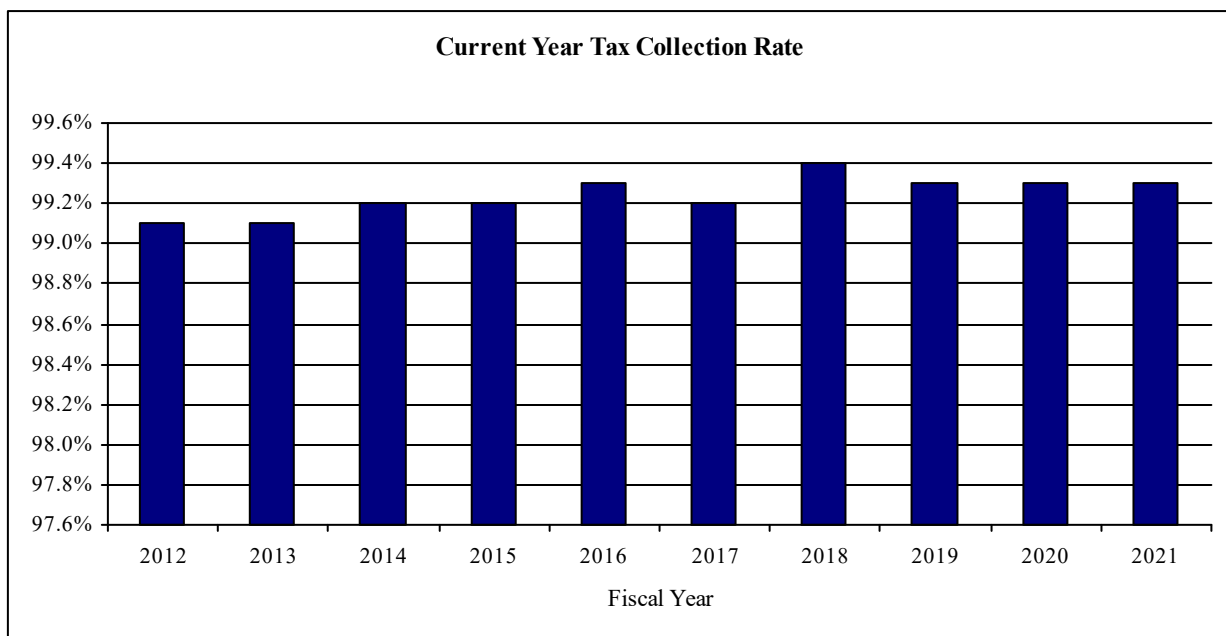
As depicted in the chart below, the fiscal year 2021 unemployment rates in West Hartford remained well below regional and state levels during the pandemic.



As illustrated, the annual number of single family home sales in West Hartford has remained stable during the economic downturn, as a result of COVID-19. Conveyance tax and land record fee revenues have remained strong. The number of sales has been trending upward since 2011, with the exception of a slight dip in calendar year 2014. Homes in West Hartford maintained their value during this period, with median sales price relatively consistent over the timeframe presented. Buyers continue to be attracted to the excellent school system and vibrant community. Stable housing prices have insulated the community from the impact of a significant decline in value, resulting in limited foreclosure activity.



The Town achieved a property tax collection rate of 99.3% for fiscal year 2021, 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, 2021, this pool of funds is invested in various money market accounts and the State of Connecticut's Short-Term Investment Fund (STIF). STIF is a Standard & Poor's AAA rated investment pool of high quality, short-term money market instruments managed by the Cash Management Division of the Connecticut Office of the State Treasurer. The Town monitors the financial strength and stability of the institutions in which it holds money market accounts via national rating services.

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

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

Long-term financial planning - The Town 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. The possibility of State and federal budget constraints will contribute to 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 Town has applied for the Government Finance Officers Association (GFOA) award, a Certificate of Achievement for Excellence in Financial Reporting for its ACFR for the fiscal year ended June 30, 2020, and is awaiting the results. The Town has achieved this prestigious award for thirty-four consecutive years. In order to be awarded a Certificate of Achievement, the government must publish an easily readable and efficiently organized ACFR 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 ACFR 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 in February 2021.

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 ACFR 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,

A handwritten signature in blue ink, appearing to read 'P. Privitera', with a stylized flourish at the end.

Peter Privitera
Director of Financial Services

Financial Section

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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, 2021, 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 auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, 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, 2021 and the respective changes in financial position and, where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

During fiscal year ended June 30, 2021, the Town of West Hartford, Connecticut, adopted GASB Statement No. 84 *Fiduciary Activities*. As a result of the implementation of this standard, the Town of West Hartford, Connecticut, reported a restatement for the change in accounting principle. In addition, there was a restatement in the Capital Projects Fund due to state grant funding not yet received (See Note 13). Our auditors' opinion was not modified with respect to the restatements.

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, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 24, 2022 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.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

West Hartford, Connecticut
January 24, 2022

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TOWN OF WEST HARTFORD, CONNECTICUT

MANAGEMENT'S DISCUSSION AND ANALYSIS **FOR THE YEAR ENDED JUNE 30, 2021**

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, 2021. 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 iv-ix 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

- At the close of fiscal year 2021, liabilities and deferred inflows of the Town exceeded its assets and deferred outflows by \$170,477 on a government wide basis, an increase in the deficit of \$15,739 as compared to the prior year.
- The governmental activities funds reported consolidated net position of (\$168,486), an increase in the deficit of \$14,071 from fiscal year 2020.
- The business-type activities of the Town had net position of (\$1,991) at fiscal year-end, an increase of (\$1,668) from the prior year.
- The Town's net investment in capital assets decreased slightly (\$5,296) in the current year.
- Unassigned fund balance of the General Fund increased \$1,922 from fiscal year 2020 to \$27,210 or 9.0% of total expenditures. Fund balance of \$1,500 had been committed for use in fiscal year 2022 as part of the budget process, however, it was not necessary to use this in fiscal year 2021 as operating results were favorable.
- The Town once again achieved a current year property tax collection rate of 99.3%.

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 (28) 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 Nonrecurring Expenditure Fund), American Rescue Plan Act 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-two (22) funds are combined into a single aggregated presentation. Individual fund data for each of the nonmajor governmental funds is provided in the combining statements located on pages 89-94 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 75-87 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 29-74.

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 (\$154,738) at the end of fiscal year 2020 to (\$170,477) at the end of fiscal year 2021. 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 \$246,946 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 \$7,506 of the Town's net position represents resources subject to use restrictions by external sources. The remaining balance is a deficit of \$424,929 and is comprised of the Town's net pension liability of \$268,516 and OPEB liability of \$213,457 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

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 130,479	\$ 106,627	\$ 11	\$ 10	\$ 130,490	\$ 106,637
Capital assets, net of accumulated depreciation	384,078	383,113	8,797	9,781	392,875	392,894
Total assets	514,557	489,740	8,808	9,791	523,365	499,531
Deferred charge on refunding	1,031	1,088			1,031	1,088
Deferred outflows related to pensions	24,807	47,301	380	725	25,187	48,026
Deferred outflows related to OPEB	31,549	42,041	458	610	32,007	42,651
Total deferred outflows of resources	57,387	90,430	838	1,335	58,225	91,765
Long-term liabilities	653,760	699,669	7,226	7,924	660,986	707,593
Other liabilities	37,094	15,914	3,823	3,477	40,917	19,391
Total liabilities	690,854	715,583	11,049	11,401	701,903	726,984
Deferred charge on refunding	259	121			259	121
Deferred inflows related to pensions	35,295		541		35,836	
Deferred inflows related to OPEB	3,258	3,296	47	48	3,305	3,344
Advance property tax collections	10,764	15,585			10,764	15,585
Total deferred inflows of resources	49,576	19,002	588	48	50,164	19,050
Net Position:						
Net investment in capital assets	238,149	242,461	8,797	9,781	246,946	252,242
Restricted	7,506	82			7,506	82
Unrestricted (deficit)	(414,141)	(396,958)	(10,788)	(10,104)	(424,929)	(407,062)
Total Net Position	\$ (168,486)	\$ (154,415)	\$ (1,991)	\$ (323)	\$ (170,477)	\$ (154,738)

Governmental Activities. The net position of the Town's governmental activities decreased \$14,071 from the prior year. Investment in capital assets, net of related debt, decreased \$4,312 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 \$17,183, mainly from the change in deferred inflows related to pensions and OPEB.

Total assets increased \$24,817 from the prior year primarily due to the receipt of American Rescue Plan Act funds of \$18,617 as well as increased cash and investment balances on-hand in other governmental funds as of June 30, 2021. Total deferred outflows of resources decreased \$33,043. Deferred outflows related to Pensions and OPEB decreased \$22,494 and \$10,492 respectfully.

Business-Type Activities. The total net position of the Town's business-type activities decreased \$1,668 in fiscal year 2021. Investment in capital assets was reduced by \$984, as depreciation expense exceeded additions to capital assets in fiscal year 2021, and the deficit in unrestricted net position increased \$684.

TABLE 2
Changes in Net Position
In Thousands

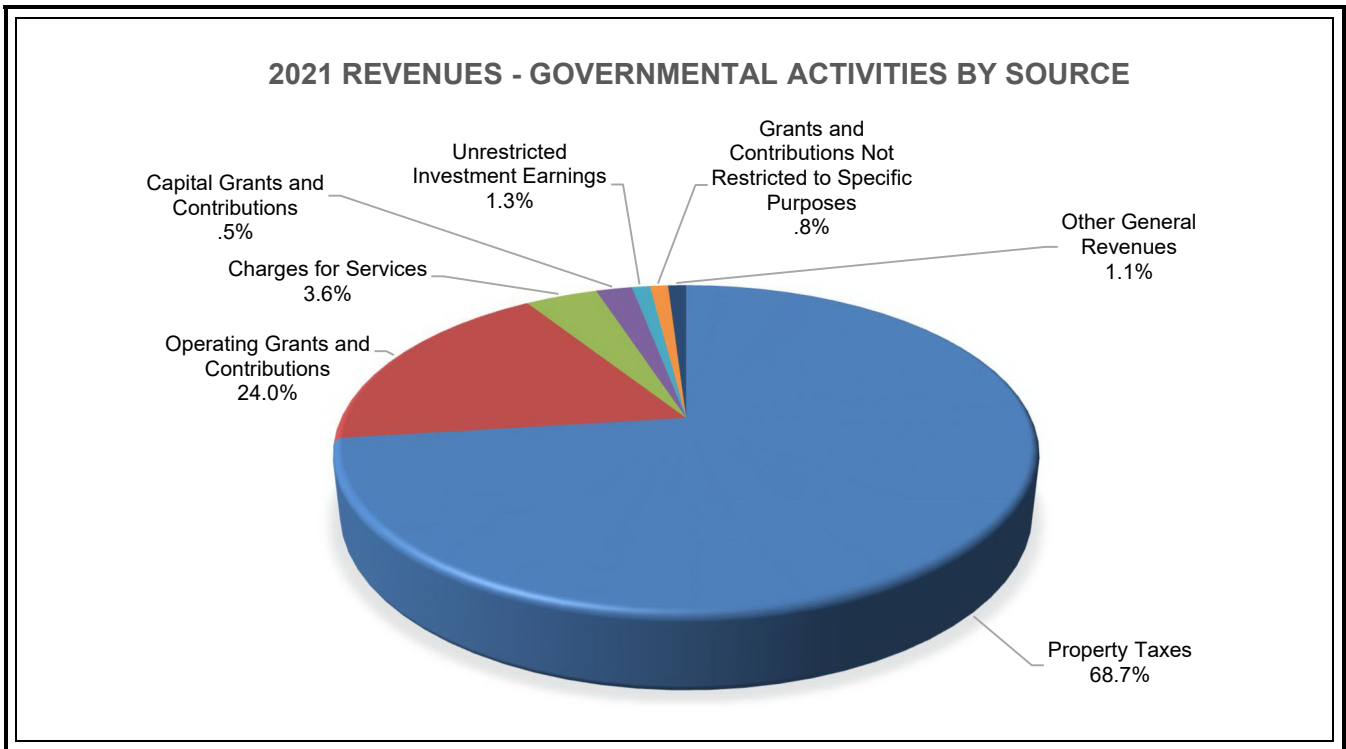
	Governmental		Business-Type		Total	
	Activities		Activities		Primary Government	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues:						
Charges for services	\$ 13,977	\$ 14,054	\$ 2,968	\$ 3,267	\$ 16,945	\$ 17,321
Operating grants and contributions	93,506	70,919			93,506	70,919
Capital grants and contributions	1,906	3,734	24	171	1,930	3,905
General revenues:						
Property taxes	267,257	266,113			267,257	266,113
Grants and contributions not restricted to specific purposes	2,969	1,908			2,969	1,908
Unrestricted investment earnings	5,161	3,350			5,161	3,350
Other general revenues	4,225	5,715			4,225	5,715
Total revenues	<u>389,001</u>	<u>365,793</u>	<u>2,992</u>	<u>3,438</u>	<u>391,993</u>	<u>369,231</u>
Program expenses:						
General government	16,682	15,932			16,682	15,932
Public safety	69,259	70,986			69,259	70,986
Community maintenance	45,154	43,214			45,154	43,214
Human and cultural	15,037	16,797			15,037	16,797
Education	255,252	232,307			255,252	232,307
Interest on long-term debt	1,618	3,647			1,618	3,647
Leisure services			4,730	5,462	4,730	5,462
Total program expenses	<u>403,002</u>	<u>382,883</u>	<u>4,730</u>	<u>5,462</u>	<u>407,732</u>	<u>388,345</u>
Change in net position before transfers	(14,001)	(17,090)	(1,738)	(2,024)	(15,739)	(19,114)
Transfers	<u>(70)</u>	<u>(70)</u>	<u>70</u>	<u>70</u>		
Change in net position	(14,071)	(17,160)	(1,668)	(1,954)	(15,739)	(19,114)
Net Position at Beginning of Year, as Restated	<u>(154,415)</u>	<u>(137,255)</u>	<u>(323)</u>	<u>1,631</u>	<u>(154,738)</u>	<u>(135,624)</u>
Net Position at End of Year	\$ <u>(168,486)</u>	\$ <u>(154,415)</u>	\$ <u>(1,991)</u>	\$ <u>(323)</u>	\$ <u>(170,477)</u>	\$ <u>(154,738)</u>

Primary Government

Total primary government revenues increased \$22,762 or 6.2% from the prior year, while total primary government program expenses increased \$19,387 or 5.0% 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 \$389,001 for fiscal year 2021, an increase of \$23,208 over the prior year. Property taxes (68.7%) and operating grants and contributions (24.0%) were the primary revenue sources, while charges for services, capital grants and contributions, unrestricted grants, investment earnings and other general revenues combined (7.3%) comprised the balance of the Town's revenues.



Operating grants and contributions totaled \$93,506 in fiscal year 2021, an increase of \$22,587 from the prior year. Capital grants and contributions decreased \$1,828 from the prior year as funds received from Federal and State reimbursements for the major construction such as the Park Road Interchange project as well as the Hall High School Science labs are winding down. 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 \$1,811 in unrestricted investment earnings in fiscal year 2021 as compared to the prior year as investments in the Risk Management Fund were favorable.

In order to cover the increased cost of services and significant uncertainty regarding State aid, the fiscal year 2021 adopted General Fund budget required a slight increase in current year property tax revenue. Actual property tax revenue was \$1,144 higher than in fiscal year 2020.

Program expenses for governmental activities totaled \$403,002 for fiscal year 2021. Approximately 27% of program expenses were supported by program revenues with the balance funded from general revenues, primarily property taxes. Expenses for education (63.3%), public safety (17.2%), and community maintenance (11.2%) comprise 91.7% of total governmental activities program expenses, with general government, human and cultural, and interest on long-term debt comprising the balance (8.3%).

2021 EXPENSES - GOVERNMENTAL ACTIVITIES BY FUNCTION

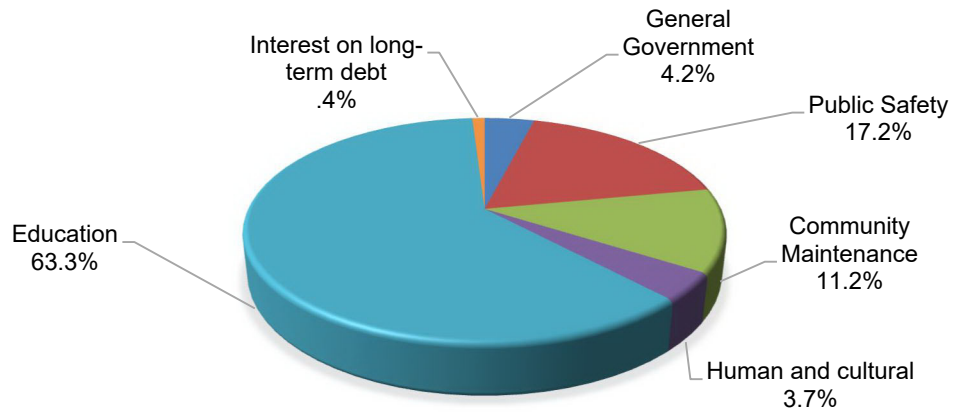
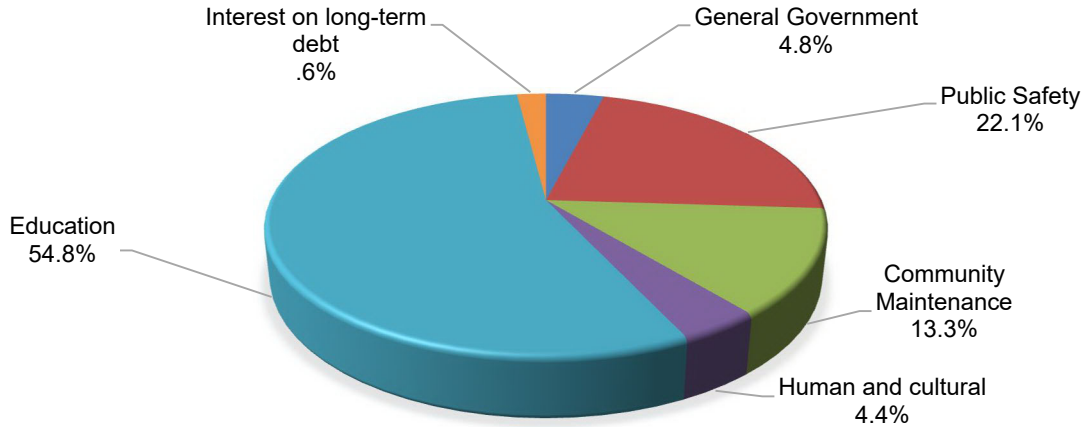


Table 3 presents the total cost and net cost of services (total cost less revenues from nontax sources directly related to the individual function) for each of the Town's six major functions: education, public safety, community maintenance, human and cultural, general government, and interest on long-term 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

	Total Cost of Services		Net Cost of Services	
	2021	2020	2021	2020
Education	\$ 255,252	\$ 230,874	\$ 161,117	\$ 159,528
Public safety	69,259	70,986	65,037	66,922
Community maintenance	45,154	43,214	39,081	35,948
Human and cultural	15,037	16,797	12,779	14,273
General government	16,682	15,932	13,981	13,969
Interest on long-term debt	1,618	3,647	1,618	3,647
Total	\$ 403,002	\$ 381,450	\$ 293,613	\$ 294,287

2021 NET COST OF SERVICES - GOVERNMENTAL ACTIVITIES BY FUNCTION



Business-Type Activities

Revenues from business-type activities decreased \$446 from the prior year. Program revenue declined \$299 primarily due to lower participation in programs due to the pandemic. Program expenses decreased \$732 over the prior year. Net transfers remained flat. The change in net assets for fiscal year 2021 was a net reduction of \$1,668 from the prior year.

FUND FINANCIAL ANALYSIS

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

Governmental Funds

As of June 30, 2021, the Town's governmental funds (as presented in the Balance Sheet - Exhibit III) reported a combined fund balance of \$41,358. This represents an increase of \$2,158 or 5.5% compared to restated fund balance of the prior year. Based upon fund balance classification under GASB 54, \$26,563 or 64% is unassigned and is comprised of fund balance of the General Fund and Capital Projects Fund. An additional \$10,572 or 26% is committed for a specific purpose by the Town Council. The remainder is comprised of nonspendable (\$381), restricted (\$1,944), and assigned (\$1,898) fund balance, as defined in note 1 to the financial statements.

For fiscal year 2021, the total net change in fund balances for governmental funds (Exhibit IV) was an increase of \$2,158. Factors affecting the General Fund are discussed below in the General Fund Highlights section. Fund balance of the Capital Project Funds increased \$2,807, reflecting intergovernmental revenue of \$975 for school and infrastructure projects, transfers in of \$969, charges for services of \$261 and miscellaneous revenues from sale of assets and reimbursements of \$253. Capital expenditures totaled \$15,980, and transfers out were \$671. The Debt Services Funds saw an increase in fund balance of \$4. Nonmajor Governmental Funds experienced a net increase in fund balance of \$130, as detailed by fund in Exhibit B-2. Significant changes in fund balance were seen in the Parking Lot Fund (-\$907), School Grants Fund (\$75), School Special Programs Fund (\$545), School Interscholastic Sports Fund (\$87), Police Private Duty (\$206), Westmoor Park Fund (\$39), Drug Enforcement Fund (-\$40) Cafeteria Fund (\$101), Town That Cares Fund (\$110) and the Cemetery Operating Fund (-\$63) while the remaining nonmajor governmental funds experienced changes totaling a net decrease of \$23.

