

OFFICIAL STATEMENT DATED DECEMBER 4, 2019



REFUNDING ISSUE - Book-Entry-Only

S&P Global Ratings: AAA
(See "Ratings" herein)

In the opinion of Bond Counsel, assuming the accuracy of and continuing compliance by the Town with its representations and covenants relating to certain requirements contained in the Internal Revenue Code of 1986, as amended (the "Code"), based on existing law, interest on the Bonds is excludable from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of calculating the federal alternative minimum tax. Interest on the Bonds may be includable in the calculation of certain taxes under the Code, as described under "Appendix B - Form of Legal Opinion of Bond Counsel – The Series 2019C Bonds", "Appendix C - Form of Legal Opinion of Bond Counsel – The Series 2020B Bonds" and "Tax Matters" herein. In the opinion of Bond Counsel, under existing statutes, interest on the Bonds is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the federal alternative minimum tax.



TOWN OF WEST HARTFORD, CONNECTICUT

\$18,475,000

General Obligation Refunding Bonds, Comprised of:

\$13,850,000 General Obligation Refunding Bonds, Series 2019C

Dated: December 18, 2019

Due: Serially, January 15, as shown herein

and

\$4,625,000 General Obligation Refunding Bonds, Series 2020B

Dated: April 2, 2020

Due: Serially, July 1, as shown herein

The \$13,850,000 General Obligation Refunding Bonds, Series 2019C Bonds (the "Series 2019C Bonds") and the \$4,625,000 General Obligation Refunding Bonds, Series 2020B Bonds (the "Series 2020B Bonds" and together with the Series 2019C Bonds, the "Bonds") will be general obligations of the Town of West Hartford, Connecticut ("Town") and the Town will pledge its full faith and credit to pay the principal of and interest on the Bonds when due. See "Security and Remedies" herein.

The Series 2019C Bonds will bear interest payable semiannually on January 15 and July 15 in each year until maturity, commencing January 15, 2020. The Series 2020B Bonds will bear interest payable semiannually on January 1 and July 1 in each year until maturity, commencing July 1, 2020. The Bonds are issuable only as fully registered bonds, without coupons, and, when issued, will be registered in the name of Cede & Co., as Bondowner and nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Bonds. Purchases of the Bonds will be made in book-entry-only form, in the denomination of \$5,000 or any integral multiple thereof. Purchasers will not receive certificates representing their ownership interest in the Bonds. So long as Cede & Co. is the Bondowner, as nominee of DTC, reference herein to the Bondowner or owners shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners (as defined herein) of the Bonds. See "Book-Entry-Only System" herein.

The Series 2019C Bonds ARE subject to redemption prior to maturity as more fully described herein. The Series 2020B Bonds are NOT subject to redemption prior to maturity. See "Optional Redemption" herein.

The Registrar, Transfer Agent, Certifying Agent, Paying Agent and Escrow Agent for the Bonds will be U.S. Bank National Association, Hartford, Connecticut.

The Series 2020B Bonds are being sold on a delayed delivery basis, with delivery of the Series 2020B Bonds to be made on or about April 2, 2020. The market value of the Series 2020B Bonds on the date of delivery may differ significantly from the purchase price due to a variety of factors. See "Delayed Delivery of the Series 2020B Bonds" herein.

RAYMOND JAMES®

*The Bonds are offered for delivery when, as and if issued, subject to the final approving opinions of Shipman & Goodwin LLP, Bond Counsel, of Hartford, Connecticut. Certain matters will be passed upon for the Underwriter by Updike, Kelly & Spellacy, P.C., Underwriter's Counsel, of Hartford, Connecticut. It is expected that delivery of the Series 2019C Bonds in definitive form will be made on or about December 18, 2019 through the facilities of DTC or its custodial agent. **It is expected that delivery of the Series 2020B Bonds in definitive form will be made on or about April 2, 2020 through the facilities of DTC or its custodial agent.***

Town of West Hartford, Connecticut

\$13,850,000

General Obligation Refunding Bonds, Series 2019C

Dated: December 18, 2019

Due: Serially, January 15, as shown below

MATURITY SCHEDULE AND AMOUNTS

<u>Maturity</u>	<u>Amount</u>	<u>Coupon</u>	<u>Yield</u>	<u>CUSIP¹</u>	<u>Maturity</u>	<u>Amount</u>	<u>Coupon</u>	<u>Yield</u>	<u>CUSIP¹</u>
2021	\$795,000	4.000 %	1.020 %	9531065C1	2029	\$ 950,000	5.000 %	1.490 %	9531065L1
2022	805,000	5.000	1.020	9531065D9	2030	965,000	5.000	1.550 *	9531065M9
2023	825,000	5.000	1.040	9531065E7	2031	980,000	5.000	1.620 *	9531065N7
2024	845,000	5.000	1.060	9531065F4	2032	1,000,000	5.000	1.650 *	9531065P2
2025	865,000	5.000	1.140	9531065G2	2033	1,020,000	4.000	2.030 *	9531065Q0
2026	890,000	5.000	1.220	9531065H0	2034	1,030,000	4.000	2.100 *	9531065R8
2027	910,000	5.000	1.290	9531065J6	2035	1,035,000	4.000	2.120 *	9531065S6
2028	935,000	5.000	1.390	9531065K3					

* Yield is determined assuming redemption on January 15, 2029, however any such redemption is at the option of the Town. See "Securities Offered - Optional Redemption" herein.