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 \$21,957 at year-end, an increase of \$3,815 from the prior year. Net position of the Internal Service Funds had an increase of \$5,483 primarily from favorable return on investments and lower retiree claim expense in the Risk Management Fund. As mentioned previously, the Leisure Services Fund experienced a reduction in net position of \$1,668.

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 2021 and the variance between the final budget and actual results.

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

Revenue	Budget		Change	Actual Revenue	Over/ (Under) Final Budget
	Original	Final			
Property taxes	\$ 265,926	\$ 267,209	\$ 1,283	\$ 267,506	\$ 297
Federal	85	911	826	817	(94)
State	24,632	25,701	1,069	25,728	27
Charges for services	5,612	5,657	45	6,330	673
Local revenues	1,120	1,262	142	820	(442)
Income on investments	850	850		188	(662)
Use of Fund Balance	1,500	1,500			(1,500)
Transfers in	522	898	376	898	-
Total	\$ 300,247	\$ 303,988	\$ 3,741	\$ 302,287	\$ (1,701)

General Fund Budgetary Amendments

The General Fund's final estimated revenues increased \$3,741 or 1.3% from the original adopted budget.

- Estimated revenues from property taxes increased \$1,283 to fund year-end contributions to the Capital Nonrecurring Expenditure (CNRE) Fund (\$790), estimated tax appeals (\$400) and contribution to the West Hartford Bloomfield Health District to aid in COVID-19 related expenditures (\$93).
- Additional federal grants totaling \$826 were appropriated during the fiscal year for Federal FEMA and distracted/DUI driving.
- Estimated intergovernmental revenue from the State of Connecticut increased \$1,069 of which (\$1,009) represented the receipt of State Corona Virus Relief Funds. In addition, the Town Clerk received a voting grant (\$53) as well as the receipt of a grant for the preservation of historical documents (\$7).
- Estimated charges for services and local revenues increased \$45 and \$142, respectively.
- Transfers in increased \$376, for the reopening of outdoor pools, closed due to the pandemic and to fund part time grounds positions.

General Fund Revenue Variance

When compared to final estimated revenues, total revenue was slightly less than budgeted by \$1,701. Successful collection of property taxes has been key to the financial health of the Town. Current year property tax collection remains strong, with the Town achieving a collection rate of 99.3% and demonstrated strong collection of delinquent taxes.

Federal revenue was lower than the final budget by \$94 and was primarily due to a lower than anticipated Dial-A-Ride Grant. State revenue was greater than the final budget by \$27 primarily due to an increase in the Education Cost Sharing Grant. Charges for services were \$673 greater than the final budget, the majority of which was from favorable variances in conveyance tax and fees associated with land records (\$795) as well as various permit revenue (\$180) as the housing market had a great year. Miscellaneous charges rose (\$71) over the prior year. This was offset by unfavorable variances in Leisure Services program registrations and memberships (-\$156), rental of facilities and special events (-\$217). Local revenue was lower than the revised budget by (-\$442) primarily due to lower than anticipated revenue associated with various violations and fines. Income on investments had an unfavorable variance of (-\$662) as interest rates which declined in the last quarter of fiscal year 2020 never regained momentum in fiscal year 2021. The budgeted use of \$1,500 in fund balance was not necessary as a result of lower than anticipated expenditures as discussed below.

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

Department	Original	Final	Change	Actual Expenditure	(Over)/ Under Final Budget
Town Clerk	\$ 286	\$ 328	\$ 42	\$ 328	\$ -
Town Council	397	397	-	367	30
Town Manager	399	407	8	407	-
Corporation Counsel	442	643	201	584	59
Registrar of Voters	274	353	79	300	53
Information Technology	1,047	1,067	20	1,067	-
Financial Services	2,413	2,413	-	2,388	25
Assessment	761	741	(20)	661	80
Human Resources	483	483	-	473	10
Fire	12,655	13,848	1,193	13,848	-
Police	16,737	17,674	937	17,674	-
Community Development	2,575	2,532	(43)	2,438	94
Public Works	11,418	11,422	4	11,422	-
Facilities	2,063	1,955	(108)	1,955	-
Library	2,811	2,389	(422)	2,389	-
Leisure and Social Services	3,330	2,887	(443)	2,820	67
Education	169,774	169,774	-	169,712	62
Debt and Sundry	53,031	54,534	1,503	53,772	762
Transfers Out	19,351	20,141	790	19,133	1,008
Total	\$ 300,247	\$ 303,988	\$ 3,741	\$ 301,738	\$ 2,250

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 budget of the Town Clerk increased \$42 due to the receipt of grant for the preservation of historical documents and various State grants to aid municipalities election costs due to the rescheduling of the Connecticut Democratic presidential primary due to COVID-19.
- The Town Manager's budget increased \$8 related to the hiring of a part time employee to help with various economic development projects.
- The Corporation Counsel budget increased \$201 due to the need for retain outside counsel in connection with the evaluation and assessment of certain claims.
- The Department of Information Technology's budget increased \$20. This is primarily due to higher than expected network maintenance costs.
- The final budget of the Fire Department was \$1,193 higher than that originally adopted. The retirement of seven firefighters also attributed to the increase. These vacancies resulted in an increase overtime due to minimum staffing requirements.
- The Police Department budget had an increase of \$937 from the originally adopted budget as a result of sixteen retirements during the year.
- The final budget for the Library decreased \$422 as a result of the pandemic. Library branches were forced to close in March of 2020 and remained closed for part of fiscal year 2021. Many part time personnel were laid off and operating costs were reduced as a result of the shutdowns.
- The final Debt and Sundry budget was increased \$1,503. Of this, \$1,009 was a result of the receipt of State Corona Virus Relief funds primarily for COVID-19 related costs such as personal protective equipment for public safety staff, equipment rentals, and cleaning supplies.
- The final budget for transfers to other funds increased \$790 from the original budget as a portion of the General Fund Surplus was transferred to the Capital Non Recurring Fund for future vehicle and equipment purchases.

General Fund Expenditure Variance

- In comparison to final appropriations, actual expenditures were \$2,250 less than budgeted. With the economic uncertainty with the pandemic, the Town early in the fiscal year curtailed departmental discretionary spending resulting in a savings (\$350).
- The Departments of Assessment, Corporation Counsel, Financial Services, Community Development and Leisure saw savings (\$245) primarily in personal services as a result of various departmental vacancies which were unfilled or filled at a lower salary than their incumbent.
- Debt and Sundry was under budget (\$762) with the receipt of State Corona Virus Relief Funds received in fiscal year 2021, yet the majority of the expenditures were incurred in fiscal year 2020.
- Significant cost savings were seen in transfers out to fund Private School Transportation and Private School Health costs (\$408) as three fewer buses were needed to transport private school students with remote learning continuing during the pandemic.
- Capital financing costs were reduced (\$480) as a result of a number of bond refundings throughout the year.

• **CAPITAL ASSET AND DEBT ADMINISTRATION**

Capital Assets

At June 30, 2021 the Town had \$392.8 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 decrease of \$.1 million from the prior year.

TABLE 6 Capital Assets at Year-end Net of Depreciation In Millions						
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Land	\$ 10.5	\$ 10.5	\$	\$	\$ 10.5	\$ 10.5
Construction in progress	119.1	126.9	0.9	1.1	120.0	128.0
Buildings and land improvements	161.6	160.4	7.7	8.6	169.3	169.0
Furniture and equipment	2.4	3.2		0.1	2.4	3.3
Vehicles	4.4	5.0			4.4	5.0
Infrastructure	86.2	77.1			86.2	77.1
Total Capital Assets	\$ 384.2	\$ 383.1	\$ 8.6	\$ 9.8	\$ 392.8	\$ 392.9

With the completion of numerous reconstruction projects, ongoing costs associated with the replacement of a radio system, the rehabilitation of the North Main Street Bridge, costs have remained similar to prior year. 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, 2021, the Town had \$134,160 in bonds outstanding versus \$135,210 at the end of the prior year.

Table 7
Outstanding Debt at Year-End
In Millions

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
General Obligation Bonds (backed by the Town)	\$ 134.2	\$ 135.2	\$ -	\$ -	\$ 134.2	\$ 135.2

The reduction in outstanding debt results from principal payments on existing debt of \$14,885 in fiscal year 2021, offset by the issuance of \$17,000 in general obligation bonds in March 2021. 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 February 2021.

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 \$1.86 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 2021, inclusive of debt service of the Blue Back Square Fund, was 5.6% of General Fund expenditures. The General Fund portion of debt service was 4.6% 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 2022 budget process was extraordinary. The impact of the COVID-19 pandemic forced the Town and the Board of Education to make difficult decisions including examining the overall needs of our residents in conjunction with the ability to finance those needs in a time such uncertainty. In order to minimize the fiscal impact on our residents as well as businesses, significant budget adjustments were made while focusing 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 nontax revenue. The fiscal year 2022 General Fund budget totals \$308,442 and represents an increase of \$8,195 or 2.7% over fiscal year 2021, at the time of adoption. The municipal services portion of the budget totals \$117,242, an increase of \$4,388 or 3.9%. The education budget totals \$175,556, an increase of \$5,482 or 3.2%. The capital financing portion of the budget for both municipal and education services is \$15,643, a decrease of \$1,700 or 9.7%.

The fiscal year 2022 budget maintains town and education services with the following assumptions and policy decisions reflected in the adopted budget:

- Grand List increase of approximately \$27.80 million, or 0.44%;
- A current year property tax collection rate of 99.1%;
- A uniform mill rate for real, personal and motor vehicle property;
- Conservative estimates of noncurrent year tax revenue;
- Reduction of part time labor in Leisure & Social Services and Library as programs available were reduced, all related to the COVID pandemic;

- Full funding of the Actuarially Determined Employer Contribution to the Town's Pension & and adhere to planned phase in of ADEC related to Other Post Employee Benefits;
- Explore options for service sharing with neighboring municipalities.
- Continued efforts to modify employee benefit programs to reduce costs.

In order to finance the budget, an increase in current year property tax revenue of \$5.35 or 2.04% was required. Approximately \$1,179 will be generated as a result of growth in the Grand List. In addition, in order to mitigate the financial burden on taxpayers, a use of \$1.5M in undesignated fund balance was adopted. This combination enabled the Town adopt a minimal mill rate increase of .62, and a uniform mill rate of 42.42 was adopted.

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

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TOWN OF WEST HARTFORD, CONNECTICUT
STATEMENT OF NET POSITION
JUNE 30, 2021
(In Thousands)

	Primary Government			Component Unit
	Governmental	Business-Type		West Hartford
	Activities	Activities	Total	Special Services District
Assets:				
Cash and cash equivalents	\$ 87,469	\$ 2	\$ 87,471	\$
Investments	27,757		27,757	
Receivables, net	14,947	9	14,956	8
Due from component unit	6		6	
Supplies	299		299	
Prepaid items	1		1	
Capital assets:				
Assets not being depreciated	129,598	942	130,540	
Assets being depreciated, net	254,480	7,855	262,335	
Total assets	514,557	8,808	523,365	8
Deferred Outflows of Resources:				
Deferred charge on refunding	1,031		1,031	
Deferred outflows related to pensions	24,807	380	25,187	
Deferred outflows related to OPEB	31,549	458	32,007	
Total deferred outflows of resources	57,387	838	58,225	-
Liabilities:				
Accounts and other payables	7,533	204	7,737	2
Payroll liabilities	10,373	140	10,513	
Other current liabilities	1,179		1,179	
Internal balances	(3,238)	3,238	-	
Unearned revenue	21,247	241	21,488	
Due to primary government				6
Noncurrent liabilities:				
Due within one year	30,132	53	30,185	
Due in more than one year	623,628	7,173	630,801	
Total liabilities	690,854	11,049	701,903	8
Deferred Inflows of Resources:				
Deferred charge on refunding	259		259	
Deferred inflows related to pensions	35,295	541	35,836	
Deferred inflows related to OPEB	3,258	47	3,305	
Advance property tax collections	10,764		10,764	
Total deferred inflows of resources	49,576	588	50,164	
Net Position:				
Net investment in capital assets	238,149	8,797	246,946	
Restricted for:				
Grants	3,137		3,137	
Cemetery	1,267		1,267	
Town programs	449		449	
Loans	2,571		2,571	
Perpetual care:				
Nonexpendable	82		82	
Unrestricted	(414,141)	(10,788)	(424,929)	
Total Net Position	\$ (168,486)	\$ (1,991)	\$ (170,477)	\$ -

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, 2021
(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	\$ 16,682	\$ 2,461	\$	\$ 240	\$ (13,981)	\$	\$ (13,981)	\$
Public safety	69,259	3,958		12	(65,037)		(65,037)	
Community maintenance	45,154	3,732		1,654	(39,081)		(39,081)	
Human and cultural	15,037	1,052			(12,779)		(12,779)	
Education	255,252	2,774			(161,117)		(161,117)	
Interest on long-term debt	1,618				(1,618)		(1,618)	
Total governmental activities	403,002	13,977		1,906	(293,613)	-	(293,613)	-
Business-type activities:								
Leisure services	4,730	2,968		24		(1,738)	(1,738)	
Total Primary Government	\$ 407,732	\$ 16,945	\$ 93,506	\$ 1,930	(293,613)	(1,738)	(295,351)	-
Component Unit:								
West Hartford Special Services District	\$ 3,794	\$ 2,082	\$ -	\$ -				(1,712)
General revenues:								
Property taxes					267,257		267,257	1,709
Grants and contributions not restricted to specific programs					2,969		2,969	
Unrestricted investment earnings					5,161		5,161	3
Miscellaneous					4,225		4,225	
Transfers					(70)	70	-	
Total general revenues and transfers					279,542	70	279,612	1,712
Change in net position					(14,071)	(1,668)	(15,739)	-
Net Position at Beginning of Year, as Restated					(154,415)	(323)	(154,738)	-
Net Position at End of Year					\$ (168,486)	\$ (1,991)	\$ (170,477)	\$ -

The accompanying notes are an integral part of the financial statements

TOWN OF WEST HARTFORD, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2021
(In Thousands)

	General	Capital Project Funds	ARPA Fund	Debt Service Funds	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 46,130	\$ 3,831	\$ 18,617	\$ 4,856	\$ 7,840	\$ 81,274
Receivables, net	3,783	3,630		5	5,654	13,072
Due from other funds	7,932					7,932
Inventories	242				57	299
Total Assets	<u>\$ 58,087</u>	<u>\$ 7,461</u>	<u>\$ 18,617</u>	<u>\$ 4,861</u>	<u>\$ 13,551</u>	<u>\$ 102,577</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts and other payables	\$ 3,328	\$ 1,316	\$	\$	\$ 376	\$ 5,020
Payroll liabilities	9,929				388	10,317
Due to other funds		3,103			1,425	4,528
Other liabilities	1,179					1,179
Unearned revenue	1,500	129	18,617		1,001	21,247
Total liabilities	<u>15,936</u>	<u>4,548</u>	<u>18,617</u>	<u>-</u>	<u>3,190</u>	<u>42,291</u>
Deferred inflows of resources:						
Unavailable revenue - property taxes	2,037					2,037
Unavailable revenue - loans receivable					2,567	2,567
Unavailable revenue - grants receivable		3,560				3,560
Advance property tax collections	10,764					10,764
Total deferred inflows of resources	<u>12,801</u>	<u>3,560</u>	<u>-</u>	<u>-</u>	<u>2,567</u>	<u>18,928</u>
Fund balances:						
Nonspendable	242				139	381
Restricted					1,944	1,944
Committed				4,861	5,711	10,572
Assigned	1,898					1,898
Unassigned	27,210	(647)				26,563
Total fund balances	<u>29,350</u>	<u>(647)</u>	<u>-</u>	<u>4,861</u>	<u>7,794</u>	<u>41,358</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 58,087</u>	<u>\$ 7,461</u>	<u>\$ 18,617</u>	<u>\$ 4,861</u>	<u>\$ 13,551</u>	<u>\$ 102,577</u>

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TOWN OF WEST HARTFORD, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2021
(In Thousands)

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

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

Fund balances - total governmental funds (Exhibit III)	\$ 41,358
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Capital assets used in governmental activities are not financial
resources and, therefore, are not reported in the funds:

Governmental capital assets	\$ 684,320	
Less accumulated depreciation	<u>(300,242)</u>	
Net capital assets		384,078

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	2,037
Interest receivable on property taxes	1,081
Housing loans receivable	2,567
Interest receivable on housing loans	802
Grants	3,560
Deferred charges on refunding	1,031
Deferred outflows related to pensions	24,807
Deferred outflows related to OPEB	31,549

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.

23,948

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	(134,160)
Interest payable on bonds and notes	(2,026)
Compensated absences	(24,215)
Bond premium	(11,225)
Net pension liability	(264,461)
Net OPEB liability	(210,405)
Deferred charges on refunding	(259)
Deferred inflows related to pensions	(35,295)
Deferred inflows related to OPEB	<u>(3,258)</u>

Net Position of Governmental Activities (Exhibit I)	\$ <u><u>(168,486)</u></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, 2021
(In Thousands)

	General	Capital Project Funds	ARPA Fund	Debt Service Funds	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:						
Property taxes	\$ 267,506	\$	\$	\$	\$	\$ 267,506
Intergovernmental	54,513	975			12,101	67,589
Charges for services	6,330	261		20	7,371	13,982
Income on investments	188	5			364	557
Miscellaneous	715	240		3,410	437	4,802
Total revenues	<u>329,252</u>	<u>1,481</u>	<u>-</u>	<u>3,430</u>	<u>20,273</u>	<u>354,436</u>
Expenditures:						
Current:						
General government	6,570				5	6,575
Public safety	31,522				2,073	33,595
Community maintenance	15,661				2,379	18,040
Human and cultural	5,210				2,081	7,291
Education	198,867				14,826	213,693
Debt and sundry	54,170			22,101		76,271
Capital outlay		15,980			2	15,982
Total expenditures	<u>312,000</u>	<u>15,980</u>	<u>-</u>	<u>22,101</u>	<u>21,366</u>	<u>371,447</u>
Excess (Deficiency) of Revenues over Expenditures	<u>17,252</u>	<u>(14,499)</u>	<u>-</u>	<u>(18,671)</u>	<u>(1,093)</u>	<u>(17,011)</u>
Other Financing Sources (Uses):						
Transfers in	898	969		16,749	1,617	20,233
Transfers out	(19,133)	(671)		(50)	(394)	(20,248)
Issuance of bonds		17,000				17,000
Issuance of refunding bonds	21,620					21,620
Bond premium				1,976		1,976
Bond premium on refunding	1,548					1,548
Payment to refunded bond escrow agent	(22,968)					(22,968)
Sale of capital assets		8				8
Total other financing sources (uses)	<u>(18,035)</u>	<u>17,306</u>	<u>-</u>	<u>18,675</u>	<u>1,223</u>	<u>19,169</u>
Net Change in Fund Balances	(783)	2,807	-	4	130	2,158
Fund Balances at Beginning of Year, as Restated	<u>30,133</u>	<u>(3,454)</u>	<u>-</u>	<u>4,857</u>	<u>7,664</u>	<u>39,200</u>
Fund Balances at End of Year	<u>\$ 29,350</u>	<u>\$ (647)</u>	<u>\$ -</u>	<u>\$ 4,861</u>	<u>\$ 7,794</u>	<u>\$ 41,358</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, 2021
(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)	\$ 2,158
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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	15,653
Depreciation expense	(14,679)

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.	(9)
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Revenues in the statement of activities that do not provide current financial resources are not reported
as revenues in the funds, and revenues recognized in the funds are not reported in the statement of activities:

Property tax receivable - accrual basis change	(252)
Property tax interest and lien revenue - accrual basis change	3
Housing loans accrued interest	(99)
Housing loans receivable	28
Amortization of deferred charge on refundings	(57)
Change in deferred outflows related to pensions	(22,494)
Change in deferred outflows related to OPEB	(10,492)

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
premiums, discounts and similar items when debt is first issued, whereas these amounts are amortized and
deferred in the statement of activities. The details of these differences in the treatment of long-term debt and
related items are as follows:

Bond proceeds	(17,000)
Issuance of refunding bonds	(21,620)
Bond premium	(3,524)
Bond principal payments	17,425
Payment to escrow agent	22,968

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	(2,444)
Accrued interest	56
Amortization of deferred charge on refundings	(861)
Amortization of bond premiums	4,120
Change in net pension liability	46,920
Change in net OPEB liability	(97)
Change in deferred inflows related to pensions	(35,295)
Change in deferred inflows related to OPEB	38

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.	5,483
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Change in Net Position of Governmental Activities (Exhibit II)	<u>\$ (14,071)</u>
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The accompanying notes are an integral part of the financial statements

TOWN OF WEST HARTFORD, CONNECTICUT
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
JUNE 30, 2021
(In Thousands)

	Business-Type Activities	Governmental Activities
	Leisure Services Fund	Internal Service Funds
Assets:		
Current:		
Cash and cash equivalents	\$ 2	\$ 6,191
Investments		27,757
Receivables, net	9	
Prepaid items		1
Total current assets	<u>11</u>	<u>33,949</u>
Noncurrent:		
Capital assets:		
Assets not being depreciated	942	
Assets being depreciated, net	7,855	
Total noncurrent assets	<u>8,797</u>	<u>-</u>
Total assets	<u>8,808</u>	<u>33,949</u>
Deferred Outflows of Resources:		
Deferred outflows related to pensions	380	
Deferred outflows related to OPEB	458	
Total deferred outflows of resources	<u>838</u>	<u>-</u>
Liabilities:		
Current:		
Accounts and other payables	204	488
Payroll liabilities	140	53
Due to other funds	3,238	166
Risk management claims		3,383
Unearned revenue	241	
Compensated absences	53	
Total current liabilities	<u>3,876</u>	<u>4,090</u>
Noncurrent:		
Compensated absences	66	
Net pension liability	4,055	
Net OPEB liability	3,052	
Risk management claims		5,911
Total noncurrent liabilities	<u>7,173</u>	<u>5,911</u>
Total liabilities	<u>11,049</u>	<u>10,001</u>
Deferred Inflows of Resources:		
Deferred inflows related to pensions	541	
Deferred inflows related to OPEB	47	
Total deferred inflows of resources	<u>588</u>	<u>-</u>
Net Position:		
Invested in capital assets	8,797	
Unrestricted	<u>(10,788)</u>	<u>23,948</u>
Total Net Position	<u>\$ (1,991)</u>	<u>\$ 23,948</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, 2021
(In Thousands)

	Business-Type Activities	Governmental Activities
	Leisure Services Fund	Internal Service Funds
Operating Revenues:		
Fund premiums	\$	\$ 36,138
Charges for services	2,963	
Employee contributions		8,757
Other	5	122
Total operating revenues	<u>2,968</u>	<u>45,017</u>
Operating Expenses:		
Administrative expense		337
Personal services	978	
Employee benefits		33,851
Insurance and program services		5,945
Utilities	430	3,950
Other operating expense	2,314	
Depreciation	1,008	
Total operating expenses	<u>4,730</u>	<u>44,083</u>
Operating Income (Loss)	(1,762)	934
Nonoperating Revenue:		
Income on investments		<u>4,604</u>
Income (Loss) Before Capital Contributions and Transfers	(1,762)	5,538
Capital contributions	24	
Transfers in	70	
Transfers out		<u>(55)</u>
Change in Net Position	(1,668)	5,483
Net Position at Beginning of Year	<u>(323)</u>	<u>18,465</u>
Net Position at End of Year	<u>\$ (1,991)</u>	<u>\$ 23,948</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, 2021
(In Thousands)

	Business-Type Activities	Governmental Activities
	Leisure Services Fund	Internal Service Funds
Cash Flows from Operating Activities:		
Cash received from employees	\$	\$ 8,757
Cash received from operating funds		36,138
Cash received from customers	3,109	
Cash payments to employees for services	(604)	
Cash payments to suppliers for goods and services	(2,580)	(10,023)
Cash payment to providers for benefits		(33,608)
Other operating receipts	5	124
Payments for interfund services used		(216)
Net cash provided by (used in) operating activities	<u>(70)</u>	<u>1,172</u>
Cash Flows from Noncapital Financing Activities:		
Transfers from other funds	70	
Transfers to other funds		(55)
Net cash flows provided by (used in) noncapital financing activities	<u>70</u>	<u>(55)</u>
Cash Flows from Investing Activities:		
Gain on investments		51
Net Increase (Decrease) in Cash and Cash Equivalents	-	1,168
Cash and Cash Equivalents at Beginning of Year	<u>2</u>	<u>5,023</u>
Cash and Cash Equivalents at End of Year	<u>\$ 2</u>	<u>\$ 6,191</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:		
Operating income (loss)	\$ (1,762)	\$ 934
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation	1,008	
Change in assets and liabilities:		
(Increase) decrease in receivables	(1)	127
(Increase) decrease in prepaid items		2
(Increase) decrease in deferred outflows related to pension	345	
(Increase) decrease in deferred outflows related to OPEB	152	
Increase (decrease) in accounts and other payables	65	204
Increase (decrease) in payroll liabilities	55	5
Increase (decrease) in net pension liability	(719)	
Increase (decrease) in net OPEB liability	1	
Increase (decrease) in risk management claim liability		116
Increase (decrease) in due to other funds	99	(216)
Increase (decrease) in deferred inflows related to pension	541	
Increase (decrease) in deferred inflows related to OPEB	(1)	
Increase (decrease) in unearned revenue	<u>147</u>	
Net Cash Provided by (Used in) Operating Activities	<u>\$ (70)</u>	<u>\$ 1,172</u>
Noncash Investing and Capital Financing Activities:		
Net increase (decrease) in fair value of investments	<u>\$ -</u>	<u>\$ 4,553</u>
Contribution of Capital Assets from Town	<u>\$ 24</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, 2021
(In Thousands)

	Pension and Other Employee Benefit Trust Funds
Assets:	
Cash and cash equivalents	\$ 7,431
Investments:	
Mutual funds	228,764
Common stock	22,324
Alternative investments	24,831
Receivables:	
Interest and dividends	<u>10</u>
 Total assets	 <u>283,360</u>
 Liabilities:	
Accounts and other payables	<u>160</u>
 Net Position:	
Restricted for pension benefits	269,713
Restricted for OPEB benefits	<u>13,487</u>
 Total net position	 \$ <u><u>283,200</u></u>

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, 2021
(In Thousands)

	Pension and Other Employee Benefit Trust Funds
Additions:	
Contributions:	
Employer	\$ 42,180
Plan members	3,427
Total contributions	<u>45,607</u>
Investment income (loss):	
Net change in fair value of investments	62,536
Interest	10
Dividends	3,481
Total investment income (loss)	<u>66,027</u>
Less investment expense	<u>(640)</u>
Net investment income (loss)	<u>65,387</u>
Total additions	<u>110,994</u>
Deductions:	
Benefits	51,975
Administration	321
Total deductions	<u>52,296</u>
Change in Net Position	58,698
Net Position at Beginning of Year	<u>224,502</u>
Net Position at End of Year	<u>\$ 283,200</u>

The accompanying notes are an integral part of the financial statements

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TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

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

Accounting principles generally accepted in the United State of America require that the reporting entity include the primary government, organizations for which the primary government is financially accountable, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. A government is financially accountable for a legally separate organization if it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the 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.

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

Fiduciary Component Units

The Town has established a single-employer Public Retirement Systems (PERS) and a postretirement retiree health plan (OPEB) to provide retirement benefits and post-retirement health care benefits to employees and their beneficiaries. The Town appoints a majority of the Pension Board and is required to make contributions to the pension and OPEB plans and can impose its will.

The financial statements of the fiduciary component units are reported as Pension and OPEB Trust funds in the fiduciary fund financial statements. Separate financial statements have not been prepared for the fiduciary component units.

B. Government-Wide and Fund Financial Statements

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

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

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, including fiduciary component units, 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 fiduciary 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 to be available if they are collected within 60 days of the end of the current fiscal period, with the exception of grant revenues which are considered available if they are collected 180 days of the end of the current fiscal year. 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.

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

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 ARPA Fund accounts for activity related to the American Rescue Plan Act 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.

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 fiduciary 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.

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.

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

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.

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, 2021. This represents 15.1% of all property taxes receivable.

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

F. Supplies and Prepaid Items

All supplies are valued at cost using the first-in/first-out (FIFO) method. Supplies 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.

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

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

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

H. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period or periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town reports a deferred charge on refunding and deferred outflows related to pension 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).

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

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 a deferred charge on refunding in the government-wide statement of net position. The Town also 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 changes of assumption or other inputs and difference between projected and actual earnings in the government-wide financial 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. 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 and difference between projected and actual earnings. These amounts are deferred and included in 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 plans (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, 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.

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.

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."

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

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 expenditures/expenses during the reporting period. Actual results could differ from those estimates.

P. Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date the financial statements were available to be issued, which date is January 24, 2022.

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

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, the budgetary basis does not recognize on-behalf payments of the State Teachers' Pension and OPEB plans, refunding transactions, inventory or BOE intergovernmental grants. 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.

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, Student Activity, 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 \$3,741 were made to the adopted fiscal year 2021 General Fund budget to increase total appropriations.

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

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

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

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

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

B. Fund Deficits

At June 30, 2021, the Town reported deficit fund balance/net position for the following funds:

Major Fund:	
Capital Project Funds	\$ 647
Business-Type Activities:	
Leisure Service Fund	1,991

The Town plans to address these deficits through future revenues and appropriations.

3. CASH, CASH EQUIVALENTS AND INVESTMENTS

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

The Connecticut General Statutes (Section 7-400) permit municipalities to invest in: 1) obligations of the United States and its agencies, 2) highly rated obligations of any state of the United States or of any political subdivision, authority or agency thereof, and 3) shares or other interests in custodial arrangements or pools maintaining constant net asset values and in highly rated no-load open end money market and mutual funds (with constant or fluctuating net asset values) whose portfolios are limited to obligations of the United States and its agencies, and repurchase agreements fully

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

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*, \$84,815 of the Town's bank balance of \$85,835 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 37,777
Uninsured and collateral held by the pledging bank's trust department, not in the Town's name	<u>47,038</u>
Total Amount Subject to Custodial Credit Risk	<u>\$ 84,815</u>

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, 2021, the Town's cash equivalents amounted to \$10,463. 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.

	<u>Standard & Poor's</u>
State Short-Term Investment Fund (STIF)	AAAm
Wells Fargo	*
* Not Rated	

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

STIF is an investment pool of high-quality, short-term money market instruments with an average maturity of less than 60 days. There were no limitations or restrictions on any withdrawals due to redemption notice periods, liquidity fees, or redemption gates.

Investments

As of June 30, 2021, the Town had the following investments in the Pension, OPEB and Risk Management Funds:

Investment Type	Fair Value	Investment Maturities (Years)		
		Less Than 1	1-10	More Than 10
Interest-bearing investments:				
U.S. Government Securities	\$ 5,075	\$ 100	\$ 3,275	\$ 1,700
U.S. Government Agencies	3,554	314	1,557	1,683
Corporate Bonds	1,380	7	1,170	203
Total	10,009	\$ 421	\$ 6,002	\$ 3,586
Other investments:				
Common Stock	22,324			
Mutual Funds	246,512			
Alternative Investments	24,831			
Total Investments	\$ 303,676			

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.

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.

Average Rating	Corporate Bonds	U.S. Government Securities	U.S. Government Agencies	Mutual Funds
Aaa	\$ 1,380	\$ 5,075	\$ 3,554	\$
Unrated				246,512
Total	\$ 1,380	\$ 5,075	\$ 3,554	\$ 246,512

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

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, 2021, 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, 2021:

	June 30, 2021	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments by fair value level:				
U.S. Government Securities	\$ 5,075	\$ 5,075	\$	\$
U.S. Government Agencies	3,554		3,554	
Corporate Bonds	1,380		1,380	
Common Stock	22,324	21,576	748	
Mutual Funds	246,512	246,512		
Total Investments by Fair Value Level	278,845	\$ 273,163	\$ 5,682	\$ -
Investments measured at net asset value (NAV):				
Alternative investments	24,831			
Total Investments:	\$ 303,676			

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. Alternative investments primarily represent investments in Limited Partnerships.

The following is a summary of the investment strategies, their liquidity and redemption notice periods and any restrictions on the liquidity provisions of the investments in Investment Funds held by the Town as of June 30, 2021 and measured at fair value using the NAV per share practical expedient. Investment Funds with no current redemption restrictions may be subject to future gates, lock-up provisions, or other restrictions, in accordance with their offering documents which would be considered in fair value measurement and disclosure.

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

Equity Hedge Funds

This type includes investments in hedge funds that invest both long and short primarily in U.S. common stocks. Management of each hedge fund has the ability to shift investments from value to growth strategies, from small to large capitalization stocks, and from a net long position to a net short position. The fair values of the investments in this type have been determined using the NAV per share of the investments. There are no redemption notice periods or liquidity restrictions with the equity hedge fund held by the Town. In addition, there are no unfunded commitments.

Real Estate Funds

This type includes real estate funds that invest primarily in U.S. commercial real estate. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the Plan's ownership interest in partners' capital. These investments can never be redeemed with the funds. Distributions from each fund will be received as the underlying investments of the funds are liquidated. There are no redemption notice periods or liquidity restrictions with the real estate fund held by the Town. In addition, there are no unfunded commitments.

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>Debt Service</u>	<u>Leisure Service Fund</u>	<u>Nonmajor and Other Funds</u>	<u>Total</u>
Receivables:						
Taxes	\$ 3,104	\$	\$	\$	\$	\$ 3,104
Interest*					10	10
Accounts and other	1,141		5	9	922	2,077
Housing loans					2,564	2,564
Intergovernmental		3,630			2,168	5,798
Component unit	6					6
Gross receivables	<u>4,251</u>	<u>3,630</u>	<u>5</u>	<u>9</u>	<u>5,664</u>	<u>13,559</u>
Less allowance for uncollectibles	<u>468</u>					<u>468</u>
Net Total Receivables	<u>\$ 3,783</u>	<u>\$ 3,630</u>	<u>\$ 5</u>	<u>\$ 9</u>	<u>\$ 5,664</u>	<u>\$ 13,091</u>

*Accrued interest on property taxes and long-term housing loans in the amount of \$1,883 are not included in the fund financial statements.

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

5. CAPITAL ASSETS

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 10,516	\$	\$	\$ 10,516
Construction in progress	126,866	16,071	(23,855)	119,082
Total capital assets not being depreciated	<u>137,382</u>	<u>16,071</u>	<u>(23,855)</u>	<u>129,598</u>
Capital assets being depreciated:				
Buildings	278,289	7,986		286,275
Land improvements	22,283	1,382		23,665
Vehicles	14,329	175	(537)	13,967
Furniture and equipment	15,418	82	(226)	15,274
Infrastructure	201,729	13,812		215,541
Total capital assets being depreciated	<u>532,048</u>	<u>23,437</u>	<u>(763)</u>	<u>554,722</u>
Less accumulated depreciation for:				
Buildings	(128,670)	(7,027)		(135,697)
Land improvements	(11,533)	(1,145)		(12,678)
Vehicles	(9,335)	(784)	537	(9,582)
Furniture and equipment	(12,150)	(983)	217	(12,916)
Infrastructure	(124,629)	(4,740)		(129,369)
Total accumulated depreciation	<u>(286,317)</u>	<u>(14,679)</u>	<u>754</u>	<u>(300,242)</u>
Total capital assets being depreciated, net	<u>245,731</u>	<u>8,758</u>	<u>(9)</u>	<u>254,480</u>
Governmental Activities Capital Assets, Net	<u>\$ 383,113</u>	<u>\$ 24,829</u>	<u>\$ (23,864)</u>	<u>\$ 384,078</u>

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities:				
Capital assets not being depreciated:				
Construction in progress	\$ <u>1,060</u>	\$ <u>24</u>	\$ <u>(142)</u>	\$ <u>942</u>
Capital assets being depreciated:				
Buildings and systems	20,270	24		20,294
Land improvements	10,502	118		10,620
Furniture and equipment	<u>1,393</u>	<u></u>	<u>(79)</u>	<u>1,314</u>
Total capital assets being depreciated	<u>32,165</u>	<u>142</u>	<u>(79)</u>	<u>32,228</u>
Less accumulated depreciation for:				
Buildings and systems	(17,199)	(450)		(17,649)
Land improvements	(5,003)	(534)		(5,537)
Furniture and equipment	<u>(1,242)</u>	<u>(24)</u>	<u>79</u>	<u>(1,187)</u>
Total accumulated depreciation	<u>(23,444)</u>	<u>(1,008)</u>	<u>79</u>	<u>(24,373)</u>
Total capital assets being depreciated, net	<u>8,721</u>	<u>(866)</u>	<u>-</u>	<u>7,855</u>
Business-Type Activities Capital Assets, Net	\$ <u><u>9,781</u></u>	\$ <u><u>(842)</u></u>	\$ <u><u>(142)</u></u>	\$ <u><u>8,797</u></u>

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

Governmental activities:	
General government	\$ 2,483
Public safety	1,096
Community maintenance	5,664
Human and cultural	752
Education	<u>4,684</u>
Total Depreciation Expense - Governmental Activities	\$ <u><u>14,679</u></u>
Business-type activities:	
Leisure Services Fund	\$ <u><u>1,008</u></u>

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

Construction Commitments

The Town had numerous active construction projects during the year ended June 30, 2021. The following is a summary of capital projects as of June 30, 2021:

	<u>Project Authorization</u>	<u>Cumulative Expenditures and Encumbrances</u>
Public buildings	\$ 8,831	\$ 6,658
Parks and recreation	5,398	3,326
Infrastructure	46,592	34,038
Miscellaneous	16,966	13,508
Schools	<u>154,692</u>	<u>131,283</u>
 Total	 <u>\$ 232,479</u>	 <u>\$ 188,813</u>

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

6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund receivable and payable balances at June 30, 2021 are as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 7,932	\$
Capital Projects Fund		3,103
Nonmajor Governmental Funds		1,425
Leisure Services Fund		3,238
Internal Service Funds		<u>166</u>
 Total	 <u>\$ 7,932</u>	 <u>\$ 7,932</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.

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

The following is a schedule of transfers by fund type:

<u>Transfers In</u>	<u>Transfers Out</u>					
	<u>General</u>	<u>Capital Projects</u>	<u>Debt Service</u>	<u>Nonmajor Governmental</u>	<u>Internal Service</u>	<u>Total Transfers In</u>
General	\$	\$ 648	\$	\$ 195	\$ 55	\$ 898
Capital Projects	790			179		969
Debt Service Fund	16,749					16,749
Nonmajor Governmental	1,594	23				1,617
Leisure Services Fund			50	20		70
Total Transfers Out	\$ <u>19,133</u>	\$ <u>671</u>	\$ <u>50</u>	\$ <u>394</u>	\$ <u>55</u>	\$ <u>20,303</u>

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

7. LONG-TERM DEBT

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2021 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	\$ 135,210	\$ 38,620	\$ (39,670)	\$ 134,160	\$ 16,850
Bond premium	<u>11,821</u>	<u>3,524</u>	<u>(4,120)</u>	<u>11,225</u>	
Total bonds payable	147,031	42,144	(43,790)	145,385	16,850
Compensated absences	21,771	11,384	(8,940)	24,215	9,899
Net OPEB liability	210,308	97		210,405	
Net pension liability	311,381		(46,920)	264,461	
Risk management liability	<u>9,178</u>	<u>33,724</u>	<u>(33,608)</u>	<u>9,294</u>	<u>3,383</u>
Total Governmental Activities					
Long-Term Liabilities	\$ <u>699,669</u>	\$ <u>87,349</u>	\$ <u>(133,258)</u>	\$ <u>653,760</u>	\$ <u>30,132</u>
Business-Type Activities:					
Compensated absences	\$ 99	\$ 68	\$ (48)	\$ 119	\$ 53
Net OPEB liability	3,051	1		3,052	
Net pension liability	<u>4,774</u>		<u>(719)</u>	<u>4,055</u>	
Total Business-Type Activities					
Long-Term Liabilities	\$ <u>7,924</u>	\$ <u>69</u>	\$ <u>(767)</u>	\$ <u>7,226</u>	\$ <u>53</u>

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

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, 2021. The net pension and OPEB liabilities are paid from primarily the General Fund and Leisure 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.

Bonds Payable

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

<u>General Obligations</u>				
<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
2022	\$ 16,850	\$ 21,517	\$	38,367
2023	15,855	19,877		35,732
2024	14,990	18,363		33,353
2025	13,980	16,752		30,732
2026	46,490	54,314		100,804
2026-2030	24,860	26,769		51,629
2031-2035	<u>1,135</u>	<u>1,158</u>		<u>2,293</u>
Total	\$ <u>134,160</u>	\$ <u>158,750</u>	\$	<u>292,910</u>

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

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>
1/15/2002	General Purpose	3.50-4.75	\$ 6,415	\$ 321	2022
1/15/2002	Schools	3.50-4.75	7,085	354	2022
2/15/2012	General Purpose	2.50-5.00	11,648	3,883	2028
2/15/2012	Schools	2.50-5.00	3,352	1,117	2028
2/5/2014	General Purpose	2.63-5.00	12,830	6,826	2029
2/5/2014	Schools	2.63-5.00	7,170	3,814	2029
3/2/2016	Refunding - General Purpose	2.00-4.00	7,055	4,961	2025
3/2/2016	Refunding - Schools	2.00-4.00	5,240	3,684	2025
2/16/2017	General Purpose	2.00-5.00	12,065	2,922	2032
2/16/2017	Schools	2.00-5.00	4,935	1,283	2032
1/11/2018	General Purpose	2.00-5.00	7,665	5,103	2033
1/11/2018	Schools	2.00-5.00	5,335	3,552	2033
2/5/2019	General Purpose	2.00-5.00	5,745	4,975	2034
2/5/2019	Schools	2.00-5.00	4,255	3,685	2034
7/9/2019	Refunding - General Purpose	5.00	19,901	16,068	2026
7/9/2019	Refunding - Schools	5.00	89	72	2026
12/18/2019	Refunding - General Purpose	4.00-5.00	6,372	6,006	2035
12/18/2019	Refunding - Schools	4.00-5.00	7,478	7,049	2035
1/30/2020	General Purpose	2.00-5.00	10,152	9,489	2035
1/30/2020	Schools	2.00-5.00	6,848	6,401	2035
4/2/2020	Refunding - General Purpose	5.00	2,308	2,308	2024
4/2/2020	Refunding - Schools	5.00	2,317	2,317	2024
11/5/2020	Refunding - General Purpose	1.50-5.00	7,985	7,528	2035
11/5/2020	Refunding - Schools	1.50-5.00	930	877	2035
11/5/2020	Refunding - General Purpose	.35-2.07	8,806	8,709	2035
11/5/2020	Refunding - Schools	.35-2.07	3,899	3,856	2035
3/16/2021	General Purpose	2.00-5.00	13,872	13,872	2036
3/16/2021	Schools	2.00-5.00	3,128	3,128	2036
			<u>\$ 194,880</u>	<u>\$ 134,160</u>	

General Obligation Refunding Bonds

On November 5, 2020, the Town issued \$8,915 of general obligation refunding bonds with an interest rate between 1.50%-5.00%. The bonds were issued to refund outstanding principal amounts of the 2016 Series A general obligation bonds. The net proceeds of \$10,384 (after an original issue premium of \$1,548 and payment of \$79 in underwriter's fees and other issuance costs) were deposited in an irrevocable trust fund under an escrow agreement dated November 5, 2020 between the Escrow Agent and the Town. The Escrow Agent will use such proceeds to purchase a portfolio of the United States

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

Treasury State and Local Government Securities. All investment income on and the maturing principal of the escrow securities held in the escrow deposit fund will be irrevocably deposited by the Town for payment of the refunded bonds. The Town refunded the above bonds to reduce total debt service payments over 11 years by \$509 and to obtain an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$510. As of June 30, 2021, there is no defeased debt outstanding from this refunding. This amount is removed from the governmental activities column of the statement of net position.