\$4,625,000

General Obligation Refunding Bonds, Series 2020B

Dated: April 2, 2020

Due: Serially, July 1, as shown below

MATURITY SCHEDULE AND AMOUNTS

<u>Maturity</u>	<u>Amount</u>	<u>Coupon</u>	<u>Yield</u>	<u>CUSIP¹</u>	<u>Maturity</u>	<u>Amount</u>	<u>Coupon</u>	<u>Yield</u>	<u>CUSIP¹</u>
2021	\$2,195,000	5.000 %	1.260 %	9531065T4	2023	\$1,220,000	5.000 %	1.260 %	9531065V9
2022	1,210,000	5.000	1.240	9531065U1					

¹ Copyright, American Bankers Association. CUSIP® is a registered trademark of the American Bankers Association. CUSIP numbers have been assigned by an independent company not affiliated with the Town and are included solely for the convenience of the holders of the Bonds. The Town is not responsible for the selection or use of these CUSIP numbers, does not undertake any responsibility for their accuracy, and makes no representation as to their correctness on the Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

No dealer, broker, salesman or other person has been authorized by the Town of West Hartford, Connecticut (the "Town"), to give any information or to make any representations not contained in this Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

This Official Statement has been prepared only in connection with the initial offering and sale of the Bonds and may not be reproduced or used in whole or in part for any other purpose.

The information, estimates and expressions of opinion in this Official Statement are subject to change without notice. Neither the delivery of this Official Statement nor any sale of the Bonds shall, under any circumstances, create any implication that there has been no material change in the affairs of the Town since the date of this Official Statement.

The Town deems this Official Statement to be "final" as of its date for purposes of Securities and Exchange Commission Rule 15c2-12(b)(1).

Other than as to matters expressly set forth in Appendix A – "Audited Financial Statements" herein, the independent auditor for the Town is not passing on and does not assume any responsibility for the accuracy or adequacy of the statements made in this Official Statement and makes no representation that it has independently verified the same. The independent auditor has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. The independent auditor also has not performed any procedures relating to this Official Statement.

Other than matters expressly set forth in their opinions in Appendix B and Appendix C and "Tax Matters" herein, Bond Counsel is not passing on and does not assume any responsibility for the accuracy or adequacy of the statements made in this Official Statement and makes no representation that it has independently verified the same.

The Town will enter into Continuing Disclosure Agreements with respect to the Bonds (the "Continuing Disclosure Agreements"), to provide or cause to be provided, in accordance with the requirements of SEC Rule 15c2-12(b)(5), (i) annual financial information and operating data, (ii) timely, but not in excess of ten (10) business days after the occurrence of the event, notice of the occurrence of certain events with respect to the Bonds, and (iii) timely notice of a failure by the Town to provide the required annual financial information on or before the date specified in the Continuing Disclosure Agreement. The Continuing Disclosure Agreements are to be executed by the Town substantially in the forms attached as Appendix D and Appendix E to this Official Statement.

The Municipal Advisor to the Town has provided the following sentence for inclusion in this Official Statement. The Municipal Advisor has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to the Town and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Municipal Advisor does not guarantee the accuracy or completeness of such information.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT LEVELS ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME WITHOUT PRIOR NOTICE.

BOND COUNSEL

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MUNICIPAL ADVISOR

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I. SECURITIES OFFERED

Introduction

This Official Statement is provided for the purpose of presenting certain information relating to the Town of West Hartford, Connecticut (the "Town"), in connection with the original issuance and sale of \$18,475,000 General Obligation Refunding Bonds, comprised of \$13,850,000 General Obligation Refunding Bonds, Series 2019C (the "Series 2019C Bonds") and \$4,625,000 General Obligation Refunding Bonds, Series 2020B (the "Series 2020B Bonds") of the Town. The Series 2019C Bonds and the Series 2020B Bonds shall herein collectively be referred to as the "Bonds". **The Town expects to issue between \$10,000,000 and \$15,000,000 in new money General Obligation Bonds in February 2020 in advance of the closing of the Series 2020B Bonds.**

All quotations from and summaries or explanations of provisions of statutes, charters, or other laws and acts and proceedings of the Town contained herein do not purport to be complete and are qualified in their entirety by reference to the original official documents; and all references to the Bonds and the proceedings of the Town relating thereto are qualified in their entirety by reference to the definitive form of the Bonds and such proceedings.

The presentation of information is intended to show recent historical trends and is not intended to indicate future or continuing trends in the financial or other positions of the Town. Except for information expressly attributed to other sources, all financial and other information presented herein has been provided by the Town.

Bond Counsel is not passing upon and does not assume responsibility for the accuracy or adequacy of the statements made in this Official Statement (other than matters expressly set forth as its opinion) and makes no representation that it has independently verified the same.

Hilltop Securities Inc. ("HilltopSecurities" or the "Municipal Advisor") is engaged as Municipal Advisor to the Town in connection with the issuance of the Bonds. The Municipal Advisor's fee for services rendered with respect to the sale of the Bonds is contingent upon the issuance and delivery of the Bonds. HilltopSecurities cannot submit a bid for the Bonds, either independently or as a member of a syndicate organized to submit a bid for the Bonds. HilltopSecurities, in its capacity as Municipal Advisor, does not assume any responsibility for the information, covenants and representations contained in any of the legal documents with respect to the federal and state income tax status of the Bonds, or the possible impact of any present, pending or future actions taken by any legislative or judicial bodies.

Description of the Bonds

The Series 2019C Bonds will be dated December 18, 2019, and will mature in annual installments on January 15 in each of the years and in the principal amounts as set forth on the inside cover page hereof. Interest on the Series 2019C Bonds will be calculated on the basis of a 360-day year of twelve 30-day months and will be payable on January 15, 2020 and semiannually thereafter on July 15 and January 15 in each year until maturity. Interest on the Series 2019C Bonds will be payable to the registered owner as of the close of the last business day of June and December in each year by check mailed to the registered owner or by wire transfer; or so long as the Series 2019C Bonds are registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, NY, by such other means as DTC and the Town shall agree. The Registrar, Transfer Agent, Certifying Agent, Paying Agent and Escrow Agent for the Series 2019C Bonds will be U.S. Bank National Association, Hartford, Connecticut. The Series 2019C Bonds will be subject to redemption prior to maturity. See "Optional Redemption" herein.