On November 5, 2020 the Town issued \$12,705 of general obligation refunding bonds with interest rates ranging from .35%-2.07%. The bonds were issued to refund portions of the outstanding principal amounts of the 2012 Series A, 2017 Series A, and 2018 Series A general obligation bonds. The net proceeds of \$12,584 (after payment of \$121 in underwriter's fees and other issuance costs) were deposited in an irrevocable trust fund under an escrow agreement dated November 5, 2020 between the Escrow Agent and the Town. The Escrow Agent will use such proceeds to purchase a portfolio of the United States Treasury State and Local Government Securities. All investment income on and the maturing principal of the escrow securities held in the escrow deposit fund will be irrevocably deposited by the Town for payment of the refunded bonds. The Town refunded the above bonds to reduce total debt service payments over the next 12 years by \$517 and to obtain an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$529. As of June 30, 2021, the amount of defeased debt outstanding from this refunding was \$11,985, and the escrow balance is \$12,407. This amount is removed from the governmental activities column of the statement of net position.

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

Category	Debt Limit	Net Indebtedness	Balance
General purpose	\$ 598,365	\$ 124,789	\$ 473,576
Schools	1,196,730	68,865	1,127,865
Sewers	997,275	199,775	797,500
Urban renewal	864,305		864,305
Pension deficit	797,820		797,820

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation or \$1.86 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 \$59,494 of bonds authorized and unissued, for debt limitation purposes, at June 30, 2021.

Sewer indebtedness includes overlapping debt of the Metropolitan District. As a member of the Metropolitan District (a quasi-municipal corporation that provides water supply and sewage collection and disposal facilities for members), the Town is contingently liable for \$199,775 or 23.05% of the District's debt.

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

8. FUND BALANCE

The components of fund balance for the governmental funds at June 30, 2021 are as follows:

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Fund balances:					
Nonspendable:					
Inventory	\$ 242	\$	\$	57	\$ 299
Private Cemetery				82	82
Restricted for:					
Grants				124	124
Cemetery operating				1,267	1,267
C.F. Morway				11	11
Town that cares				401	401
School donations				100	100
Affordable housing				4	4
Veteran memorial				37	37
Committed to:					
Parking lot				550	550
Westmoor park				343	343
Cafeteria				506	506
School special programs				2,076	2,076
West Hartford library				93	93
School interscholastic sports				164	164
Technology investment				8	8
Police private duty				298	298
Student activities				1,285	1,285
Police home ownership				17	17
Cemetery operating				371	371
Debt and sundry			4,861		4,861
Assigned to:					
Community maintenance encumbrances	155				155
Human and cultural encumbrances	5				5
Education encumbrances	988				988
Non-lapsing BOE	750				750
Unassigned	<u>27,210</u>	<u>(647)</u>			<u>26,563</u>
Total Fund Balances	<u>\$ 29,350</u>	<u>\$ (647)</u>	<u>\$ 4,861</u>	<u>\$ 7,794</u>	<u>\$ 41,358</u>

Significant encumbrances at June 30, 2021 are contained in the above table in assigned fund balance. General Fund encumbrances amounted to \$1,148. Capital Projects encumbrances amounted to \$-0- and Nonmajor Governmental Funds encumbrances amounted to \$77 at June 30, 2021.

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

9. RISK MANAGEMENT

A. Types of Risk

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

B. Insurance Coverage

The following is a summary of major coverage:

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

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

C. Loss Estimation Methodology

The Risk Management Fund receives revenues from other funds to finance its costs. Risk allocations are based on both exposure and experience factors, depending on the risk. In the case of the self-insured, workers' compensation and heart and hypertension programs, actuarial estimates are used to determine ultimate losses. Claims and loss expenses are accrued at their present value utilizing actuarially developed factors and discount rates. The discount rate used is 6.25%. The estimate of incurred but not reported (IBNR) health claims is based on 45 days of average claims for the Town Health program. Total claims liabilities of \$9,294 at June 30, 2021 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.

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

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>
2019-2020	\$	11,638	\$	38,016	\$	9,178
2020-2021		9,178		33,724	(33,608)	9,294

The Board of Education employees are fully-insured under the Connecticut Partnership 2.0 plan, which is administered through the State Comptroller to Connecticut municipalities. These amounts are recorded in the Board of Education Health Fund.

10. 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 does not issue a stand-alone financial report.

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, 2019 was as follows:

Inactive participants:	
Retirees and beneficiaries currently receiving benefits	1,195
Terminated vested employees	75
Total inactive participants	<u>1,270</u>
Active participants	<u>833</u>
Total	<u><u>2,103</u></u>

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

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 year ended June 30, 2021 were \$25,439 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, 2021:

Acadian Non-US All Cap Equity Fund, USD Hedged, LLC	\$	13,754
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Rate of Return

For the year ended June 30, 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 30.39%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

E. Net Pension Liability of the Town

The components of the net pension liability of the Town at June 30, 2021, were as follows:

Total pension liability	\$ 538,229
Plan fiduciary net position	<u>269,713</u>
Net Pension Liability	<u>\$ 268,516</u>
Plan fiduciary net position as a percentage of the total pension liability	50.11%

For the year ended June 30, 2021, the Town's net pension liability is \$268,516, of which \$264,461 is reported as governmental activities and \$4,055 as business-type activities.

F. Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of July 1, 2019, rolled forward to June 30, 2021, the measurement date, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increases	Age based
Investment rate of return	6.99%
Mortality	Pub-2010 Mortality Table with generational projection per the MP-2019 ultimate scale.

There was no formal actuarial experience study completed.

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

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, 2021 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. core fixed income	30.00 %	1.36 %
U.S. large and mid caps	29.25	4.71
Foreign developed equity	17.50	6.35
U.S. small caps	14.25	6.17
Private real estate property	5.00	3.85
Emerging markets equity	4.00	8.40
	<u>100.00 %</u>	

Discount Rate

The discount rate used to measure the total pension liability was 6.99%. 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.

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

Employees' Pension Plan			
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balances as of July 1, 2020	\$ 530,967	\$ 214,812	\$ 316,155
Changes for the year:			
Service cost	8,209		8,209
Interest on total pension liability	36,405		36,405
Benefit payments	(37,352)	(37,352)	-
Employer contributions		25,439	(25,439)
Member contributions		3,303	(3,303)
Net investment income (loss)		63,830	(63,830)
Administrative expenses		(319)	319
Net changes	7,262	54,901	(47,639)
Balances as of June 30, 2021	\$ 538,229	\$ 269,713	\$ 268,516

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 current discount rate, 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 or 1 percentage point higher than the current rate:

	1% Decrease (5.99%)	Current Discount Rate (6.99%)	1% Increase (7.99%)
Net Pension Liability	\$ 328,511	\$ 268,516	\$ 216,586

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

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

At June 30, 2021, 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	\$ 7,500	\$	\$ 115	\$	\$ 7,615	\$ -
Changes of assumptions	17,307		265		17,572	-
Net difference between projected and actual earning on pension plan investments		35,295		541	-	35,836
Total	\$ 24,807	\$ 35,295	\$ 380	\$ 541	\$ 25,187	\$ 35,836

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>
2022	\$ 4,795	\$ 74	\$ 4,869
2023	3,125	48	3,173
2024	(8,731)	(134)	(8,865)
2025	(9,677)	(149)	(9,826)

For the year ended June 30, 2021, the Town recognized pension expense of \$36,476, of which \$35,925 is reported as governmental activities and \$551 as business-type activities.

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

The following schedule presents the net position held in trust for pension benefits at June 30, 2021 and the changes in net position for the year ended June 30, 2021:

	Pension Trust Fund
Assets:	
Cash and cash equivalents	\$ 1,018
Investments:	
Mutual funds	221,688
Common stock	22,324
Alternative investments	24,831
Receivables:	
Interest and dividends	10
Total assets	<u>269,871</u>
Liabilities:	
Accounts and other payables	<u>158</u>
Net Position:	
Restricted for Pension Benefits	<u>\$ 269,713</u>

	Pension Trust Fund
Additions:	
Contributions:	
Employer	\$ 25,439
Plan members	3,303
Total contributions	<u>28,742</u>
Investment income:	
Net change in fair value of investments	61,074
Interest	4
Dividends	3,391
Total investment income	64,469
Less investment expense	(639)
Net investment income	<u>63,830</u>
Total additions	<u>92,572</u>
Deductions:	
Benefits	37,352
Administration	319
Total deductions	<u>37,671</u>
Change in Net Position	54,901
Net Position at Beginning of Year	<u>214,812</u>
Net Position at End of Year	<u>\$ 269,713</u>

Connecticut Teachers Retirement System - Pension

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.

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.

For the year ended June 30, 2021, the amount of "on-behalf" contributions made by the State was \$22,998 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

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, 2021, 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>358,544</u>
Total	\$	<u><u>358,544</u></u>

The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020. At June 30, 2021, the Town has no proportionate share of the net pension liability.

For the year ended June 30, 2021, the Town recognized pension expense and revenue of \$51,360 in Exhibit II.

E. Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2020, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increase	3.00-6.50%, including inflation
Investment rate of return	6.90%, net of pension plan investment expense, including inflation

Mortality rates were based on the PubT-2010 Healthy Retiree Table (adjusted 105% for males and 103% for females at ages 82 and above), projected generationally with MP-2019 for the period after service retirement.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the five-year period ending June 30, 2019.

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

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

Cost-of-Living Allowance

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%.

Long-Term Rate of Return

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 current capital market assumptions and the target asset allocation as provided by the State of Connecticut Treasurer's Office are summarized in the following table:

Asset Class	Expected Return	Target Allocation
Emerging Market Debt Fund	2.70 %	5.00 %
Domestic Equity Fund	5.60	20.00
Developed Market Intl. Stock Fund	6.00	11.00
Emerging Market Intl. Stock Fund	7.90	9.00
Core Fixed Income Fund	2.10	16.00
Inflation Linked Bond Fund	1.10	5.00
High Yield Bond Fund	4.00	6.00
Private Equity	7.30	10.00
Real Estate Fund	4.50	10.00
Alternative Investments	2.90	7.00
Liquidity Fund	0.40	1.00
Total		<u>100.00 %</u>

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

F. Discount Rate

The discount rate used to measure the total pension liability was 6.90%. 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.

11. 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. The plan does not issue a stand-alone financial report.

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, 2019, plan membership consisted of the following:

Number of members:	
Active members	1,527
Retired members and beneficiaries	<u>1354</u>
Total Participants	<u><u>2,881</u></u>

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

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 \$18,190 on June 30, 2021. State law allows the fund to invest up to a maximum of 50% in equity securities and the assumed rate of return is 6.99%.

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.

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

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.

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

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, 2021, the annual money-weighted rate of return on investments, net of investment expense, was 15.71%. 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, 2021. The components of the net OPEB liability of the Town at June 30, 2021 were as follows:

Total OPEB liability	\$	226,944
Plan fiduciary net position		<u>13,487</u>
Net OPEB Liability	\$	<u><u>213,457</u></u>
Plan fiduciary net position as a percentage of the total OPEB liability		5.94%

For the year ended June 30, 2021, the Town's net OPEB liability is \$213,457, of which \$210,405 is reported as governmental activities and \$3,052 as business-type activities.

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

E. Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of July 1, 2019, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75%
Salary increase	3.50%
Investment rate of return	6.99%
Healthcare cost trend rates	Pre-65: 6.20% - 4.10% over 55 years; Prior: 7.10% -4.60% over 5 years Post-65: 6.00% - 4.10% over 55 years; Prior: 7.10% - 4.60% over 5 years
Mortality	Certified BOE: For healthy retirees and beneficiaries, 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) to rates over age 80. All others: Pub-2010 Mortality Table with generational projection per the MP ultimate scale, with employee rates before commencement and healthy annuitant rates after benefit commencement.

There was no formal 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, 2021 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Core Fixed Income	40.00 %	1.36 %
U.S. Large Caps	28.50	4.55
Foreign Developed Equity	19.00	6.35
U.S. Small Caps	7.50	6.17
Emerging Markets Equity	5.00	8.40
	<u>100.00 %</u>	

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

F. Discount Rate

The discount rate used to measure the total OPEB liability was 6.99%. The projection of cash flows used to determine the discount rate assumed that Town contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

G. Changes in Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Balances as of July 1, 2020	\$ 223,049	\$ 9,690	\$ 213,359
Changes for the year:			
Service cost	3,206		3,206
Interest on total pension liability	15,312		15,312
Benefit payments	(14,623)	(14,623)	-
Employer contributions		16,741	(16,741)
Member contributions		124	(124)
Net investment income (loss)		1,557	(1,557)
Administrative expenses		(2)	2
Net changes	3,895	3,797	98
Balances as of June 30, 2021	\$ 226,944	\$ 13,487	\$ 213,457

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 or 1 percentage point higher than the current discount rate:

	1% Decrease (5.99%)	Current Discount Rate (6.99%)	1% Increase (7.99%)
Net OPEB Liability	\$ 240,739	\$ 213,457	\$ 190,841

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

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 or 1 percentage point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
Net OPEB Liability	\$ <u>186,428</u>	\$ <u>213,457</u>	\$ <u>246,584</u>

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

At June 30, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,299	\$	\$ 19	\$	\$ 1,318	\$
Changes of assumptions	30,250	2,818	439	41	30,689	2,859
Net difference between projected and actual earning on OPEB plan investments		440		6		446
Total	\$ <u>31,549</u>	\$ <u>3,258</u>	\$ <u>458</u>	\$ <u>47</u>	\$ <u>32,007</u>	\$ <u>3,305</u>

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>
2022	\$ 7,113	\$ 103	\$ 7,216
2023	5,372	78	5,450
2024	5,355	78	5,433
2025	5,316	77	5,393
2026	5,474	80	5,554
Thereafter	(339)	(5)	(344)

For the year ended June 30, 2021, the Town recognized OPEB expense of \$27,445, of which \$27,053 was reported as governmental activities and \$392 as business-type activities.

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

The following schedule presents the net position held in trust for OPEB benefits at June 30, 2021 and the changes in net position for the year ended June 30, 2021:

	OPEB Trust Fund
Assets:	
Cash and cash equivalents	\$ 6,413
Investments:	
Mutual funds	<u>7,076</u>
Total assets	<u>13,489</u>
Liabilities:	
Accounts and other payables	<u>2</u>
Net Position:	
Restricted for OPEB Benefits	<u>\$ 13,487</u>
	OPEB Trust Fund
Additions:	
Contributions:	
Employer	\$ 16,741
Plan members	<u>124</u>
Total contributions	<u>16,865</u>
Investment income:	
Net change in fair value of investments	1,462
Interest	6
Dividends	<u>90</u>
Total investment income	1,558
Less investment expense	<u>(1)</u>
Net investment income	<u>1,557</u>
Total additions	<u>18,422</u>
Deductions:	
Benefits	14,623
Administration	<u>2</u>
Total deductions	<u>14,625</u>
Change in Net Position	3,797
Net Position at Beginning of Year	<u>9,690</u>
Net Position at End of Year	<u>\$ 13,487</u>

Other Post Employment Benefit - Connecticut 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.

B. Benefit Provisions (not rounded)

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 Supplement Plans provide coverage for those participating in Medicare but not receiving Subsidized Local School District Coverage.

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 Supplement Plans. Effective July 1, 2018, the System added a Medicare Advantage Plan option. Active members, retirees and the State pay equally toward the cost of the basic coverage (medical and prescription drug benefits) under the Medicare Advantage Plan. Retired members who choose to enroll in the Medicare Supplement Plan are responsible for the full difference in the premium cost between the two plans. Additionally, effective July 1, 2018, retired members who cancel their health care coverage or elect to not enroll in a CTRB sponsored health care coverage option must wait two years to re-enroll.

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 Supplement or Medicare Advantage Plan options, as long as they do not remarry.

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

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.

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 (not rounded)

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 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.

For the year ended June 30, 2021, the amount of "on-behalf" contributions made by the State was \$555 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

Employees/Retirees

The cost of providing plan benefits is financed on a pay-as-you-go basis as follows: active teachers' pay for one-third of the Plan costs through a contribution of 1.25% of their pensionable salaries, and retired teachers pay for one-third of the Plan costs through monthly premiums, which helps reduce the cost of health insurance for eligible retired members and dependents.

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

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

At June 30, 2021, 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>53,477</u>
Total	<u>\$ 53,477</u>

The net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as June 30, 2020. At June 30, 2021, the Town has no proportionate share of the net OPEB liability.

For the year ended June 30, 2021, the Town recognized OPEB expense and revenue of \$2,470 in Exhibit II.

F. Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2020, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Health care costs trend rate	5.125% for 2020, decreasing to an ultimate Rate of 4.50% by 2023
Salary increases	3.00-6.50%, including inflation
Investment rate of return	2.21%, net of OPEB plan investment expense, including inflation
Year fund net position will be depleted	2021

Mortality rates were based on the PubT-2010 Healthy Retiree Table (adjusted 105% for males and 103% for females at ages 82 and above), projected generationally with MP-2019 for the period after service retirement.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2014 - June 30, 2019.

The long-term expected rate of return on plan assets is reviewed as part of the GASB 75 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

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

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 (0.42%).

G. Discount Rate

The discount rate used to measure the total OPEB liability was 2.21% (prior 3.50%). The projection of cash flows used to determine the discount rate assumed that total payroll for the initial projection year consists of the payroll of the active membership present on the valuation date. In subsequent projection years, total payroll was assumed to increase annually at a rate of 3.00%; 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. Annual State contributions were assumed to be equal to the most recent five-year average of State contributions to the fund. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be depleted in 2021 and, as a result, the Municipal Bond Index Rate was used in the determination.

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.

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.

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021
(In Thousands)

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.

13. RESTATEMENTS

The Town previously reported the activities of the Student Activity Fund as a fiduciary fund. As a result of implementation of GASB No. 84, *Fiduciary Activities*, as of July 1, 2020, the Town made the following reporting changes: The Student Activity Fund is reported as a special revenue fund. The Town created a new special revenue fund for the Student Activity Fund, thus increasing assets and fund balance by \$1,284.

In addition, the Town previously recognized revenue within the Capital Project Funds due from the State of Connecticut that was not received within the availability period of 180 days of year end. Fund balance was restated to reflect that amount as unavailable. Government activities net position was not modified for this restatement.

Accordingly, the Town restated beginning balances of the assets, liabilities, fund balance and net position as follows:

	Governmental Activities Net Position	Nonmajor Governmental Funds Fund Balance	Capital Projects Fund
Governmental Funds:			
Balance as previously reported June 30, 2020	\$ (155,699)	\$ 6,380	\$ 106
Adjustment:			
Student Activity Fund now reported as a Special Revenue Fund	1,284	1,284	
Restatement related to School Construction Receivable			(3,560)
Balance as restated July 1, 2020	<u>\$ (154,415)</u>	<u>\$ 7,664</u>	<u>\$ (3,454)</u>
Fiduciary Funds:			
	Agency Funds		
Balance as previously reported June 30, 2020	\$ 1,284		
Adjustments:			
Student Activity Fund now reported as a Special Revenue Fund	<u>(1,284)</u>		
Balance as restated July 1, 2020	<u>\$ -</u>		

14. SUBSEQUENT EVENTS

On July 8, 2021, the Town issued \$324,275,000 in General Obligation Bonds (Series 2021B), with a coupon rate between .32% and 2.44%. These bonds were issued to fund all or a portion of the Town's unfunded actuarially accrued liability of the Town's pension system.