The Series 2020B Bonds will be dated April 2, 2020, and will mature in annual installments on July 1 in each of the years and in the principal amounts as set forth on the inside cover page hereof. Interest on the Series 2020B Bonds will be calculated on the basis of a 360-day year of twelve 30-day months and will be payable on July 1, 2020 and semiannually thereafter on January 1 and July 1 in each year until maturity. Interest on the Series 2020B Bonds will be payable to the registered owner as of the close of the fifteenth day of June and December in each year, or the preceding business day if the fifteenth is not a business day, by check mailed to the registered owner or by wire transfer; or so long as the Series 2020B Bonds are registered in the name of Cede & Co., as nominee of DTC, New York, NY, by such other means as DTC and the Town shall agree. The Registrar, Transfer Agent, Certifying Agent, Paying Agent and Escrow Agent for the Series 2020B Bonds will be U.S. Bank National Association, Hartford, Connecticut. The Series 2020B Bonds are NOT subject to redemption prior to maturity.

Optional Redemption

The Series 2019C Bonds maturing on or before January 15, 2029 are not subject to redemption prior to maturity. The Series 2019C Bonds maturing on January 15, 2030 and thereafter are subject to redemption prior to maturity, at the option of the Town, on and after January 15, 2029, at any time, in whole or in part, and by lot within a maturity, in such amounts and in such order of maturity as the Town may determine at the redemption prices (expressed as a percentage of principal amount of the Series 2019C Bonds to be redeemed) set forth in the following table, together with interest accrued and unpaid to the redemption date:

<u>Redemption Date</u>	<u>Redemption Price</u>
January 15, 2029 and thereafter	100%

The Series 2020B Bonds are NOT subject to redemption prior to maturity.

Notice of Redemption

Notice of redemption shall be mailed not less than thirty (30) nor more than sixty (60) days prior to the redemption date to the registered owner of such Series 2019C Bonds at the address of such registered owner as it appears on the registration books for the Series 2019C Bonds kept for such purpose. So long as a book-entry system is used for the Series 2019C Bonds, the Town will send any notice of redemption only to DTC (or a successor securities depository) or its nominee.

Ratings

The Bonds have been rated "AAA" by S&P Global Ratings ("S&P"). The Town's outstanding general obligation bonds have also been rated "AAA" by S&P. The rating assigned by S&P express only the views of the rating agency. The explanation of the significance of the rating may be obtained from S&P. There is no assurance that any rating will continue for any period of time or that it will not be revised or withdrawn. Any revision or withdrawal of ratings on the Bonds may have an effect on the market price thereof. For more information, see "Delayed Delivery of the Series 2020B Bonds – Rating Risk" herein.

Plan of Refunding

The Bonds are being issued pursuant to Title 7 of the General Statutes of Connecticut, as amended, and a refunding resolution adopted by the Town Council at a meeting held on November 12, 2019 authorizing the issuance of refunding bonds in an amount not to exceed \$21,000,000 to refund a portion of the outstanding maturities of the Town's general obligation bonds, including but not limited to, the bonds to be refunded listed below (the "Refunded Bonds") which are listed separately as the Series 2019C Refunded Bonds and the Series 2020B Refunded Bonds. Each refunding is contingent upon delivery of each series of the Bonds.

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<u>Issue</u>	<u>Dated Date</u>	<u>Maturity Date</u>	<u>Amount Outstanding</u>	<u>Interest Rate</u>	<u>Redemption Date</u>	<u>Redemption Price</u>
<u>Series 2019C Refunded Bonds</u>						
2015A		1/15/2020	\$ 565,000 ¹	4.000 %	N/A	N/A
2015A		1/15/2021	1,050,000	2.000	1/17/2020	100.00 %
2015A		1/15/2022	1,050,000	2.000	1/17/2020	100.00
2015A		1/15/2023	1,050,000	2.000	1/17/2020	100.00
2015A		1/15/2024	1,050,000	2.000	1/17/2020	100.00
2015A		1/15/2025	1,050,000	2.000	1/17/2020	100.00
2015A		1/15/2026	1,050,000	2.000	1/17/2020	100.00
2015A		1/15/2027	1,050,000	2.250	1/17/2020	100.00
2015A		1/15/2028	1,050,000	3.000	1/17/2020	100.00
2015A		1/15/2029	1,050,000	3.000	1/17/2020	100.00
2015A		1/15/2030	1,050,000	3.000	1/17/2020	100.00
2015A		1/15/2031	1,050,000	3.000	1/17/2020	100.00
2015A		1/15/2032	1,050,000	3.000	1/17/2020	100.00
2015A		1/15/2033	1,050,000	3.000	1/17/2020	100.00
2015A		1/15/2034	1,050,000	3.000	1/17/2020	100.00
2015A		1/15/2035	1,050,000	3.000	1/17/2020	100.00
			16,315,000			
<u>Series 2020B Refunded Bonds</u>						
2010A		7/1/2020	160,000 ¹	5.000	N/A	N/A
2010A		7/1/2021	1,220,000	4.000	7/1/2020	100.00
2010A		7/1/2021	1,000,000	5.000	7/1/2020	100.00
2010A		7/1/2022	1,210,000	5.000	7/1/2020	100.00
2010A		7/1/2023	1,220,000	5.000	7/1/2020	100.00
			4,810,000			
		Total	<u>\$ 21,125,000</u>			

¹ Partial refunding.