Required Supplementary Information

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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, 2021
(In Thousands)

	Budgeted Amounts		Actual	Variance - Positive (Negative)
	Original	Final		
Property taxes:				
Current year levy	\$ 261,486	\$ 262,676	\$ 262,778	\$ 102
Prior year's collections	1,425	1,518	1,388	(130)
Motor vehicle supplement	2,425	2,425	2,315	(110)
Interest and liens fees	590	590	939	349
Suspense			86	86
Total property taxes	<u>265,926</u>	<u>267,209</u>	<u>267,506</u>	<u>297</u>
Intergovernmental revenues:				
Federal:				
FEMA		692	692	
EMS grant			6	6
Police Grants		134	97	(37)
Dial-A-Ride grant	85	85	22	(63)
Total federal assistance	<u>85</u>	<u>911</u>	<u>817</u>	<u>(94)</u>
State:				
Education Cost-Sharing	21,881	21,881	21,912	31
CARES Act		1,009	1,009	
Payments In Lieu of Taxes	899	899	907	8
Municipal Revenue Sharing	806	858	858	
Disabled Tax Relief	6	6	6	
Veterans Exemptions	63	63	44	(19)
Youth Services Grant				
Alcohol/Drug Abuse Grant	7	7	7	
Highway Town Aid	686	686	687	1
Mashantucket Pequot Fund	28	28	28	
Miscellaneous State Grants		8	9	1
Emergency 911 Grant	141	141	144	3
Telephone Grant	115	115	117	2
Total state assistance	<u>24,632</u>	<u>25,701</u>	<u>25,728</u>	<u>27</u>
Total intergovernmental revenues	<u>24,717</u>	<u>26,612</u>	<u>26,545</u>	<u>(67)</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, 2021
(In Thousands)

	<u>Budgeted Amounts</u>			<u>Variance -</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Positive</u> <u>(Negative)</u>
Charges for services:				
Town Clerk	\$ 1,480	\$ 1,505	\$ 2,423	\$ 918
Corporation Counsel				
Financial Services	1	1	1	-
Assessment	2	2	1	(1)
Fire Department	1,165	1,165	1,158	(7)
Police Department	338	357	241	(116)
Community Development	1,749	1,749	1,961	212
Public Works	223	223	293	70
Human & Leisure Services	619	620	247	(373)
Library	35	35	5	(30)
Total charges for services	<u>5,612</u>	<u>5,657</u>	<u>6,330</u>	<u>673</u>
Miscellaneous local revenues:				
Workers' compensation reimbursement	360	360	276	(84)
Town-owned property rentals	347	347	250	(97)
Miscellaneous	413	555	189	(366)
Prior year cancelled encumbrances			105	105
Total miscellaneous local revenues	<u>1,120</u>	<u>1,262</u>	<u>820</u>	<u>(442)</u>
Income on investments	<u>850</u>	<u>850</u>	<u>188</u>	<u>(662)</u>
Total revenues	298,225	301,590	301,389	(201)
Other financing sources:				
Use of fund balance	1,500	1,500		(1,500)
Transfers in	<u>522</u>	<u>898</u>	<u>898</u>	
Total	\$ <u>300,247</u>	\$ <u>303,988</u>	302,287	\$ <u>(1,701)</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			22,998	
OPEB			555	
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.				
Prior year cancelled encumbrances			4,415	
			(105)	
Refunding transactions not budgeted:				
Issuance of refunding bonds not budgeted			21,620	
Premium from refunding bonds not budgeted			<u>1,548</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>353,318</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, 2021
(In Thousands)

	Budgeted Amounts		Actual	Variance - Positive (Negative)
	Original	Final		
General Government:				
Town Clerk:				
Personal services	\$ 195	\$ 222	\$ 222	\$ -
Non-personal expense	79	92	92	-
Debt and sundry	12	14	14	-
Total	<u>286</u>	<u>328</u>	<u>328</u>	<u>-</u>
Town Council:				
Personal services	128	125	125	-
Non-personal expense	259	262	233	29
Debt and sundry	10	10	9	1
Total	<u>397</u>	<u>397</u>	<u>367</u>	<u>30</u>
Town Manager:				
Personal services	369	377	377	-
Non-personal expense	7	6	6	-
Debt and sundry	23	24	24	-
Total	<u>399</u>	<u>407</u>	<u>407</u>	<u>-</u>
Corporation Counsel:				
Personal services	321	303	249	54
Non-personal expense	98	317	317	-
Debt and sundry	23	23	18	5
Total	<u>442</u>	<u>643</u>	<u>584</u>	<u>59</u>
Registrar of Voters:				
Personal services	205	247	209	38
Non-personal expense	58	95	84	11
Debt and sundry	11	11	7	4
Total	<u>274</u>	<u>353</u>	<u>300</u>	<u>53</u>
Information Technology:				
Personal services	470	507	507	-
Non-personal expense	543	525	525	-
Debt and sundry	34	35	35	-
Total	<u>1,047</u>	<u>1,067</u>	<u>1,067</u>	<u>-</u>
Financial Services:				
Personal services	1,697	1,650	1,640	10
Non-personal expense	589	636	636	-
Debt and sundry	127	127	112	15
Total	<u>2,413</u>	<u>2,413</u>	<u>2,388</u>	<u>25</u>
Assessment:				
Personal services	649	629	567	62
Non-personal expense	63	63	52	11
Debt and sundry	49	49	42	7
Total	<u>761</u>	<u>741</u>	<u>661</u>	<u>80</u>

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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, 2021
(In Thousands)

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Human Resources:				
Personal services	\$ 348	\$ 363	\$ 363	\$ -
Non-personal expense	108	93	83	10
Debt and sundry	27	27	27	-
Total	483	483	473	10
Total general government	6,502	6,832	6,575	257
Public Safety:				
Fire Department:				
Personal services	11,029	12,676	12,676	-
Non-personal expense	1,438	967	967	-
Debt and sundry	188	205	205	-
Total	12,655	13,848	13,848	-
Police Department:				
Personal services	15,375	16,396	16,396	-
Non-personal expense	1,028	922	922	-
Debt and sundry	334	356	356	-
Total	16,737	17,674	17,674	-
Total public safety	29,392	31,522	31,522	-
Community Maintenance:				
Community Development:				
Personal services	2,149	2,106	2,012	94
Non-personal expense	267	286	286	-
Debt and sundry	159	140	140	-
Total	2,575	2,532	2,438	94
Public Works:				
Personal services	4,071	3,958	3,958	-
Non-personal expense	7,045	7,186	7,186	-
Debt and sundry	302	278	278	-
Total	11,418	11,422	11,422	-
Plant and Facility Services:				
Personal services	1,207	1,066	1,066	-
Non-personal expense	765	811	811	-
Debt and sundry	91	78	78	-
Total	2,063	1,955	1,955	-
Total community maintenance	16,056	15,909	15,815	94

(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, 2021
(In Thousands)

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Leisure and Social Services:				
Library:				
Personal services	\$ 1,715	\$ 1,467	\$ 1,467	\$ -
Non-personal expense	987	832	832	-
Debt and sundry	109	90	90	-
Total	<u>2,811</u>	<u>2,389</u>	<u>2,389</u>	<u>-</u>
Human and Cultural:				
Personal services	2,496	2,054	2,054	-
Non-personal expense	652	651	627	24
Debt and sundry	182	182	139	43
Total	<u>3,330</u>	<u>2,887</u>	<u>2,820</u>	<u>67</u>
Total human and cultural	<u>6,141</u>	<u>5,276</u>	<u>5,209</u>	<u>67</u>
Education	<u>169,774</u>	<u>169,774</u>	<u>169,712</u>	<u>62</u>
Debt and sundry	<u>53,031</u>	<u>54,534</u>	<u>53,772</u>	<u>762</u>
Total expenditures	<u>280,896</u>	<u>283,847</u>	<u>282,605</u>	<u>1,242</u>
Other financing uses:				
Transfers out	<u>19,351</u>	<u>20,141</u>	<u>19,133</u>	<u>1,008</u>
Total	<u>\$ 300,247</u>	<u>\$ 303,988</u>	<u>301,738</u>	<u>\$ 2,250</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			22,998	
OPEB			555	
The Board of Education does not budget for intergovernmental grants, which are credited against education expenditures for budgetary reporting. These amounts are recorded as revenues and expenditures for GAAP financial statement purposes.				
			4,415	
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.				
			(405)	
Board of Education does not budget amounts appropriated from prior year budgets for subsequent years				
			1,550	
Payment to escrow agent not budgeted				
			22,968	
Refunding bond issuance cost not budgeted				
			200	
Inventory purchases are reported as expenditures for budgetary purposes				
			<u>82</u>	
Total Expenditures and Other Financing Uses as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - Exhibit IV			<u>\$ 354,101</u>	

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

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Total pension liability:								
Service cost	\$ 5,563	\$ 5,845	\$ 5,841	\$ 7,641	\$ 7,832	\$ 7,986	\$ 7,599	\$ 8,209
Interest	27,384	27,666	27,784	30,633	31,343	32,985	33,286	36,405
Effect of plan changes	57	(185)	3		(334)		72	
Effect of economic/demographic gains or losses		886	31,784		5,865		15,631	
Effect of assumption changes or inputs		7,220	(12)		23,677	5,891	32,825	
Benefit payments	(24,332)	(25,209)	(26,515)	(28,080)	(29,877)	(33,126)	(35,432)	(37,352)
Net change in total pension liability	8,672	16,223	38,885	10,194	38,506	13,736	53,981	7,262
Total pension liability - beginning	350,770	359,442	375,665	414,550	424,744	463,250	476,986	530,967
Total pension liability - ending	359,442	375,665	414,550	424,744	463,250	476,986	530,967	538,229
Plan fiduciary net position:								
Contributions - employer	15,957	17,712	17,917	20,551	21,615	23,880	25,231	25,439
Contributions - member	2,621	2,675	3,047	3,063	3,166	3,292	3,133	3,303
Net investment income (loss)	28,230	8,632	(976)	23,647	18,555	11,239	10,060	63,830
Benefit payments	(24,332)	(25,209)	(26,515)	(28,080)	(29,877)	(33,126)	(35,432)	(37,352)
Administrative expense	(314)	(306)	(313)	(305)	(357)	(338)	(351)	(319)
Net change in plan fiduciary net position	22,162	3,504	(6,840)	18,876	13,102	4,947	2,641	54,901
Plan fiduciary net position - beginning	156,420	178,582	182,086	175,246	194,122	207,224	212,171	214,812
Plan fiduciary net position - ending	178,582	182,086	175,246	194,122	207,224	212,171	214,812	269,713
Net Pension Liability - Ending	\$ <u>180,860</u>	\$ <u>193,579</u>	\$ <u>239,304</u>	\$ <u>230,622</u>	\$ <u>256,026</u>	\$ <u>264,815</u>	\$ <u>316,155</u>	\$ <u>268,516</u>
Plan fiduciary net position as a percentage of the total pension liability	49.68%	48.47%	42.27%	45.70%	44.73%	44.48%	40.46%	50.11%
Covered payroll	\$ 57,281	\$ 53,742	\$ 55,892	\$ 56,649	\$ 58,065	\$ 58,708	\$ 60,176	\$ 63,885
Net pension liability as a percentage of covered payroll	315.74%	360.20%	428.15%	407.11%	440.93%	451.07%	525.38%	420.31%

Notes to Schedule

Assumption Changes: None for 2021

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

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Actuarially determined contribution	\$ 11,648	\$ 14,167	\$ 15,957	\$ 17,712	\$ 17,917	\$ 20,551	\$ 21,615	\$ 23,880	\$ 25,231	\$ 25,439
Contributions in relation to the actuarially determined contribution	11,648	14,167	15,957	17,712	17,917	20,551	21,615	23,880	25,231	25,439
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 53,028	\$ 55,078	\$ 57,281	\$ 53,742	\$ 55,892	\$ 56,649	\$ 58,065	\$ 58,708	\$ 60,176	\$ 63,885
Contributions as a percentage of covered payroll	21.97%	25.72%	27.86%	32.96%	32.06%	36.28%	37.23%	40.68%	41.93%	39.82%

Notes to Schedule

Valuation date: July 1, 2019
Measurement date: June 30, 2021
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	25-year closed period
Asset valuation method	5-year smoothed market
Inflation	2.75%
Salary increases	Age based
Investment rate of return	6.99%
Retirement age	Rates vary by group
Mortality	Pub-2010 Mortality Table with generational projection per the MP-2019 ultimate scale.

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

	2014	2015	2016	2017	2018	2019	2020	2021
Annual money-weighted rate of return, net of investment	18.43%	4.69%	-0.52%	12.95%	9.21%	5.22%	4.58%	30.39%

* 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 SEVEN FISCAL YEARS*
(In Thousands)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Town's proportion of the net pension liability	0.00%	0.00%	0.00%	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	188,888	204,358	262,780	249,079	243,735	316,104	358,544
Total	<u>\$ 188,888</u>	<u>\$ 204,358</u>	<u>\$ 262,780</u>	<u>\$ 249,079</u>	<u>\$ 243,735</u>	<u>\$ 316,104</u>	<u>\$ 358,544</u>
Town's covered payroll	\$ 70,896	\$ 73,271	\$ 75,921	\$ 76,720	\$ 79,162	\$ 81,277	\$ 82,781
Town's proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	61.51%	59.50%	52.26%	55.93%	57.69%	52.00%	49.24%

Notes to Schedule

Changes in benefit terms	None
Changes of assumptions	The Board adopted new assumptions as the result of an experience study for the five-year period ending June 30, 2019: - Decrease the annual rate of real wage increase assumption from 0.75% to 0.50%. - Decrease payroll growth assumption from 3.25% to 3.00%. - Rates of withdrawal, disability, retirement, mortality, and assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience.
Actuarial cost method	Entry age
Amortization method	Level percent of pay, closed
Remaining amortization period	30 years
Asset valuation method	4-year smoothed market
Inflation	2.50%
Salary increase	3.25%-6.50%, including inflation
Investment rate of return	6.90%, net of investment related expense

- This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.
- The measurement date is one year earlier than the employer's reporting date.

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

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Total OPEB liability:					
Service cost	\$ 2,242	\$ 2,321	\$ 2,903	\$ 2,649	\$ 3,206
Interest	11,278	11,557	12,439	12,755	15,312
Change of benefit terms		70			
Differences between expected and actual experience	2,300	2,694	915	653	
Changes of assumptions		16,278	(4,314)	40,893	
Benefit payments, including refunds of member contributions	(11,141)	(10,944)	(10,845)	(14,123)	(14,623)
Net change in total OPEB liability	4,679	21,976	1,098	42,827	3,895
Total OPEB liability - beginning	152,469	157,148	179,124	180,222	223,049
Total OPEB liability - ending	157,148	179,124	180,222	223,049	226,944
Plan fiduciary net position:					
Contributions - employer	12,019	12,208	12,551	16,099	16,741
Contributions - member	99	100	118	117	124
Contributions - TRB subsidy	378	358	294		
Net investment income	166	79	324	395	1,557
Benefit payments, including refunds of member contributions	(11,141)	(10,944)	(10,845)	(14,123)	(14,623)
Administrative expense				(2)	(2)
Net change in plan fiduciary net position	1,521	1,801	2,442	2,486	3,797
Plan fiduciary net position - beginning	1,440	2,961	4,762	7,204	9,690
Plan fiduciary net position - ending	2,961	4,762	7,204	9,690	13,487
Net OPEB Liability - Ending	\$ <u>154,187</u>	\$ <u>174,362</u>	\$ <u>173,018</u>	\$ <u>213,359</u>	\$ <u>213,457</u>
Plan fiduciary net position as a percentage of the total OPEB liability	1.88%	2.66%	4.00%	4.34%	5.94%
Covered payroll	\$ 113,393	\$ 120,515	\$ 124,733	\$ 109,142	\$ 109,142
Net OPEB liability as a percentage of covered payroll	135.98%	144.68%	138.71%	195.49%	195.58%

Notes to Schedule

Assumption:

Investment rate of return 6.99%

Inflation 2.75%

Healthcare cost trend rates: Pre-65: 6.20% - 4.10% over 55 years; Post-65: 6.00% - 4.10% over 55

Mortality:

Certified BOE: For healthy retirees and beneficiaries, 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) to rates over age 80.

All others: Pub-2010 Mortality Table with generational projection per the MP ultimate scale, with employee rates before commencement and healthy annuitant rates after benefit commencement.

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

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Actuarially determined contribution (1)	\$ 7,318	\$ 8,506	\$ 8,999	\$ 9,780	\$ 11,251	\$ 11,981	\$ 12,689	\$ 14,255	\$ 14,836	\$ 16,669
Contributions in relation to the actuarially determined contribution	6,450	7,381	7,690	8,473	10,813	12,019	12,208	12,551	16,099	16,741
Contribution Deficiency (Excess)	\$ 868	\$ 1,125	\$ 1,309	\$ 1,307	\$ 438	\$ (38)	\$ 481	\$ 1,704	\$ (1,263)	\$ (72)
Covered payroll	N/A	N/A	N/A	\$ 105,853	\$ 109,558	\$ 113,393	\$ 120,515	\$ 124,733	\$ 109,142	\$ 109,142
Contributions as a percentage of covered payroll	N/A	N/A	N/A	8.00%	9.87%	10.60%	10.13%	10.06%	14.75%	15.34%

1) Actuarially Determined Contributions prior to fiscal year ended 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, 2019
Measurement date: June 30, 2021
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	25 years, closed
Asset valuation method	Market Value
Inflation	2.75%
Healthcare cost trend rates	Pre-65: 6.20% - 4.10% over 55 years; Post-65: 6.00% - 4.10% over 55 years State Partnership Plan 5.70% to 4.10% over 55 years
Salary increases	3.50%
Investment rate of return	6.99%
Retirement age	Varies by function
Mortality	Certified BOE: For healthy retirees and beneficiaries, 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) to rates over age 80. All others: Pub-2010 Mortality Table with generational projection per the MP ultimate scale, with employee rates before commencement and healthy annuitant rates after benefit commencement.

N/A - not available

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

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Annual money-weighted rate of return, net of investment expense	11.19%	2.63%	6.73%	5.32%	15.71%

* 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 FOUR FISCAL YEARS*
(In Thousands)

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Town's proportion of the net OPEB liability	0.00%	0.00%	0.00%	0.00%
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>	<u>48,724</u>	<u>49,298</u>	<u>53,477</u>
Total	<u>\$ 64,110</u>	<u>\$ 48,724</u>	<u>\$ 49,298</u>	<u>\$ 53,477</u>
Town's covered payroll	\$ 76,720	\$ 79,162	\$ 81,277	\$ 82,781
Town's proportionate share of the net OPEB 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 OPEB liability	1.79%	1.49%	2.08%	2.50%

Notes to Schedule

Changes in benefit terms	None
Changes of assumptions	Based on the procedure described in GASB 75, the discount rate used to measure plan obligations for financial accounting purposes as of June 30, 2020 was updated to equal the Municipal Bond Index Rate as of June 30, 2020; Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience; Long-term health care cost trend rates were updated; The percentages of participating retirees who are expected to enroll in the Medicare Supplement Plan and the Medicare Advantage Plan options were updated based on observed plan experience. Additionally, participants are no longer assumed to migrate from the Medicare Supplement Plan to the Medicare Advantage Plan after selecting an option; and, The Board adopted new assumptions as the result of an experience study for the five-year period ending June 30, 2019. The changes in assumptions are summarized below: - Decrease the annual rate of real wage increase assumption from 0.75% to 0.50%. - Decrease payroll growth assumption from 3.25% to 3.00%.
Actuarial cost method	Entry age
Amortization method	Level percent of payroll over an open period
Remaining amortization period	30 years
Asset valuation method	Market value of assets
Investment rate of return	3.00%, net of investment related expense including price inflation
Price inflation	2.75%

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Combining and Individual Fund Statements and Schedules

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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
REPORT OF TAX COLLECTOR
FOR THE YEAR ENDED JUNE 30, 2021
(In Thousands)

Grand List	Uncollected Taxes July 1, 2020	Lawful Corrections		Transfers To Suspense	Net Amount Collectible	Collections				Uncollected Taxes June 30, 2021
		Additions	Deductions			Taxes	Interest	Fees	Total	
2019	\$ 267,794	\$ 301	\$ 1,234	\$	\$ 266,861	\$ 265,105	\$ 352	\$ 1	\$ 265,458	\$ 1,756
2018	1,849	92	168		1,773	1,103	209	4	1,316	670
2017	777	226	76	299	628	450	122	1	573	178
2016	164		1		163	85	38		123	78
2015	127				127	56	44		100	71
2014	114				114	53	56		109	61
2013	69				69	35	25		60	34
2012	62				62	4	6		10	58
2011	54				54	1	1		2	53
2010	33				33				-	33
2009	39				39				-	39
2008	31				31				-	31
2007	20				20				-	20
2006	13				13				-	13
2005	9				9				-	9
Total	\$ 271,155	\$ 619	\$ 1,479	\$ 299	\$ 269,996	266,892	853	6	267,751	\$ 3,104
Suspense collections						86	79	1	166	
Advance payments, June 30, 2020						(15,585)			(15,585)	
Advance payments, June 30, 2021						10,764			10,764	
Total						\$ 262,157	\$ 932	\$ 7	\$ 263,096	

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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 down payment 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
Student Activity	Charges for services	Student activities of the West Hartford school system

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, 2021
(In Thousands)

	Special Revenue Funds								
	Community Development Block Grant Fund	CDBG Housing Rehabilitation 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	\$ 4	\$	\$	\$ 654	\$ 44	\$ 462	\$ 122	\$	\$
Receivables, net	272	2,480	84	1		29	574	607	611
Inventory							57		
Total Assets	\$ 276	\$ 2,480	\$ 84	\$ 655	\$ 44	\$ 491	\$ 753	\$ 607	\$ 611
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ 59	\$	\$	\$ 21	\$	\$ 5	\$	\$ 29	\$ 180
Payroll liabilities	9			84		44	2	89	50
Due to other funds	151							489	252
Unearned revenue	57					99	188		49
Total liabilities	276	-	-	105	-	148	190	607	531
Deferred inflows of resources:									
Unavailable revenue - loans receivable		2,480	84						
Fund balances:									
Nonspendable							57		
Restricted					44				80
Committed				550		343	506		
Total fund balances	-	-	-	550	44	343	563	-	80
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 276	\$ 2,480	\$ 84	\$ 655	\$ 44	\$ 491	\$ 753	\$ 607	\$ 611