Upon delivery of the Series 2019C Bonds, a portion of the proceeds of the Series 2019C Bonds will be placed in an irrevocable escrow deposit fund (the "Series 2019C Escrow Deposit Fund") established with U.S. Bank National Association of Hartford, Connecticut, as escrow agent (the "Series 2019C Escrow Agent") under an Escrow Agreement (the "Series 2019C Escrow Agreement") to be dated as of December 18, 2019 between the Series 2019C Escrow Agent and the Town. The Series 2019C Escrow Agent will deposit the net proceeds of the Series 2019C Bonds and other monies, if any, into the Series 2019C Escrow Deposit Fund and will use such proceeds and other monies, as applicable, to purchase a portfolio of non-callable direct obligations of, or obligations guaranteed by the government of the United States of America, including United States Treasury State and Local Government Series ("SLGS") securities and any other securities permitted by Section 7-400 of the Connecticut General Statutes all of which shall not be callable or pre-payable at the option of the issuer thereof (the "Series 2019C Escrow Securities"). All investment income on, and maturing principal of, the Series 2019C Escrow Securities held in the Series 2019C Escrow Deposit Fund and needed to pay the principal, interest payments and redemption prices of the Series 2019C Refunded Bonds will be applied by the Town for payment of the Series 2019C Refunded Bonds. The balance of the proceeds of the Series 2019C Bonds will be used to pay costs of issuance, including the underwriter's discount.

Upon delivery of the Series 2020B Bonds, a portion of the proceeds of the Series 2020B Bonds will be placed in an irrevocable escrow deposit fund (the "Series 2020B Escrow Deposit Fund") established with U.S. Bank National Association of Hartford, Connecticut, as escrow agent (the "Series 2020B Escrow Agent") under an Escrow Agreement (the "Series 2020B Escrow Agreement") to be dated as of April 2, 2020 between the Series 2020B Escrow Agent and the Town. The Series 2020B Escrow Agent will deposit the net proceeds of the Series 2020B Bonds and other monies, if any, into the Series 2020B Escrow Deposit Fund and will use such proceeds and other monies, as applicable, to purchase a portfolio of non-callable direct obligations of, or obligations guaranteed by the government of the United States of America, including United States Treasury State and Local Government Series ("SLGS") securities and any other securities permitted by Section 7-400 of the Connecticut General Statutes all of which shall not be callable or pre-payable at the option of the issuer thereof (the "Series 2020B Escrow Securities"). All investment income on, and maturing principal of, the Series 2020B Escrow Securities held in

the Series 2020B Escrow Deposit Fund and needed to pay the principal, interest payments and redemption prices of the Series 2020B Refunded Bonds will be applied by the Town for payment of the Series 2020B Refunded Bonds. The balance of the proceeds of the Series 2020B Bonds will be used to pay costs of issuance, including the underwriter's discount.

Upon the making of such deposits of the Series 2019C Refunded Bonds and the Series 2020B Refunded Bonds with the Series 2019C Escrow Agent and the Series 2020B Escrow Agent, respectively, the Refunded Bonds described above will no longer be deemed outstanding and shall be deemed to have been paid in full.

Verification of Mathematical Computations

Ritz & Associates, a Professional Association, will verify from the information provided to them the mathematical accuracy as of the date of the closing of each of the Series 2019C Bonds and the Series 2020B Bonds of the computations contained in the Underwriter's schedules to determine that the anticipated receipts from the Series 2019C Escrow Securities and Series 2020B Escrow Securities, respectively and any cash deposits to be held in the Series 2019C Escrow Deposit Fund and the Series 2020B Escrow Deposit Fund, will be sufficient to pay, when due, the principal, interest and applicable call premium, if any, of the Refunded Bonds. Ritz & Associates, a Professional Association, will express no opinion on the assumptions provided to them.

Sources and Uses of Bond Proceeds

	Series 2019C Bonds	Series 2020B Bonds
Sources:		
Par Amount	\$ 13,850,000.00	\$4,625,000.00
Net Original Issue Premium	2,776,128.80	346,393.95
Total Sources	<u>\$ 16,626,128.80</u>	<u>\$4,971,393.95</u>
Uses:		
Deposit to Escrow Deposit Fund	\$ 16,509,227.28	\$4,924,150.00
Underwriter's Discount.....	50,489.49	22,580.51
Cost of Issuance ¹	66,412.03	24,663.44
Total Uses	<u>\$ 16,626,128.80</u>	<u>\$4,971,393.95</u>

¹ Includes rating agency fees, legal fees and other expenses.

Security and Remedies

The Bonds will be general obligations of the Town of West Hartford, Connecticut and the Town will pledge its full faith and credit to pay the principal of and interest on the Bonds when due.

Unless paid from other sources, the Bonds are payable from general property tax revenues. The Town has the power under the Connecticut General Statutes to levy ad valorem taxes on all taxable property in the Town without limitation as to rate or amount, except as to certain classified property such as certified forest land taxable at a limited rate and dwelling houses of qualified elderly persons of low income or qualified disabled persons taxable at limited amounts. There were 72.6 acres of certified forest land on the last completed Grand List of the Town.

Payment of the Bonds is not limited to property tax revenues or any other revenue source, but certain revenues of the Town may be restricted as to use and therefore may not be available to pay debt service on the Bonds.

There are no statutory provisions for priorities in the payment of general obligations of the Town. There are no statutory provisions for a lien on any portion of the tax levy or other revenues to secure the Bonds, or judgments thereon, in priority to other claims.

The Town is subject to suit on its general obligation debt and a court of competent jurisdiction has the power in appropriate proceedings to render a judgment against the Town. Courts of competent jurisdiction also have the power in appropriate proceedings to order a payment of a judgment on such debt from funds lawfully available therefore or, in the absence thereof, to order the Town to take all lawful action to obtain the same, including the raising of the required amount in the next annual tax levy. In exercising their discretion as to whether to enter such an order, the courts could take into account all relevant factors including the current operating needs of the Town and the availability and adequacy of other remedies.