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**TOWN OF WEST HARTFORD, CONNECTICUT
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021
(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	The Town That Cares Fund
ASSETS								
Cash and cash equivalents	\$ 2,172	\$ 117	\$ 203	\$ 8	\$	\$ 17	\$ 1,683	\$ 9
Receivables, net	104				882		1	2
Inventory								
Total Assets	<u>\$ 2,276</u>	<u>\$ 117</u>	<u>\$ 203</u>	<u>\$ 8</u>	<u>\$ 882</u>	<u>\$ 17</u>	<u>\$ 1,684</u>	<u>\$ 11</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ 8	\$	\$ 39	\$	\$	\$	\$ 31	\$
Payroll liabilities	43				51		15	
Due to other funds					533			
Unearned revenue	149	24						435
Total liabilities	<u>200</u>	<u>24</u>	<u>39</u>	<u>-</u>	<u>584</u>	<u>-</u>	<u>46</u>	<u>435</u>
Deferred inflows of resources:								
Unavailable revenue - loans receivable								
Fund balances:								
Nonspendable								
Restricted							1,267	401
Committed	2,076	93	164	8	298	17	371	
Total fund balances	<u>2,076</u>	<u>93</u>	<u>164</u>	<u>8</u>	<u>298</u>	<u>17</u>	<u>1,638</u>	<u>401</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 2,276</u>	<u>\$ 117</u>	<u>\$ 203</u>	<u>\$ 8</u>	<u>\$ 882</u>	<u>\$ 17</u>	<u>\$ 1,684</u>	<u>\$ 11</u>

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**TOWN OF WEST HARTFORD, CONNECTICUT
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021
(In Thousands)**

	Special Revenue Funds					Permanent Fund	Interfund Eliminations	Total Nonmajor Governmental Funds
	School Donations Trust Fund	Affordable Housing Trust Fund	Veterans Memorial Fund	Student Activity Fund	Total	Private Cemetery Fund		
ASSETS								
Cash and cash equivalents	\$ 105	\$ 4	\$ 37	\$ 1,285	\$ 7,758	\$ 82	\$	\$ 7,840
Receivables, net		3			5,654			5,654
Inventory					57			57
Total Assets	<u>\$ 105</u>	<u>\$ 7</u>	<u>\$ 37</u>	<u>\$ 1,285</u>	<u>\$ 13,469</u>	<u>\$ 82</u>	<u>\$ -</u>	<u>\$ 13,551</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ 4	\$	\$	\$	376	\$	\$	376
Payroll liabilities	1				388			388
Due to other funds					1,425			1,425
Unearned revenue					1,001			1,001
Total liabilities	<u>5</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,190</u>	<u>-</u>	<u>-</u>	<u>3,190</u>
Deferred inflows of resources:								
Unavailable revenue - loans receivable		3			2,567			2,567
Fund balances:								
Nonspendable					57	82		139
Restricted	100	4	37		1,944			1,944
Committed				1,285	5,711			5,711
Total fund balances	<u>100</u>	<u>4</u>	<u>37</u>	<u>1,285</u>	<u>7,712</u>	<u>82</u>	<u>-</u>	<u>7,794</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 105</u>	<u>\$ 7</u>	<u>\$ 37</u>	<u>\$ 1,285</u>	<u>\$ 13,469</u>	<u>\$ 82</u>	<u>\$ -</u>	<u>\$ 13,551</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, 2021
(In Thousands)

	Special Revenue Funds								
	Community Development Block Grant Fund	CDBG Housing Rehabilitation 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	\$ 821	\$ 155	\$	\$	\$ 3	\$	\$ 2,801	\$ 721	\$ 7,507
Charges for services				1,471		327	55		
Income on investments				3		345			
Miscellaneous						39			
Total revenues	821	155	-	1,474	3	711	2,856	721	7,507
Expenditures:									
Current:									
General government									
Public safety					43				
Community maintenance				2,379					
Human and cultural	754	65				623			
Education							2,749	2,135	7,432
Capital outlay				2					
Total expenditures	754	65	-	2,381	43	623	2,749	2,135	7,432
Excess (Deficiency) of Revenues over Expenditures	67	90	-	(907)	(40)	88	107	(1,414)	75
Other Financing Sources (Uses):									
Transfers in	90					23		1,414	
Transfers out	(171)	(90)				(72)	(6)		
Total other financing sources (uses)	(81)	(90)	-	-	-	(49)	(6)	1,414	-
Net Change in Fund Balances	(14)	-	-	(907)	(40)	39	101	-	75
Fund Balances at Beginning of Year, as restated	14	-	-	1,457	84	304	462	-	5
Fund Balances at End of Year	\$ -	\$ -	\$ -	\$ 550	\$ 44	\$ 343	\$ 563	\$ -	\$ 80

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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, 2021
(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	The Town That Cares Fund
Revenues:									
Intergovernmental	\$ 85	\$ 7	\$	\$	\$	\$	\$	\$	\$
Charges for services	1,621	3	391	10	2,361		423		
Income on investments	7						3	6	
Miscellaneous	58								251
Total revenues	1,771	10	391	10	2,361	-	426	6	251
Expenditures:									
Current:									
General government				5					
Public safety					2,030				
Community maintenance									
Human and cultural		10					486		141
Education	1,403		304						
Capital outlay									
Total expenditures	1,403	10	304	5	2,030	-	486	-	141
Excess (Deficiency) of Revenues over Expenditures	368	-	87	5	331	-	(60)	6	110
Other Financing Sources (Uses):									
Transfers in	180								
Transfers out	(3)				(125)		(3)	(14)	
Total other financing sources (uses)	177	-	-	-	(125)	-	(3)	(14)	-
Net Change in Fund Balances	545	-	87	5	206	-	(63)	(8)	110
Fund Balances at Beginning of Year, as restated	1,531	93	77	3	92	17	1,701	19	291
Fund Balances at End of Year	\$ 2,076	\$ 93	\$ 164	\$ 8	\$ 298	\$ 17	\$ 1,638	\$ 11	\$ 401

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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, 2021
(In Thousands)

	Special Revenue Funds					Permanent Fund		
	School Donations Trust Fund	Affordable Housing Trust Fund	Veterans Memorial Fund	Student Activity Fund	Total	Private Cemetery Fund	Interfund Eliminations	Total Nonmajor Governmental Funds
Revenues:								
Intergovernmental	\$ 1	\$	\$	\$	\$ 12,101	\$	\$	\$ 12,101
Charges for services				709	7,371			7,371
Income on investments					364			364
Miscellaneous	88		1		437			437
Total revenues	89	-	1	709	20,273	-	-	20,273
Expenditures:								
Current:								
General government					5			5
Public safety					2,073			2,073
Community maintenance					2,379			2,379
Human and cultural			2		2,081			2,081
Education	95			708	14,826			14,826
Capital outlay					2			2
Total expenditures	95	-	2	708	21,366	-	-	21,366
Excess (Deficiency) of Revenues over Expenditures	(6)	-	(1)	1	(1,093)	-	-	(1,093)
Other Financing Sources (Uses):								
Transfers in					1,707		(90)	1,617
Transfers out					(484)		90	(394)
Total other financing sources (uses)	-	-	-	-	1,223	-	-	1,223
Net Change in Fund Balances	(6)	-	(1)	1	130	-		130
Fund Balances at Beginning of Year, as restated	106	4	38	1,284	7,582	82		7,664
Fund Balances at End of Year	\$ 100	\$ 4	\$ 37	\$ 1,285	\$ 7,712	\$ 82	\$ -	\$ 7,794

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, 2021
(In Thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
Revenues:			
Intergovernmental	\$ <u>2,733</u>	\$ <u>821</u>	\$ <u>(1,912)</u>
Expenditures:			
Current:			
Human and cultural:			
Human services:			
Personal services	271	253	18
Non-personal expense	1,166	335	831
Capital outlay	634		634
Debt and sundry	612	152	460
Total expenditures	<u>2,683</u>	<u>740</u>	<u>1,943</u>
Excess of Revenues over Expenditures	<u>50</u>	<u>81</u>	<u>31</u>
Other Financing Uses:			
Transfers in		90	90
Transfers out	<u>(50)</u>	<u>(171)</u>	<u>(121)</u>
Total other financing uses	<u>(50)</u>	<u>(81)</u>	<u>(31)</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
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, 2021
(In Thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
Revenues:			
Intergovernmental	\$ <u>200,000</u>	\$ <u>155</u>	\$ <u>(199,845)</u>
Expenditures:			
Current:			
Human and cultural:			
Non-personal expense	<u>200,000</u>	<u>65</u>	<u>199,935</u>
Excess of Revenues over Expenditures	-	90	90
Other Financing Uses:			
Transfers out	<u> </u>	<u>(90)</u>	<u>(90)</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, 2021
(In Thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
Revenues:			
Miscellaneous	\$	\$	\$ -
Expenditures:			
Human and cultural:			
Non-personal			-
Excess of Revenues over Expenditures			-
Other Financing Uses:			
Transfers out			-
Net Change in Fund Balance	\$ <u>-</u>	-	\$ <u>-</u>
Fund Balance at Beginning of Year		-	
Fund Balance at End of Year		\$ <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, 2021

(In Thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
Revenues:			
Charges for services	\$ 2,931	\$ 1,410	\$ (1,521)
Fines and forfeitures	88	61	(27)
Interest	20	3	(17)
Total revenues	<u>3,039</u>	<u>1,474</u>	<u>(1,565)</u>
Expenditures:			
Current:			
Community maintenance:			
Personal services	1,017	680	337
Non-personal expense	1,316	734	582
Capital outlay	100	915	(815)
Debt and sundry	946		946
Total expenditures	<u>3,379</u>	<u>2,329</u>	<u>1,050</u>
Net Change in Fund Balance	\$ <u>(340)</u>	(855)	\$ <u>(515)</u>
Fund Balance at Beginning of Year		<u>1,397</u>	
Fund Balance at End of Year		\$ <u>542</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, 2021
(In Thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
Revenues:			
Charges for services	\$ 342	\$ 327	\$ (15)
Interest	371	345	(26)
Miscellaneous	74	39	(35)
Total revenues	<u>787</u>	<u>711</u>	<u>(76)</u>
Expenditures:			
Current:			
Human and cultural:			
Personal services	377	314	63
Non-personal expense	161	111	50
Debt and sundry	198	198	-
Total expenditures	<u>736</u>	<u>623</u>	<u>113</u>
Excess of Revenues over Expenditures	51	88	37
Other Financing Uses:			
Transfers in	23	23	-
Transfers out	(126)	(72)	54
Total other financing uses	<u>(103)</u>	<u>(49)</u>	<u>54</u>
Net Change in Fund Balance	\$ <u>(52)</u>	39	\$ <u>91</u>
Fund Balance at Beginning of Year		<u>304</u>	
Fund Balance at End of Year		\$ <u>343</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, 2021
(In Thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
Revenues:			
Intergovernmental	\$ 680	\$ 721	\$ 41
Expenditures:			
Current:			
Education	<u>2,502</u>	<u>2,135</u>	<u>367</u>
Deficiency of Revenues over Expenditures	(1,822)	(1,414)	408
Other Financing Sources:			
Transfers in	<u>1,822</u>	<u>1,414</u>	<u>(408)</u>
Net Change in Fund Balance	\$ <u>-</u>	-	\$ <u>-</u>
Fund Balance at Beginning of Year		<u>-</u>	
Fund Balance at End of Year		\$ <u>-</u>	

TOWN OF WEST HARTFORD, CONNECTICUT
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, 2021
(In Thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
Revenues:			
Intergovernmental	\$	\$ 7	\$ 7
Charges for services	<u>15</u>	<u>3</u>	<u>(12)</u>
Total revenues	<u>15</u>	<u>10</u>	<u>(5)</u>
Expenditures:			
Current:			
Human and cultural:			
Non-personal expense	<u>15</u>	<u>10</u>	<u>5</u>
Net Change in Fund Balance	\$ <u>-</u>		\$ <u>-</u>
Fund Balance at Beginning of Year		<u>93</u>	
Fund Balance at End of Year		\$ <u>93</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, 2021
 (In Thousands)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
Revenues:			
Charges for services	\$ 10	\$ 10	\$ -
Expenditures:			
Current:			
General government:			
Non-personal expense	<u>10</u>	<u>5</u>	<u>5</u>
Net Change in Fund Balance	\$ <u>-</u>	5	\$ <u>5</u>
Fund Balance at Beginning of Year		<u>3</u>	
Fund Balance at End of Year		<u>\$ 8</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, 2021
(In Thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
Revenues:			
Charges for services	\$ <u>1,900</u>	\$ <u>2,361</u>	\$ <u>461</u>
Expenditures:			
Current:			
Public safety:			
Personal services	1,200	1,493	(293)
Non-personal expense	18	16	2
Debt and sundry	<u>513</u>	<u>521</u>	<u>(8)</u>
Total expenditures	<u>1,731</u>	<u>2,030</u>	<u>(299)</u>
Excess (Deficiency) of Revenues over Expenditures	169	331	162
Other Financing Uses:			
Transfers out	<u>(125)</u>	<u>(125)</u>	<u>-</u>
Net Change in Fund Balance	\$ <u>44</u>	206	\$ <u>162</u>
Fund Balance at Beginning of Year		<u>92</u>	
Fund Balance at End of Year		\$ <u>298</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, 2021
(In Thousands)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
Revenues:			
Charges for services	\$ 607	\$ 423	\$ (184)
Income on investments	20	3	(17)
Total revenues	<u>627</u>	<u>426</u>	<u>(201)</u>
Expenditures:			
Current:			
Human and cultural:			
Personal services	139	172	(33)
Non-personal expense	178	168	10
Debt and sundry	<u>158</u>	<u>161</u>	<u>(3)</u>
Total expenditures	<u>475</u>	<u>501</u>	<u>(26)</u>
Excess (Deficiency) of Revenues over Expenditures	152	(75)	(227)
Other Financing Uses:			
Transfers out	<u>(3)</u>	<u>(3)</u>	<u>-</u>
Net Change in Fund Balance	\$ <u>149</u>	(78)	\$ <u>(227)</u>
Fund Balance at Beginning of Year		<u>432</u>	
Fund Balance at End of Year		\$ <u>354</u>	

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, 2021
(In Thousands)

	Risk Management Fund	Utilities Services Fund	Total
Assets:			
Current:			
Cash and cash equivalents	\$ 4,137	\$ 2,054	\$ 6,191
Investments	27,757		27,757
Prepaid items	1		1
Total assets	<u>31,895</u>	<u>2,054</u>	<u>33,949</u>
Liabilities:			
Current:			
Accounts and other payables	391	97	488
Payroll liabilities	50	3	53
Due to other funds		166	166
Risk management claims	3,383		3,383
Total current liabilities	<u>3,824</u>	<u>266</u>	<u>4,090</u>
Noncurrent:			
Risk management claims	5,911		5,911
Total liabilities	<u>9,735</u>	<u>266</u>	<u>10,001</u>
Net Position:			
Unrestricted	\$ <u>22,160</u>	\$ <u>1,788</u>	\$ <u>23,948</u>

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, 2021
(In Thousands)

	Risk Management Fund	Utilities Services Fund	Total
Operating Revenues:			
Fund premiums	\$ 32,388	\$ 3,750	\$ 36,138
Employee contributions	8,757		8,757
Other	122		122
Total operating revenues	<u>41,267</u>	<u>3,750</u>	<u>45,017</u>
Operating Expenses:			
Administrative expense	232	105	337
Employee benefits	33,851		33,851
Insurance and program services	5,945		5,945
Utility services		3,950	3,950
Total operating expenses	<u>40,028</u>	<u>4,055</u>	<u>44,083</u>
Operating Income	1,239	(305)	934
Nonoperating Revenue:			
Income on investments	<u>4,604</u>		<u>4,604</u>
Income Before Transfers	5,843	(305)	5,538
Transfers:			
Transfers Out	<u>(55)</u>		<u>(55)</u>
Change in Net Position	5,788	(305)	5,483
Net Position at Beginning of Year	<u>16,372</u>	<u>2,093</u>	<u>18,465</u>
Net Position at End of Year	<u>\$ 22,160</u>	<u>\$ 1,788</u>	<u>\$ 23,948</u>

TOWN OF WEST HARTFORD, CONNECTICUT
COMBINING STATEMENT OF CASH FLOWS - INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021
(In Thousands)

	Risk Management Fund	Utilities Services Fund	Total
Cash Flows from Operating Activities:			
Cash received from employees	\$ 8,757	\$	\$ 8,757
Cash received from operating funds	32,388	3,750	36,138
Cash payments to providers benefits	(33,608)		(33,608)
Cash payments to suppliers for goods and services	(5,993)	(4,030)	(10,023)
Other operating receipts	124		124
Payments for interfund services used	(219)	3	(216)
Net cash provided by (used in) operating activities	<u>1,449</u>	<u>(277)</u>	<u>1,172</u>
Cash Flows from Noncapital Financing Activities:			
Transfers to other funds	<u>(55)</u>		<u>(55)</u>
Cash Flows from Investing Activities:			
Income on investments	<u>51</u>		<u>51</u>
Net Increase (Decrease) in Cash and Cash Equivalents	1,445	(277)	1,168
Cash and Cash Equivalents at Beginning of Year	<u>2,692</u>	<u>2,331</u>	<u>5,023</u>
Cash and Cash Equivalents at End of Year	<u>\$ 4,137</u>	<u>\$ 2,054</u>	<u>\$ 6,191</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:			
Operating income (loss)	\$ 1,239	\$ (305)	\$ 934
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	127		127
(Increase) decrease in prepaid items	2		2
Increase (decrease) in accounts and other payables	180	24	204
Increase (decrease) in payroll liabilities	4	1	5
Increase (decrease) in due to other funds	(219)	3	(216)
Increase (decrease) in risk management claim liability	<u>116</u>		<u>116</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ 1,449</u>	<u>\$ (277)</u>	<u>\$ 1,172</u>
Noncash Investing and Capital Financing Activities:			
Net Increase in Fair Value of Investments	<u>\$ 4,553</u>	<u>\$ -</u>	<u>\$ 4,553</u>

TOWN OF WEST HARTFORD, CONNECTICUT
RISK MANAGEMENT FUND
OPERATING RESULTS BY PROGRAM
FOR FISCAL YEAR JUNE 30, 2021
(In Thousands)

	Workers' Compensation	Town Health	Heart and Hypertension	Self-Insured Program	Insured Program	BOE Health	Interfund Elimination	Total
Operating revenues:								
Fund premiums	\$ 2,897	\$ 17,193	\$ 262	\$ 1,196	\$ 1,494	\$ 23,970	\$ (14,624)	\$ 32,388
Employee contributions		1,257				7,500		8,757
Subrogations/miscellaneous	35	87						122
Total	<u>2,932</u>	<u>18,537</u>	<u>262</u>	<u>1,196</u>	<u>1,494</u>	<u>31,470</u>	<u>(14,624)</u>	<u>41,267</u>
Investment income	477	71	179	581		3,296		4,604
Total revenues	<u>3,409</u>	<u>18,608</u>	<u>441</u>	<u>1,777</u>	<u>1,494</u>	<u>34,766</u>	<u>(14,624)</u>	<u>45,871</u>
Operating expenses:								
Employee claims expenses	2,025	7,001	420	823		29,129	(14,624)	24,774
Retiree claims expenses		6,651				2,426		9,077
Program expenses	139	1,314	1	209	1,516	121		3,300
Insurance services	379	565		102		1,599		2,645
Administrative expenses	93		23	93	23			232
Total expenses	<u>2,636</u>	<u>15,531</u>	<u>444</u>	<u>1,227</u>	<u>1,539</u>	<u>33,275</u>	<u>(14,624)</u>	<u>40,028</u>
Income (loss) before transfers	773	3,077	(3)	550	(45)	1,491	-	5,843
Other financing uses:								
Transfers out	<u>(6)</u>	<u>(40)</u>	<u>(2)</u>	<u>(5)</u>	<u>(2)</u>			<u>(55)</u>
Change in Net Position	767	3,037	(5)	545	(47)	1,491	-	5,788
Net Position at Beginning of Year	<u>146</u>	<u>(9)</u>	<u>(312)</u>	<u>1,844</u>	<u>75</u>	<u>14,628</u>	<u>-</u>	<u>16,372</u>
Net Position at End of Year	<u>\$ 913</u>	<u>\$ 3,028</u>	<u>\$ (317)</u>	<u>\$ 2,389</u>	<u>\$ 28</u>	<u>\$ 16,119</u>	<u>\$ -</u>	<u>\$ 22,160</u>
Distribution of net position:								
Reserved net position	\$ 913	\$ 576	\$ (317)	\$ 2,389	\$ 28	\$ 17,614	\$	\$ 18,190
Unreserved net position	<u>913</u>	<u>2,452</u>	<u>(317)</u>	<u>2,389</u>	<u>28</u>	<u>(1,495)</u>		<u>3,970</u>
Net Position at End of Year	<u>\$ 913</u>	<u>\$ 3,028</u>	<u>\$ (317)</u>	<u>\$ 2,389</u>	<u>\$ 28</u>	<u>\$ 16,119</u>	<u>\$ -</u>	<u>\$ 22,160</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.

TOWN OF WEST HARTFORD, CONNECTICUT
COMBINING STATEMENT OF NET POSITION
PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS
JUNE 30, 2021
(In Thousands)

	Pension Trust Fund	OPEB Trust Fund	Total
Assets:			
Cash and cash equivalents	\$ 1,018	\$ 6,413	\$ 7,431
Investments:			
Mutual funds	221,688	7,076	228,764
Common stock	22,324		22,324
Alternative investments	24,831		24,831
Receivables:			
Interest and dividends	10		10
Total assets	<u>269,871</u>	<u>13,489</u>	<u>283,360</u>
Liabilities:			
Accounts and other payables	<u>158</u>	<u>2</u>	<u>160</u>
Net Position:			
Restricted for pension benefits	269,713		269,713
Restricted for OPEB benefits		<u>13,487</u>	<u>13,487</u>
Total Net Position	<u>\$ 269,713</u>	<u>\$ 13,487</u>	<u>\$ 283,200</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, 2021
(In Thousands)

	Pension Trust Fund	OPEB Trust Fund	Total
Additions:			
Contributions:			
Employer	\$ 25,439	\$ 16,741	\$ 42,180
Plan members	3,303	124	3,427
Total contributions	<u>28,742</u>	<u>16,865</u>	<u>45,607</u>
Investment income:			
Net change in fair value of investments	61,074	1,462	62,536
Interest	4	6	10
Dividends	3,391	90	3,481
Total investment income	<u>64,469</u>	<u>1,558</u>	<u>66,027</u>
Less investment expense	<u>(639)</u>	<u>(1)</u>	<u>(640)</u>
Net investment income	<u>63,830</u>	<u>1,557</u>	<u>65,387</u>
Total additions	<u>92,572</u>	<u>18,422</u>	<u>110,994</u>
Deductions:			
Benefits	37,352	14,623	51,975
Administration	<u>319</u>	<u>2</u>	<u>321</u>
Total deductions	<u>37,671</u>	<u>14,625</u>	<u>52,296</u>
Change in Net Position	54,901	3,797	58,698
Net Position at Beginning of Year	<u>214,812</u>	<u>9,690</u>	<u>224,502</u>
Net Position at End of Year	<u>\$ 269,713</u>	<u>\$ 13,487</u>	<u>\$ 283,200</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

	2012	2013	2014	2015	2016	2017	2018	2019	2020 *	2021
Governmental activities:										
Net investment in capital assets	\$ 159,716	\$ 171,505	\$ 161,236	\$ 154,273	\$ 180,092	\$ 194,218	\$ 203,759	\$ 227,469	\$ 242,461	\$ 238,149
Restricted	2,508	2,601	2,515	891	831	82	82	82	82	7,506
Unrestricted	28,991	22,389	32,883	(133,041)	(152,445)	(173,088)	(334,271)	(365,979)	(396,958)	(414,141)
Total governmental activities net position	<u>\$ 191,215</u>	<u>\$ 196,495</u>	<u>\$ 196,634</u>	<u>\$ 22,123</u>	<u>\$ 28,478</u>	<u>\$ 21,212</u>	<u>\$ (130,430)</u>	<u>\$ (138,428)</u>	<u>\$ (154,415)</u>	<u>\$ (168,486)</u>
Business-type activities:										
Net investment in capital assets	\$ 13,010	\$ 13,040	\$ 12,533	\$ 14,052	\$ 13,740	\$ 12,937	\$ 11,663	\$ 10,779	\$ 9,781	\$ 8,797
Unrestricted	(2,244)	(2,256)	(2,186)	(5,034)	(5,007)	(5,313)	(8,234)	(9,148)	(10,104)	(10,788)
Total business-type activities net position	<u>\$ 10,766</u>	<u>\$ 10,784</u>	<u>\$ 10,347</u>	<u>\$ 9,018</u>	<u>\$ 8,733</u>	<u>\$ 7,624</u>	<u>\$ 3,429</u>	<u>\$ 1,631</u>	<u>\$ (323)</u>	<u>\$ (1,991)</u>
Primary government:										
Net investment in capital assets	\$ 172,726	\$ 184,545	\$ 173,769	\$ 168,325	\$ 193,832	\$ 207,155	\$ 215,422	\$ 238,248	\$ 252,242	\$ 246,946
Restricted	2,508	2,601	2,515	891	831	82	82	82	82	7,506
Unrestricted	26,747	20,133	30,697	(138,075)	(157,452)	(178,401)	(342,505)	(375,127)	(407,062)	(424,929)
Total primary government net position	<u>\$ 201,981</u>	<u>\$ 207,279</u>	<u>\$ 206,981</u>	<u>\$ 31,141</u>	<u>\$ 37,211</u>	<u>\$ 28,836</u>	<u>\$ (127,001)</u>	<u>\$ (136,797)</u>	<u>\$ (154,738)</u>	<u>\$ (170,477)</u>

* 2020 amounts have been restated for GASB No. 84 implementation

TOWN OF WEST HARTFORD, CONNECTICUT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(amounts expressed in thousands)

TABLE 2

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses:										
Governmental activities:										
General government	\$ 8,220	\$ 9,410	\$ 11,362	\$ 10,059	\$ 13,391	\$ 15,064	\$ 12,947	\$ 15,076	\$ 15,932	\$ 16,682
Public safety	40,231	43,699	45,213	48,798	55,382	56,932	62,903	65,519	70,986	69,259
Community maintenance	45,350	34,227	35,598	37,042	39,475	40,717	42,443	37,686	43,214	45,154
Human and cultural	11,833	11,308	11,526	13,858	13,356	13,144	13,812	20,843	16,797	15,037
Education	167,347	172,635	178,648	180,805	191,683	213,041	220,200	208,031	230,874	255,252
Interest on long-term debt	5,458	4,978	4,963	4,989	4,826	4,696	4,601	4,271	3,647	1,618
Total governmental activities expenses	278,439	276,257	287,310	295,551	318,113	343,594	356,906	351,426	381,450	403,002
Business-type activities:										
Leisure services	3,761	3,896	3,971	4,122	4,503	4,668	6,179	5,930	5,462	4,730
Total primary government expenses	\$ 282,200	\$ 280,153	\$ 291,281	\$ 299,673	\$ 322,616	\$ 348,262	\$ 363,085	\$ 357,356	\$ 386,912	\$ 407,732
Program Revenues:										
Governmental activities:										
Charges for services:										
General government	\$ 1,359	\$ 1,478	\$ 1,445	\$ 1,434	\$ 1,676	\$ 1,570	\$ 1,376	\$ 1,516	\$ 1,628	\$ 2,461
Public safety	3,171	3,290	3,048	3,021	2,784	3,333	3,668	3,319	3,783	3,958
Community maintenance	3,847	4,132	4,128	5,303	5,083	5,064	5,078	4,960	3,172	3,732
Human and cultural	1,422	1,409	1,423	1,493	1,463	1,523	1,601	1,527	1,291	1,052
Education	4,522	4,288	3,918	3,888	3,730	3,692	3,683	3,976	2,636	2,774
Interest on long-term debt	47									
Operating grants and contributions	51,883	45,239	48,077	46,460	49,472	64,163	63,999	46,558	70,919	93,506
Capital grants and contributions	1,857	2,277	962	7,627	21,695	8,388	6,673	12,970	3,734	1,906
Total governmental activities program revenues	68,108	62,113	63,001	69,226	85,903	87,733	86,078	74,826	87,163	109,389
Business-type activities:										
Charges for services	2,766	2,648	2,889	2,968	3,140	2,943	3,814	3,694	3,267	2,968
Operating grants and contributions	19	20	26							
Capital grants and contributions	1,906	923	468	2,520	757	299	356	168	171	24
Total business-type activities program revenues	4,691	3,591	3,383	5,488	3,897	3,242	4,170	3,862	3,438	2,992
Total primary government program revenues	\$ 72,799	\$ 65,704	\$ 66,384	\$ 74,714	\$ 89,800	\$ 90,975	\$ 90,248	\$ 78,688	\$ 90,601	\$ 112,381
Net (Expense) Revenue:										
Governmental activities	\$ (210,331)	\$ (214,144)	\$ (224,309)	\$ (226,325)	\$ (232,210)	\$ (255,861)	\$ (270,828)	\$ (276,600)	\$ (294,287)	\$ (293,613)
Business-type activities	930	(305)	(588)	1,366	(606)	(1,426)	(2,009)	(2,068)	(2,024)	(1,738)
Total primary government net expense	\$ (209,401)	\$ (214,449)	\$ (224,897)	\$ (224,959)	\$ (232,816)	\$ (257,287)	\$ (272,837)	\$ (278,668)	\$ (296,311)	\$ (295,351)
General Revenues and Other Changes in Net Position:										
Governmental activities:										
Property taxes	\$ 199,769	\$ 210,661	\$ 214,970	\$ 222,840	\$ 229,698	\$ 237,427	\$ 252,899	\$ 258,308	\$ 266,113	\$ 267,257
Unrestricted grants and contributions	3,185	3,001	2,855	2,895	2,495	4,261	2,360	2,127	1,908	2,969
Unrestricted investment earnings	1,076	2,024	2,685	1,378	1,567	2,356	2,737	3,719	3,350	5,161
Miscellaneous	3,859	4,042	4,089	4,512	5,126	4,868	4,855	4,718	5,715	4,225
Transfers	(58)	(304)	(151)	(145)	(321)	(317)	(20)	(270)	(70)	(70)
Total governmental activities	207,831	219,424	224,448	231,480	238,565	248,595	262,831	268,602	277,016	279,542
Business-type activities:										
Miscellaneous	13	19								
Transfers	58	304	151	145	321	317	20	270	70	70
Total business-type activities	71	323	151	145	321	317	20	270	70	70
Total primary government	\$ 207,902	\$ 219,747	\$ 224,599	\$ 231,625	\$ 238,886	\$ 248,912	\$ 262,851	\$ 268,872	\$ 277,086	\$ 279,612
Changes in Net Position:										
Governmental activities	\$ (2,500)	\$ 5,280	\$ 139	\$ 5,155	\$ 6,355	\$ (7,266)	\$ (7,997)	\$ (7,998)	\$ (17,271)	\$ (14,071)
Business-type activities	1,001	18	(437)	1,511	(285)	(1,109)	(1,989)	(1,798)	(1,954)	(1,668)
Total primary government	\$ (1,499)	\$ 5,298	\$ (298)	\$ 6,666	\$ 6,070	\$ (8,375)	\$ (9,986)	\$ (9,796)	\$ (19,225)	\$ (15,739)

TOWN OF WEST HARTFORD, CONNECTICUT
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(amounts expressed in thousands)

TABLE 3

	2012	2013	2014	2015	2016	2017	2018	2019	2020 *	2021
General Fund:										
Nonspendable	\$ 169	\$ 179	\$ 178	\$ 172	\$ 257	\$ 193	\$ 289	\$ 263	\$ 298	\$ 242
Assigned	355	333	374	262	441	541	500	389	4,647	1,898
Unassigned	17,831	18,931	19,653	20,621	21,094	21,811	25,438	26,375	25,188	27,210
Total General Fund	<u>\$ 18,355</u>	<u>\$ 19,443</u>	<u>\$ 20,205</u>	<u>\$ 21,055</u>	<u>\$ 21,792</u>	<u>\$ 22,545</u>	<u>\$ 26,227</u>	<u>\$ 27,027</u>	<u>\$ 30,133</u>	<u>\$29,350</u>
All other Governmental Funds:										
Nonspendable	\$ 81	\$ 66	\$ 88	\$ 55	\$ 128	\$ 128	\$ 141	\$ 147	\$ 197	\$ 139
Restricted	1,104	1,164	1,136	2,535	2,282	2,088	2,015	2,066	3,162	1,944
Committed	18,704	9,409	17,459	28,682	16,681	16,755	19,322	11,396	8,952	10,572
Assigned	13	11	74	28	4	52		54	62	
Unassigned	(35)	(1,251)				(10)			(3,306)	(647)
Total all other Governmental Funds	<u>\$ 19,867</u>	<u>\$ 9,399</u>	<u>\$ 18,757</u>	<u>\$ 31,300</u>	<u>\$ 19,095</u>	<u>\$ 19,013</u>	<u>\$ 21,478</u>	<u>\$ 13,663</u>	<u>\$ 9,067</u>	<u>\$12,008</u>

* 2020 amounts have been restated for GASB No. 84 implementation

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues:										
Property taxes	\$ 200,033	\$ 210,571	\$ 214,923	\$ 223,062	\$ 229,630	\$ 236,916	\$ 253,000	\$ 258,047	\$ 265,957	\$ 267,506
Intergovernmental	55,878	49,523	51,510	56,573	73,428	75,975	60,092	72,877	65,350	67,589
Charges for services	13,939	14,499	13,577	14,734	14,547	14,853	14,928	14,812	12,508	13,982
Income on investments	796	790	678	695	1,011	751	1,434	2,252	1,818	557
Miscellaneous	5,535	5,500	5,195	5,601	5,908	6,243	5,961	7,019	6,435	4,802
Total revenues	276,181	280,883	285,883	300,665	324,524	334,738	335,415	355,007	352,068	354,436
Expenditures:										
General government	5,116	5,220	5,328	5,440	5,842	6,321	5,954	6,236	6,342	6,575
Public safety	26,802	27,660	27,337	27,495	27,917	28,461	28,658	30,599	32,063	33,595
Community maintenance	16,523	17,484	17,881	18,122	18,329	18,482	17,973	18,359	16,935	18,040
Human and cultural	7,705	7,531	7,929	7,916	8,118	8,095	8,175	8,029	7,789	7,291
Education	162,737	168,117	173,040	175,600	180,708	199,184	195,172	205,227	207,230	213,693
Capital outlay	12,150	13,665	14,378	18,862	50,360	28,407	18,785	33,565	26,640	15,982
Debt:										
Principal	14,475	12,535	12,255	12,550	26,900	15,220	16,370	17,410	15,883	17,425
Interest	5,458	5,417	4,977	4,977	5,233	5,116	5,166	4,965	4,397	4,676
Other charges	89	5								
Sundry	40,512	32,375	34,564	37,629	26,997	42,193	46,537	47,724	53,612	54,170
Total expenditures	291,567	290,009	297,689	308,591	350,404	351,479	342,790	372,114	370,891	371,447
Excess of revenue under expenditures	(15,386)	(9,126)	(11,806)	(7,926)	(25,880)	(16,741)	(7,375)	(17,107)	(18,823)	(17,011)
Other financing sources (uses):										
Bonds issued	15,000		20,000	21,000	14,000	17,000	13,000	10,000	17,000	17,000
Refunding bonds issued					12,295				38,465	21,620
Payment to refunded bond escrow agent					(13,424)				(44,047)	(22,968)
Premium on refunding bonds issued					1,258				5,870	1,548
Premium on bonds issued	2,047		2,027	414	554	679	492	307	2,305	1,976
Sale of capital assets									36	8
Transfers in	14,585	16,941	17,372	19,981	21,367	22,190	27,582	23,816	21,782	20,233
Transfers out	(14,593)	(17,195)	(17,473)	(20,076)	(21,638)	(22,457)	(27,552)	(24,031)	(21,802)	(20,248)
Total other financing sources (uses)	17,039	(254)	21,926	21,319	14,412	17,412	13,522	10,092	19,609	19,169
Net change in fund balances	\$ 1,653	\$ (9,380)	\$ 10,120	\$ 13,393	\$ (11,468)	\$ 671	\$ 6,147	\$ (7,015)	\$ 786	\$ 2,158
Debt service as a percentage of noncapital expenditures	7.05%	7.05%	6.05%	5.99%	10.61%	6.27%	6.39%	5.34%	5.90%	6.66%

TOWN OF WEST HARTFORD, CONNECTICUT
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(amounts expressed in thousands)

TABLE 5

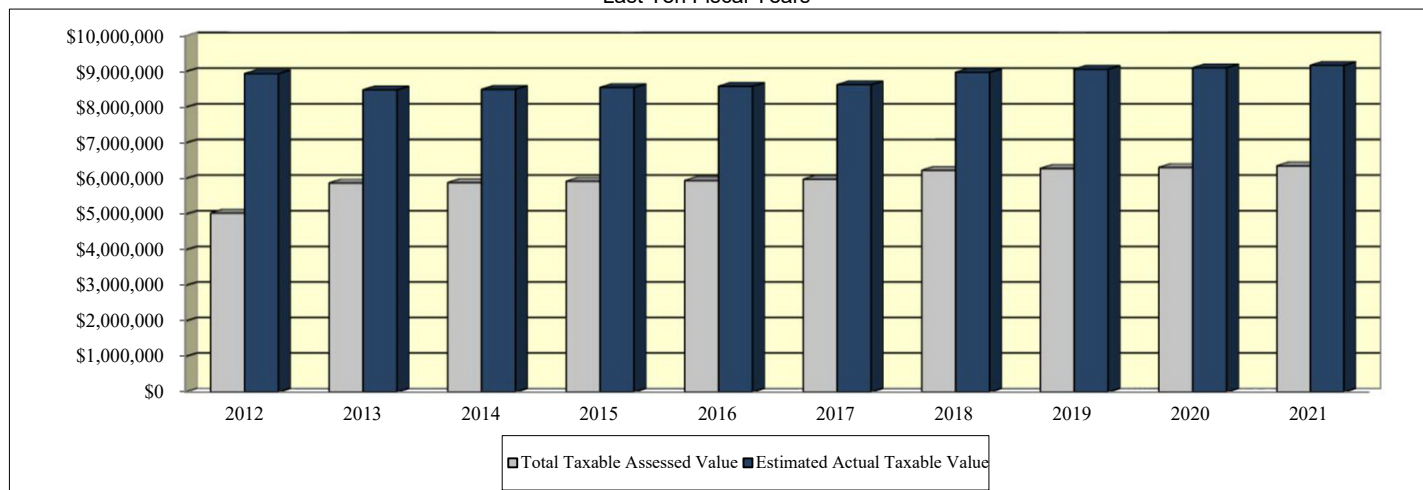
Fiscal Year	Real Property			Personal Property		Less: Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value Percentage of Actual Taxable Value ²
	Residential ¹	Commercial ¹	Industrial ¹	Other ¹	Motor Vehicle ¹					
2012	4,763,366	842,798	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%
2019	4,524,296	1,061,804	87,823	237,868	436,673	63,346	6,285,118	41.00	9,069,234	70%
2020	4,533,613	1,076,472	85,861	242,672	437,930	61,813	6,314,734	41.80	9,109,353	70%
2021	4,553,755	1,083,070	81,260	252,235	453,426	65,607	6,358,138	41.80	9,176,779	70%

Source: Town of West Hartford, Department of Assessment

¹Includes tax exempt property.

²Assessed Value is 70% of Estimated Actual Value.

Assessed and Estimated Actual Property Values
Last Ten Fiscal Years



TOWN OF WEST HARTFORD, CONNECTICUT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
(amounts expressed in thousands)

TABLE 6

Taxpayer	Nature of Business	Grand List of October 1, 2019			Grand List of October 1, 2010		
		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	\$ 72,863	1	1.15%	\$ 62,701	1	1.25%
Westfarms Associates	Shopping Mall	52,480	2	0.82%	35,000	2	0.70%
Connecticut Light and Power	Utility	48,002	3	0.75%	29,481	4	0.59%
FW CT Corbins Corner Shopping Center	Retail	42,378	4	0.67%	34,558	3	0.69%
SF WH Property Owner LLC	Shopping Mall	29,271	5	0.46%			
Town Center West Associates	Office/Retail	28,178	6	0.44%	23,054	6	0.46%
McAuley Center Inc. (Sisters of Mercy)	Assisted Living	24,529	7	0.39%			
Steele Road LLC	Apartments	23,517	8	0.37%			
Delamar West Hartford	Hotel	19,285	9	0.30%			
BFN Westgate LLC	Apartments	18,830	10	0.30%			
E & A Northeast Ltd Partnership	Retail/Office				27,933	5	0.55%
Sisters of Mercy	Assisted Living				15,968	7	0.32%
Prospect Plaza Improvements LLC	Retail				14,619	8	0.29%
Bishops Albany LLC	Retail				14,401	9	0.29%
Corporate Center West	Office				14,063	10	0.28%
		\$ 359,333		5.65%	\$ 271,778		5.42%

2021 Revenue from Principal Taxpayers \$ 15,020
2021 Percent of Total General Fund Revenue 4.96%

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
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%	562	251,980	99.6%
2019	41.00	258,647	256,840	99.3%	909	256,840	99.3%
2020	41.80	265,632	263,783	99.3%	1,103	263,783	99.3%
2021	41.80	266,861	265,105	99.3%	n/a	265,105	99.3%

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

n/a - Not applicable to current fiscal year.