Enforcement of a claim for payment of principal of or interest on such debt would also be subject to the applicable provisions of Federal bankruptcy laws and to provisions of other statutes, if any, hereafter enacted by the Congress or the Connecticut General Assembly extending the time for payment or imposing other constraints upon enforcement insofar as the same may be constitutionally applied. Under the federal bankruptcy code, the Town may seek relief only, among other requirements, if it is specifically authorized, in its capacity as a municipality or by name, to be a debtor under Chapter 9 of Title 11 of the United States Code thereof or by state law or by a governmental officer or organization empowered by state law to authorize such entity to become a debtor under such Chapter. Section 7-566 of the Connecticut General Statutes, as amended, provides that no Connecticut municipality shall file a petition in bankruptcy without the express prior written consent of the Governor. This prohibition applies to any city, borough, metropolitan district and any other political subdivision of the State having the power to levy taxes and issue bonds or other obligations.

The Town of West Hartford has never defaulted in the payment of principal or interest on its bonds or notes.

Delayed Delivery of the Series 2020B Bonds

The following is a summary of description of certain provisions of a forward delivery bond purchase agreement (the "Series 2020B Purchase Agreement") between the Town and Raymond James & Associates, Inc. (the "Underwriter") for the Series 2020B Bonds and the conditions therein. This description is not be considered a full statement of the terms of the Series 2020B Purchase Agreement and accordingly is qualified by reference thereto and is subject to the full text thereof.

Series 2020B Purchase Agreement Signing and Delivery Pre-Closing

Pursuant to the Series 2020B Purchase Agreement, the Underwriter will agree to purchase the Series 2020B Bonds on the Delivery Closing Date, as defined below. A delivery pre-closing will be held with respect to the Series 2020B Bonds on or about December 18, 2019 (the "Delivery Pre-Closing Date"). On the Delivery Pre-Closing Date, the conditions for the issuance and delivery of the Series 2020B Bonds and payment therefor by the Underwriter will be met, except for the confirmation of certain facts and delivery of certain certificates and opinions, including an opinion of Bond Counsel substantially in the form set forth in "Appendix C - Form of Legal Opinion of Bond Counsel – The Series 2020B Bonds" attached hereto and "Tax Matters" herein (collectively, the "Delivery Closing Conditions"), which are to be delivered on the date the Series 2020B Bonds are issued (receipt thereof is a condition to the issuance of the Series 2020B Bonds). After the Delivery Pre-Closing Date, subject to compliance with the Delivery Closing Conditions described below and in the Series 2020B Purchase Agreement, the Town will be obligated to issue and deliver the Series 2020B Bonds, and the Underwriter will be obligated to take delivery of and pay for the Series 2020B Bonds on the Delivery Closing Date. However, there will be no delivery of the Series 2020B Bonds nor any payment therefor on the Delivery Pre-Closing Date.

The Series 2020B Purchase Agreement provides that the Town will be under no obligation, subsequent to the Delivery Pre-Closing Date, as a condition to the delivery of the documents or the satisfaction of any conditions specified in the Series 2020B Purchase Agreement to: (i) enter into or execute any amendment or supplement to the Series 2020B Purchase Agreement, the Series 2020B Bonds, any tax certificate or compliance agreement (except as provided in the Series 2020B Purchase Agreement), or any other document which has been executed and delivered by the Town in connection with the issuance of the Series 2020B Bonds as of the Delivery Pre-Closing Date; (ii) except as provided in the Series 2020B Purchase Agreement, deliver any additional documentation (other than a tax certificate or other such documents reasonably necessary to permit Bond Counsel to deliver the opinion set forth in Appendix C hereto and certain "bring-down" certificates and opinions, which do not impose any additional material obligation upon, or materially alter any existing obligation of, the Town under the Series 2020B Purchase Agreement); (iii) agree to, or to undertake, any additional material obligations; or (iv) make any changes to its organization, activities or operations.

Delivery Closing

On April 2, 2020, or at such other time or on such other date as will have been mutually agreed upon by the Town and the Underwriter (the "Delivery Closing Date"), the Town will, subject to the terms and conditions of the Series 2020B Purchase Agreement, deliver or cause to be delivered the Series 2020B Bonds to DTC on behalf of the Underwriter and deliver or cause to be delivered to the Underwriter the other documents, opinions, certificates and instruments required by the Series 2020B Purchase Agreement to be delivered, as more fully discussed below (the "Delivery Closing Documents"). Subject to the terms and conditions of the Series 2020B Purchase Agreement, the Underwriter will be obligated to accept such delivery and pay the purchase price for the Series 2020B Bonds. All of the foregoing described transactions are referred to herein as the "Delivery Closing".

Delivery Closing Conditions

General - The Town's obligation to issue and deliver the Series 2020B Bonds to the Underwriter, and the Underwriter's obligation to accept delivery of and pay for the Series 2020B Bonds, on the Delivery Closing Date, are contingent on certain conditions precedent, as set forth in the Series 2020B Purchase Agreement. This description of the Series 2020B Purchase Agreement is not considered a full statement of the terms of the Series 2020B Purchase Agreement and accordingly is qualified by reference thereto and is subject to the full text thereof. These conditions include, but are not limited to, the following:

1. There shall have been no "Change in Law" as hereinafter described; and
2. A rating on the Series 2020B Bonds (without regard to the level of such rating, so long as such rating is an investment grade rating) is provided from S&P (see "Ratings" herein); and
3. Bond Counsel shall render its approving opinion for the Series 2020B Bonds in substantially the form attached hereto as Appendix C. It is also a condition of the Town's obligation to sell and deliver the Series 2020B Bonds to the Underwriter that the entire issued principal amount thereof be accepted and paid for by the Underwriter at the Delivery Closing. It is a condition to the Underwriter's obligation to accept delivery of and to pay for the Series 2020B Bonds that the entire issued principal amount thereof be issued and delivered by the Town at the Delivery Closing.

Although the Town is not aware, as of the date of this Official Statement, of any information that would lead it to believe that it will be unable to satisfy its obligations under the Series 2020B Purchase Agreement on the Delivery Closing Date, no assurances can be made that, as of the Delivery Closing Date: (i) there will have been no Change in Law (as defined herein); (ii) the facts and circumstances that are material to the required legal opinions will not differ from the facts and circumstances as of the Delivery Pre-Closing Date, or (iii) all necessary certifications and representations can or will be delivered and made in connection with the proposed issuance and delivery of the Series 2020B Bonds. As a consequence of any of the foregoing, the foregoing legal opinions may not be rendered or one or more of the Delivery Closing Conditions may not be met, with the possible result that the Delivery Closing will not occur.

FAILURE TO SATISFY THE DELIVERY CLOSING CONDITIONS, INCLUDING FAILURE OF ANY PARTY TO DELIVER ANY OF THE DELIVERY CLOSING DOCUMENTS IN THE FORM AND SUBSTANCE PROVIDED FOR IN THE SERIES 2020B PURCHASE AGREEMENT (UNLESS SUCH FAILURE IS WAIVED BY THE UNDERWRITER), WILL MEAN THAT THE SERIES 2020B BONDS WILL NOT BE ISSUED AND DELIVERED AND WILL NOT BE PURCHASED. THE UNDERWRITER HAS THE RIGHT, BUT IS UNDER NO OBLIGATION, TO WAIVE ANY SUCH FAILURE.

Change in Law - The Underwriter may terminate its remaining obligations under the Series 2020B Purchase Agreement, without liability therefor, by notification to the Town, if at any time on or after the Delivery Pre-Closing Date and on or prior to the Delivery Closing Date there is a Change in Law. A "Change in Law" means:

(i) (A) any change in or addition to applicable federal or state law, whether statutory or as interpreted by the courts, including any changes in or new rules, regulations or other pronouncements or interpretations by federal or state agencies, (B) any law, rule or regulation enacted by any governmental body, department or agency, or (C) any judgment, ruling or order issued by any court or administrative body, which in each instance (as described in (A) through (C) above) would, (1) legally prohibit the Underwriter (or have the retroactive effect of prohibiting, if enacted, adopted, passed or finalized) from accepting delivery of and paying for the Series 2020B Bonds in accordance with the provisions of the Series 2020B Purchase Agreement or selling the Series 2020B Bonds or beneficial ownership interests therein to bona fide purchasers, or (2) make the sale or issuance and delivery of the Series 2020B Bonds illegal (or have the retroactive effect of making such sale, issuance, or delivery illegal, if enacted, adopted, passed or finalized), or (3) eliminate the exclusion from gross income of interest on the Series 2020B Bonds (or have the retroactive effect of eliminating such exclusion if enacted, adopted, passed, or finalized), or (4) require the Series 2020B Bonds to be registered under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, (or have the retroactive effect of requiring such registration if enacted, passed, finalized or adopted); provided, however, that such change in or addition to law, legislation, rule or regulation, or judgment, ruling or order shall have become effective, been enacted or been issued, as the case may be, subsequent to the date of execution of the Series 2020B Purchase Agreement; or

(ii) a stop order, ruling, regulation, or official statement by the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall have been issued or made or any other event occurs, the

effect of which is that the issuance, offering, or sale of the Series 2020B Bonds is or would be in violation of any provision of the federal securities laws, including the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended.

Issuance of Legal Opinion - It is a condition to the issuance of the Series 2020B Bonds on the Delivery Closing Date that Bond Counsel deliver its final approving opinion in substantially the form attached hereto in Appendix C. The ability of Bond Counsel to deliver such an opinion on the Delivery Closing Date is subject to its review and analysis as of the Delivery Closing Date of certain matters, including, among others, pertinent provisions of statutes, regulations, rulings and court decisions, including, but not necessarily limited to, Connecticut law and federal income tax law then in effect or proposed to be in effect. Bond Counsel has advised the Town and the Underwriter that, subject to such review and analysis and certain assumptions, it expects to be able to issue on the Delivery Closing Date an opinion substantially in the form attached hereto as Appendix C. Issuance of the Series 2020B Bonds on the Delivery Closing Date is further conditioned upon the receipt of the other opinions of Bond Counsel and Underwriter's Counsel, as to the continued accuracy of their opinions as to certain additional legal matters, and relating to the continued accuracy or adequacy of this Official Statement, initially addressed in the respective opinions delivered by such counsel on the Delivery Pre-Closing Date.

The Underwriter has advised the Town that the Series 2020B Bonds will be sold only to investors who execute a Delayed Delivery Contract in substantially the form of Appendix F attached hereto. The Delayed Delivery Contract restricts the ability of purchasers of the Series 2020B Bonds to transfer their interests in the Series 2020B Bonds prior to the delivery thereof and such Delayed Delivery Contract is not assignable by either party without the prior written consent of the other. No representation is made therein that any such transfer will be permitted. See "Delivery Risks - Secondary Market Risk" and "Appendix F – Proposed Form of Delayed Delivery Contract" herein. Should the Underwriter agree to permit the transfer of interests in the Series 2020B Bonds, the transferee must provide a written acknowledgement of confirmation of purchase order and a delivery contract in the same form attached hereto as Appendix F.

The proposed form of Delayed Delivery Contract, which has been provided by the Underwriter, is attached as Appendix F at the request and for the convenience of the Underwriter. The Town will not be a party to the Delayed Delivery Contracts and is not in any way responsible for the performance thereof or for any representations or warranties contained therein. The rights and obligations under the Series 2020B Purchase Agreement are not conditioned or dependent upon the performance of any Delayed Delivery Contract.