TOWN OF WEST HARTFORD, CONNECTICUT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(amounts expressed in thousands, except per capita amount)

TABLE 8

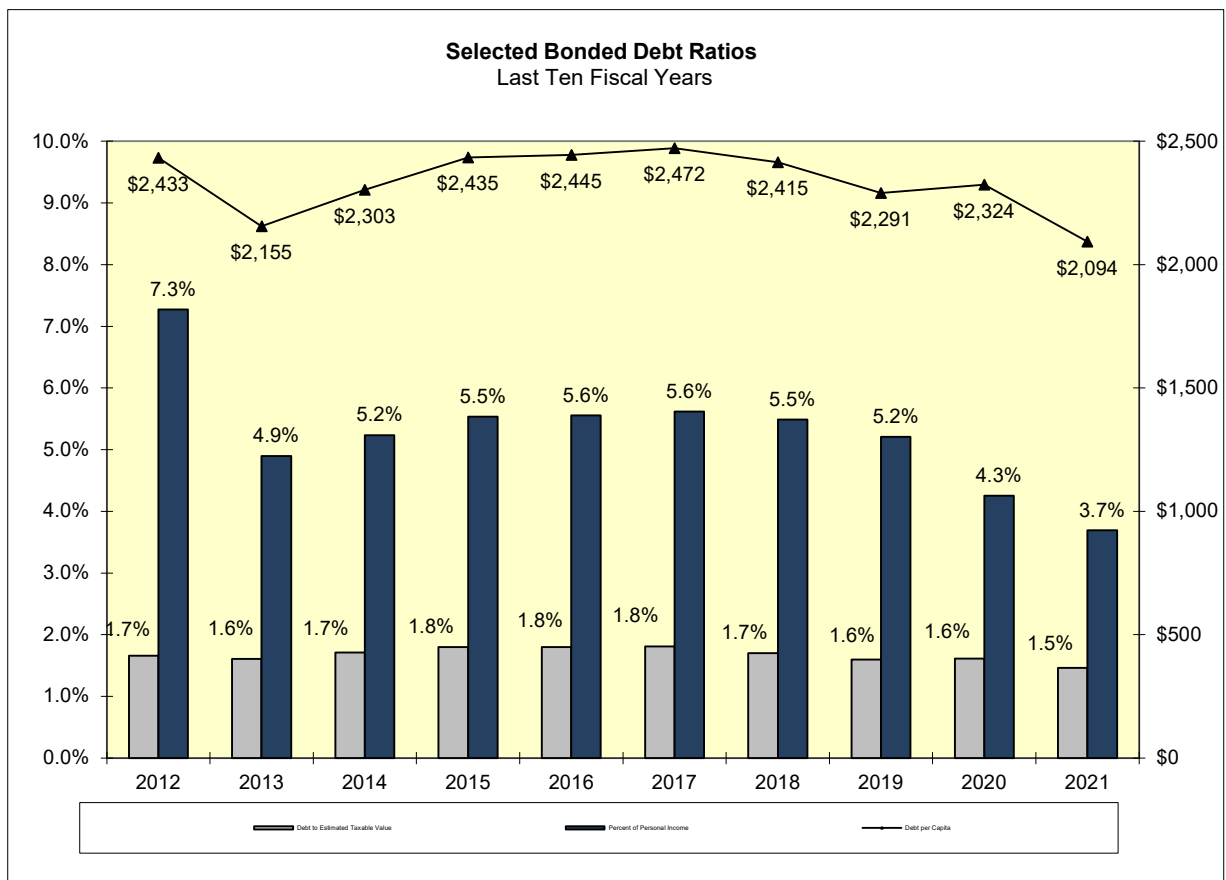
Fiscal Year	Governmental Activities		Business-Type Activities	Total Primary Government	Bonded Debt to Estimated Actual Taxable Value ¹	Bonded Debt as Percentage of Personal Income ²	Bonded Debt Per Capita ³
	General Obligation Bonds	Capital Leases	Leisure Services				
2012	148,551	-	-	148,551	1.7%	7.3%	2,433
2013	136,373	-	-	136,373	1.6%	4.9%	2,155
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	156,409	-	-	156,409	1.8%	5.6%	2,472
2018	152,767	-	-	152,767	1.7%	5.5%	2,415
2019	144,937	-	-	144,937	1.6%	5.2%	2,291
2020	147,031	-	-	147,031	1.6%	4.3%	2,324
2021	134,160	-	-	134,160	1.5%	3.7%	2,094

Note: The Town's net direct debt is equal to its direct debt. Details regarding the Town's outstanding debt can be found in the notes to the financial statements.

¹ See Table 5 for property value data.

² See Table 11 for Personal Income data.

³ See Table 11 for Population data.



TOWN OF WEST HARTFORD, CONNECTICUT
STATEMENT OF DEBT LIMITATION
CURRENT FISCAL YEAR
(amounts expressed in thousands)

TABLE 9

Total tax collections (including interest and lien fees) received by Treasurer for year ended June 30, 2020	\$ 265,935 *
Reimbursement for revenue loss on:	
Tax Relief for Elderly	5
Base	<u>\$ 265,940</u>

	General Purpose	Schools	Sewers	Urban Renewal	Pension Deficit
Debt limitation:					
2.25 times base	\$ 598,365	\$	\$	\$	\$
4.50 times base		1,196,730			
3.75 times base			997,275		
3.25 times base				864,305	
3.00 times base					797,820
Total debt limitation	598,365	1,196,730	997,275	864,305	797,820
Indebtedness:					
Bonds payable	92,971	41,189			
Bonds authorized-unissued	31,818	27,676			
Overlapping debt			199,775		
School building grants					
Total indebtedness	124,789	68,865	199,775	-	-
Debt Margin	\$ 473,576	\$ 1,127,865	\$ 797,500	\$ 864,305	\$ 797,820

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

Note 1: In no event shall total indebtedness exceed seven times annual receipts from taxation (\$1.86 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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Debt limitation	\$ 1,400,560	\$ 1,474,494	\$ 1,504,811	\$ 1,561,140	\$ 1,607,788	\$ 1,659,315	\$ 1,659,315	\$ 1,777,370	\$ 1,811,327	\$ 1,861,580
Total net debt applicable to limit	237,328	254,930	285,919	314,603	368,176	379,642	380,471	357,953	392,822	393,429
Legal Debt Margin	\$ 1,163,232	\$ 1,219,564	\$ 1,218,892	\$ 1,246,537	\$ 1,239,612	\$ 1,279,673	\$ 1,278,844	\$ 1,419,417	\$ 1,418,505	\$ 1,468,151
Total net debt applicable to the limit as a percentage of debt limit	16.95%	17.29%	19.00%	20.15%	22.90%	22.88%	22.93%	20.14%	21.69%	21.13%

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

**TOWN OF WEST HARTFORD, CONNECTICUT
DEMOGRAPHIC & ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

TABLE 11

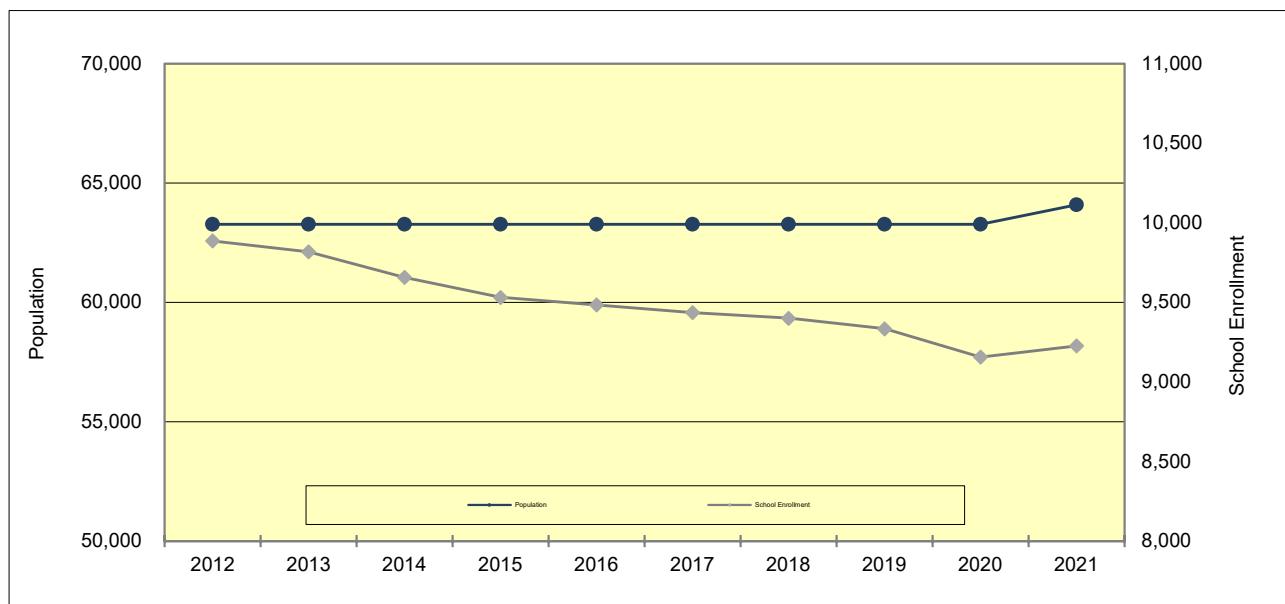
Fiscal Year	Population¹	Total Personal Income¹ (in thousands)	Per Capita Personal Income¹	Median Age¹	School Enrollment²	Average Unemployment Rate³
2012	63,268	2,783,665	43,998	41.5	9,885	6.8%
2013	63,268	2,783,665	43,998	41.5	9,817	6.8%
2014	63,268	2,783,665	43,998	41.5	9,657	6.0%
2015	63,268	2,783,665	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%
2019	63,268	2,783,665	43,998	41.5	9,334	3.1%
2020	63,268	3,454,496	54,601	41.1	9,157	5.5%
2021	64,083	3,632,993	56,692	40.7	9,226	7.7%

¹ U.S. Census Bureau

² Town of West Hartford Board of Education.

³ State of Connecticut Labor Department, Office of Research

**Population and School Enrollments
Last Ten Fiscal Years**



TOWN OF WEST HARTFORD, CONNECTICUT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

TABLE 12

Employer	Nature of Business	2021			2012		
		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	2	4.7%
Town of West Hartford	Government	1,100-2,250	2	7.1%	1,000-1,999	1	4.7%
Hartford Healthcare At Home	Home Health Service	500-999	3	2.6%			
Hospital at Hebrew Health Care	Hospital	500-999	4	2.6%	500-999	4	1.3%
Triumph Engine Control Systems	Aircraft Components-Manufacturers	250-499	5	1.3%			
Connecticut Veterinary Ctr	Animal Hospitals	250-499	6	1.3%			
Cheesecake Factory	Full-Service Restaurant	250-499	7	1.3%	250-499	8	1.2%
Constructive Workshops Inc	Rehabilitation Services	250-499	8	1.3%			
West Hartford Health & Rehab	Convalescent Homes	100-249	9	0.6%			
Stop & Shop Supermarket	Grocers-Retail	100-249	10	0.6%			
Wiremold Products, Inc.	Manufacturing				500-999	3	2.6%
Goodrich Corporation/Chandler Evans	Manufacturing				250-499	5	1.3%
University of Connecticut	Education				250-499	6	1.3%
American Medical Response	Ambulance Service				250-499	7	1.3%
St. Mary's Home	Nursing Home				250-499	9	1.3%
Colt Manufacturing	Manufacturing				250-499	10	1.3%
		5,300-9,741		27.4%	4,500-8,990		21.0%

Source: 2021 data - Connecticut Department of Labor and Connecticut Economic Resources Center, Inc.
2012 data - Fiscal year 2011 Town of West Hartford Comprehensive Annual Financial Report.

**TOWN OF WEST HARTFORD, CONNECTICUT
FULL-TIME EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS**

TABLE 13

Function/Department	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government										
Town Clerk/Town Council	4.0	4.0	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	3.0	3.0	3.0
Corporation Counsel	3.0	3.0	3.0	3.0	3.0	3.0	2.0	2.0	2.0	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 ¹	-	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Financial Services	21.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0
Employee Services	9.5	9.5	9.5	9.5	9.5	9.5	9.5	9.5	8.5	8.5
Public Safety										
Fire	92.0	92.0	92.0	92.0	92.0	92.0	93.0	92.0	93.0	93.0
Police	152.0	152.0	152.0	152.0	153.0	153.0	153.0	153.0	154.0	154.0
Communications System	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Community Maintenance										
Community Services	26.0	24.5	24.5	24.2	25.2	26.2	26.0	25.0	24.0	24.0
Public Works	58.0	58.0	58.0	58.0	58.0	60.0	60.0	60.0	60.0	60.0
Plant and Facilities Services	7.5	9.0	9.0	8.3	8.3	8.3	8.5	8.5	9.5	9.5
Human and Cultural										
Human and Leisure Services	26.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	26.0	26.0
Library	24.0	24.0	24.0	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
Total - Town	442.0	441.0	441.0	440.0	442.0	445.0	445.0	444.0	446.0	446.0
Education										
Instructional Staff	1,196.0	1,213.1	1,225.0	1,225.5	1,250.1	1,273.9	1,260.5	1,273.6	1,288.4	1,294.1
Non-instructional staff	293.3	283.3	286.2	285.3	284.3	287.1	280.8	285.6	291.1	293.6
Total - Education	1,489.3	1,496.4	1,511.2	1,510.8	1,534.4	1,561.0	1,541.3	1,559.2	1,579.5	1,587.7
Total	1,931.3	1,937.4	1,952.2	1,950.8	1,976.4	2,006.0	1,986.3	2,003.2	2,025.5	2,033.7

Source: Department of Financial Services and Board of Education

¹Effective 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	2016	2017	2018	2019	2020
General Government					
Town Clerk ¹					
Land records processed	9,031	8,897	8,335	8,561	10,957
Registrar of Voters ¹					
Number of registered voters	43,248	38,855	40,568	40,707	42,891
Voter turnout percent - national election	78%			22%	87%
Voter turnout percent - state election			75%	35%	
Voter turnout percent - local election		32%			
Public Safety					
Fire ¹					
Number of fire related calls	205	179	184	183	176
Number of emergency medical/rescue calls ²	5,820	6,781	6,360	7,101	6,284
Number of hazardous material calls	162	150	420	532	698
Number of other calls for service	2,214	2,367	2,689	2,219	2,124
Total Calls	8,401	9,477	9,653	10,035	9,282
Community Maintenance					
Community Services ¹					
Miles of street repaved	9.04	10.21	8.29	7.90	9.36

For the Fiscal Year Ended June 30,					
Function/Department	2017	2018	2019	2020	2021
Public Safety					
Police					
Reported crimes or town ordinance violations	10,971	10,210	9,399	13,242	10,145
Service and medical calls	27,512	30,705	25,734	28,715	27,469
Motor vehicle accidents	2,498	2,264	2,244	2,247	2,031
Number of motor vehicle stops	6,959	5,657	5,935	5,476	2,156
Total calls for service	45,374	45,228	43,778	49,440	45,859
Number of criminal arrests	1,237	1,122	1,195	1,303	1,135
Number of motor vehicle arrests	5,036	5,218	4,901	5,030	2,490
Number of DUI arrests	93	77	80	77	84
Community Maintenance					
Community Services					
Number of inspections conducted	10,280	11,106	10,888	9,530	9,810
Number of total building permits ³	6,005	6,321	5,958	5,599	6,197
Dollar value of total building permits ³	\$72,729,574	\$88,272,197	\$91,838,479	\$90,254,386	\$88,728,152
Public Works					
Volume of leaves collected (cubic yards) ⁴	6,606	5,750	6,074	4,880	6,075
Tons of leave collected ⁴	1,651	1,438	1,518	1,224	131
Tons of refuse collected	18,824	18,674	18,246	18,702	19,338
Refuse contractor cost per household	\$ 161.00	\$ 124.45	\$ 114.58	147.72	\$ 146.70
Tons of waste recycled	6,853	7,269	7,042	6,349	9,727
Percent of total waste recycled	26.6%	28.0%	27.8%	26.3%	33.5%
Amount recycled per household (tons)	0.33	0.34	0.38	0.26	0.46
Number of snow operations	17	17	12	5	11
Percent of snowstorms cleared within 8 hours	89%	100%	100%	100%	100%
Percent of catch basins cleaned	9%	4%	7%	4%	4%

¹ Performance data maintained on a calendar year basis.

* This line item encompasses all Refuse, Recycling and Yard Waste collections as these are costs to the town and built into our tax structure.

**TOWN OF WEST HARTFORD, CONNECTICUT
OPERATING INDICATORS BY FUNCTION
LAST FIVE YEARS**

**TABLE 14
(continued)**

For the Fiscal Year Ended June 30,					
Function/Department	2017	2018	2019	2020	2021
Human and Cultural*					
Leisure Services					
Number of instructional programs conducted	2,803	3,807	6,643	3,800	711
Number of instructional program registrations	29,061	34,314	36,701	27,315	6,746
Number of Senior Center members	1,941	1,785	1,686	1,418	992
Number of swim lesson registrations-outdoor pools	1,579	1,312	1,227	-	-
Number of swim lesson registrations-indoor pool	4,754	2,836	2,971	1,972	209
Public session attendance at Veterans Memorial Skating R	19,857	22,551	22,978	24,500	10,565
Number of golf rounds played at Rockledge Golf Course	39,422	37,337	32,007	34,337	47,546
Number of golf rounds played at Buena Vista Golf Course	11,869	10,884	8,381	10,083	18,202
Social Services					
Hours of volunteer service	9,751	9,002	9,017	6,601	4,655
Number of Dial-A-Ride trips	11,186	11,300	10,612	8,102	5,182
Library					
Library visitors	461,084	437,580	448,164	299,419	56,124
Curbside Pickup Appointments					28,380
Library website visitors	331,812	315,289	308,641	283,992	229,379
Programs and museum passes	3,608	3,916	3,838	2,421	628
Card Holders	27,588	27,008	26,426	25,538	26,383
Number of Social Media Followers/Subscribers	10,650	10,896	11,104	11,631	12,960
Newsletter Views	195,054	214,151	204,944	237,924	220,029
Number of print book and media loans	635,681	597,763	725,852	511,623	304,655
Number of electronic book and media loans	49,438	59,238	87,809	133,955	131,616
Loans per capita	10.8	10.4	12.9	10.2	7.0
Reference inquiries	77,676	74,902	81,189	64,425	52,328
Electronic information retrievals	309,818	444,368	388,721	414,705	427,057
Wireless (WIFI) usage	100,340	94,820	101,539	68,350	23,492
Number of computer sessions	53,438	47,528	46,560	32,167	4,041
Education					
Average Class Size**					
Elementary School	20.0	20.2	19.8	19.8	18.4
Middle School	19.8	19.8	19.3	19.5	19.9
High School	21.1	21.4	21.8	21.6	19.3
SAT Scores - Math/Verbal/Writing					
SAT Scores - ERW/Math	573/557	570/559	566/556	n/a	565/547
SBAC Scores -					
Grade 3 - ELA/Math	71%/67%	69%/67%	68%/67%	n/a	68%/64%
% meeting target					
Grade 4 - ELA/Math	73%/67%	70%/66%	69%/67%	n/a	65%/67%
Grade 5 - ELA/Math	72%/56%	75%/63%	72%/66%	n/a	65%/54%
Grade 6 - ELA/Math	69%/60%	66%/54%	68%/57%	n/a	59%/44%
Grade 7 - ELA/Math	70%/61%	67%/56%	71%/56%	n/a	67%/52%
Grade 8 - ELA/Math	71%/57%	73%/61%	73%/61%	n/a	67%/52%
Overall SBAC Average	71%/61%	70%/61%	70%/62%	n/a	65%/56%
% of Students Graduating within 4 years	93.9%	93.2%	94.2%	91.9%	-
Annual Dropout Rate	0.4%	0.5%	0.3%	0.4%	-

* Human and Cultural Departments FY 20 data reflects changes to operations due to COVID-19

n/a - due to the COVID-19 pandemic, state testing and mandatory SAT testing were not conducted during the 2019-20 school year

** 2020 Average class size includes remote schools' class size

- Data unavailable at this time

**TOWN OF WEST HARTFORD, CONNECTICUT
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS**

TABLE 15

Function	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Public Safety										
Police Cars	67	67	67	67	70	76	76	78	80	76
Fire Stations	5	5	5	5	5	5	5	5	5	5
Fire Apparatus	7	7	7	7	7	7	8	8	9	10
Community Maintenance										
Miles of Town Streets	212	212	217	217	217	217	217	217	217	217
Miles of Private Streets	11	11	15	15	15	15	15	15	15	16
Miles of State Highway	15	15	17	17	17	17	17	17	17	17
Miles of Curb	220	220	220	220	221	222	222	222	223	227
Miles of Sidewalk	245	245	300	300	300	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	7,640	7,640	7,640	7,640	7,640	7,640	7,640	7,640
Metered Parking Spaces	498	498	533	533	533	1,673	1,689	1,933	1,933	1,933
Leased Parking Spaces	337	337	393	393	393	393	393	393	393	393
Gated Parking Spaces	1,392	1,392	1,514	1,514	1,514	755	779	535	535	535
Parking Garages	2	2	2	2	2	2	2	2	2	2
Human and Cultural										
Senior Centers	2	2	2	2	2	2	2	2	2	2
Community Centers	1	1	1	1	1	1	1	1	1	1
Cemeteries	3	3	3	3	3	3	3	3	3	3
Golf Courses	2	2	2	2	2	2	2	2	2	2
Ice Skating Rink	1	1	1	1	1	1	1	1	1	1
Aquatic Facilities	5	5	5	5	5	5	5	5	5	5
Parks	7	7	7	7	7	7	7	7	7	7
Acres of Park Land	1,182	1,182	1,182	1,182	1,182	1,182	1,182	1,182	1,182	1,182
Playgrounds	29	29	29	29	29	29	29	29	29	29
Tennis Courts/Pickleball Courts	53	53	42	42	42	42	42	42	40/6	40/6
Athletic Fields	99	99	99	99	92	92	92	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
Education										
Elementary Schools	11	11	11	11	11	11	11	11	11	11
Middle Schools	3	3	3	3	3	3	3	3	3	3
High Schools	2	2	2	2	2	2	2	2	2	2