Delivery Risks

The Town anticipates that the Series 2020B Bonds will be issued and delivered on or about April 2, 2020. Delivery of the Series 2020B Bonds is contingent upon delivery of certain certificates, reports, documents and legal opinions and the satisfaction of certain other conditions as of the Delivery Closing Date, as provided in the Series 2020B Purchase Agreement and described above under the heading "Delayed Delivery of the Series 2020B Bonds - Delivery Closing Conditions".

During the period of time between the date hereof and the Delivery Closing Date (the "Delivery Period"), certain information contained in this Official Statement could change in one or more material respects. The Town has agreed to provide to purchasers of the Series 2020B Bonds an updated form of this Official Statement at least 14 days prior to the Delivery Closing Date if any material changes have occurred. Purchasers of the Bonds will be subject to this and other risks, some of which are described below.

Rating Risk - The Series 2020B Bonds are currently rated "AAA" by S&P. See "Ratings" herein. No assurance can be given that the rating assigned to the Series 2020B Bonds on the Delivery Closing Date will not be different from the rating currently assigned to the Series 2020B Bonds. A rating downgrade following the Delivery Pre-Closing Date does not terminate the Series 2020B Purchase Agreement or release the Underwriter from its obligation to purchase the Series 2020B Bonds, so long as such rating is an investment grade rating.

Secondary Market Risk - While the Underwriter may make a secondary market in the Series 2020B Bonds during the Delivery Period, there can be no guarantee that the Underwriter will be successful in establishing such a secondary market, or, if a secondary market is established, that it will be maintained or that the Series 2020B Bonds can be sold for any particular price. Prospective purchasers of the Series 2020B Bonds should assume that the Series 2020B Bonds will be illiquid throughout the Delivery Period. See "Appendix F – Proposed Form of Delayed Delivery Contract" herein.

Market Value Risk - The market value of the Series 2020B Bonds as of the delivery date thereof may be affected by a variety of factors including, without limitation, general market conditions, the general economic condition of the State of Connecticut, the rating on the Series 2020B Bonds, the financial condition and business operations of the Town, and federal

and state income tax and other laws. The market value of the Series 2020B Bonds on the Delivery Closing Date, therefore, could be greater or less than the purchase price agreed to be paid by the initial purchasers thereof, and the difference could be substantial. The Underwriter will, nevertheless, be obligated to take delivery of and pay for the Series 2020B Bonds if the Delivery Closing Conditions described in the Series 2020B Purchase Agreement are satisfied. Neither the Town nor the Underwriter makes any representation as to the market price of the Series 2020B Bonds as of the Delivery Closing Date.

Federal Tax Proposals - As stated above, delivery of the Series 2020B Bonds on the Delivery Closing Date is subject to delivery of an opinion of Bond Counsel substantially in the form set forth in Appendix C, which includes an opinion to the effect that interest on the Series 2020B Bonds is not included in the gross income of the holders thereof for federal income tax purposes as of the Delivery Closing Date. Changes in Federal tax law, while not necessarily *precluding* issuance of such an opinion by Bond Counsel, could reduce the value of, but does not eliminate, the exclusion of the interest from gross income or otherwise adversely affect the market value of the Series 2020B Bonds. If the Town satisfies the requirements for the delivery of the Series 2020B Bonds despite any changes in Federal tax law or other laws (including providing for the delivery of the opinion of Bond Counsel substantially in the form set forth in Appendix C), the purchasers will be required to accept delivery of the Series 2020B Bonds. In addition, to the extent enacted legislation diminishes the value of, but does not eliminate, the exclusion of the interest on the Series 2020B Bonds from gross income and results in Bond Counsel changing its form of opinion from that set forth in Appendix C, the Delayed Delivery Contract will still obligate purchasers to accept delivery of and pay for the Series 2020B Bonds if the Underwriter elects, in its sole discretion, to accept the revised form of opinion.

Prospective purchasers are encouraged to consult their tax advisors regarding the likelihood that legislation affecting the treatment of the interest on the Series 2020B Bonds may be enacted and the consequences of such enactment for the purchasers. See "Tax Matters" herein for a summary of certain tax matters related to the Series 2020B Bonds.

Fiscal Year 2018-19 audit – The Town's fiscal year 2018-19 audit is expected to be completed on or around December 31, 2019. Once completed, the Town will file the audit in accordance with the requirements of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission. Information contained in the fiscal year 2018-19 audit may be different than information contained in previous audits included in this Official Statement. However, the Town does not anticipate that the information contained in the fiscal year 2018-19 audit will be materially different from the information contained in this Official Statement.

Connecticut General Assembly Proposals – The 2020 legislative session of the Connecticut General Assembly begins on February 5, 2020 and ends on May 6, 2020. Changes in state law, including, but not limited to, adjustments to the State budget could impact the financial condition of the Town.

Tax Matters

Opinion of Bond Counsel - Federal Tax Exemption

In the opinion of Bond Counsel, under existing law, interest on the Bonds is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax.

Bond Counsel's opinion with respect to the Bonds will be rendered in reliance upon and assuming the accuracy of and continuing compliance by the Town with its representations and covenants relating to certain requirements of the Internal Revenue Code of 1986, as amended (the "Code"). The Code establishes certain requirements that must be met at and subsequent to the issuance of the Bonds in order that interest on the Bonds be and remain excludable from gross income of the owners thereof for federal income tax purposes. Failure to comply with the continuing requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactively to the date of their issuance irrespective of the date on which such noncompliance occurs. In the Tax Compliance Agreement and the Tax Certificate, which will be delivered concurrently with the issuance of the Bonds, the Town will covenant to comply with certain provisions of the Code and will make certain representations designed to assure compliance with such requirements of the Code.

The Town covenants that it will at all times comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds to ensure that interest on the Bonds will not be included in the gross income of the owners thereof for federal income tax purposes, including covenants regarding, among other matters, the use, expenditure and investment of the proceeds of the Bonds and the timely payment to the United States of any arbitrage rebate amounts with respect to the Bonds.

No other opinion is expressed by Bond Counsel regarding the federal tax consequences of the ownership of, or the receipt or accrual of interest on, the Bonds.

Original Issue Discount

The initial public offering prices of certain maturities of the Bonds (the "OID Bonds") may be less than their stated principal amounts. Under existing law, the difference between the stated principal amount and the initial offering price of each maturity of the OID Bonds to the public (excluding bond houses and brokers) at which a substantial amount of such maturity of the OID Bonds is sold will constitute original issue discount ("OID"). The offering prices relating to the yields set forth on the front cover page of this Official Statement for the OID Bonds are expected to be the initial offering prices to the public at which a substantial amount of each maturity of the OID Bonds are sold. Under existing law, OID on the Bonds accrued and properly allocable to the owners thereof under the Code is not included in gross income for federal income tax purposes if interest on the Bonds is not included in gross income for federal income tax purposes.

Under the Code, for purposes of determining an owner's adjusted basis in an OID Bond, OID treated as having accrued while the owner holds the OID Bond will be added to the owner's basis. OID will accrue on a constant-yield-to-maturity method based on regular compounding. The owner's adjusted basis will be used to determine taxable gain or loss upon the sale or other disposition (including redemption or payment at maturity) of an OID Bond. Prospective purchasers of OID Bonds should consult their tax advisors regarding the calculation of accrued OID, the accrual of OID in the case of owners of the OID Bonds purchasing such Bonds after the initial offering and sale, and the state and local tax consequences of owning or disposing of such OID Bonds.

Original Issue Premium

The initial public offering prices of certain maturities of the Bonds (the "OIP Bonds") may be more than their stated principal amounts. An owner who purchases an OIP Bond must amortize bond premium as provided in applicable Treasury Regulations, and amortized premium reduces the owner's basis in the OIP Bond for federal income tax purposes. Prospective purchasers of OIP Bonds should consult their tax advisors regarding the amortization of premium and its effect upon basis.

Other Federal Tax Matters

In addition to the matters addressed above, prospective purchasers of the Bonds should be aware that the ownership of tax-exempt obligations, such as the Bonds, may result in collateral federal income tax consequences to certain taxpayers, including without limitation, taxpayers eligible for the earned income credit, recipients of Social Security and certain Railroad Retirement benefits, taxpayers that may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, financial institutions, certain insurance companies, certain S corporations with excess net passive income, and foreign corporations subject to the branch profits tax. Prospective purchasers of the Bonds should consult their tax advisors regarding the applicability and impact of such consequences. Prospective purchasers of the Bonds may also wish to consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

State of Connecticut Taxes

In the opinion of Bond Counsel, under existing statutes, interest on the Bonds is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the federal alternative minimum tax.

Interest on the Bonds is included in gross income for purposes of the Connecticut corporation business tax.

Accrued original issue discount on an OID Bond is also excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the federal alternative minimum tax.

Owners of OID Bonds or OIP Bonds should consult their tax advisors with respect to the determination for state and local income tax purposes of original issue discount or original issue premium accrued upon sale or redemption thereof, and with respect to the state and local tax consequences of owning or disposing of OID Bonds or OIP Bonds.

Owners of the Bonds should consult their tax advisors with respect to other applicable state and local tax consequences of ownership of the Bonds and the disposition thereof.

Section 265 (b) Qualification for Financial Institutions

The Bonds shall not be designated by the Town as qualified tax-exempt obligations under the provisions of Section 265(b) of the Internal Revenue Code of 1986, as amended, for purposes of the deduction by financial institutions for interest expense allocable to the Bonds.

Book-Entry-Only System

The Depository Trust Company ("DTC"), New York, NY will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co., (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, in the aggregate principal amount of such issue, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of: AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interest in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Town as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Town or Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Paying Agent, or the Town, subject to any statutory or regulatory requirements as may be in effect from time to time. Principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Town or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the Town or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The Town may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Town believes to be reliable, but the Town takes no responsibility for the accuracy thereof.

Replacement Bonds

The determination of the Town authorizing the Bonds provides for issuance of fully registered Bond certificates directly to Beneficial Owners of the Bonds or their nominees in the event that: (a) DTC determines not to continue to act as securities depository for the Bonds, and the Town fails to identify another qualified securities depository for the Bonds to replace DTC; or (b) the Town determines to discontinue the book-entry system of evidence and transfer of ownership of the Bonds. A Beneficial Owner of the Bonds, upon registration of certificates held in such Beneficial Owner's name, will become the registered owner of the Bonds.

DTC Practices

The Town can make no assurances that DTC, Direct Participants, Indirect Participants or other nominees of the Beneficial Owners of the Bonds will act in a manner described in this Official Statement. DTC is required to act according to rules and procedures established by DTC and its participants which are on file with the Securities and Exchange Commission.

Underwriting

The Series 2019C Bonds are being purchased by Raymond James & Associates, Inc. (the "Underwriter"), pursuant to the terms of a bond purchase agreement for the Series 2019C Bonds with the Town (the "Series 2019C Purchase Agreement"). Pursuant to the Series 2019C Purchase Agreement, the Underwriter has agreed, subject to certain conditions, to purchase the Series 2019C Bonds from the Town at the net aggregate purchase price of \$16,575,639.31 (consisting of the par amount of \$13,850,000.00, plus original issue premium of \$2,776,128.80, less an underwriter's discount of \$50,489.49). The Underwriter will be obligated to purchase all such Series 2019C Bonds, if any such Series 2019C Bonds are purchased. The Series 2019C Bonds may be offered and sold to certain dealers (including unit investment trusts and other affiliated portfolios of certain underwriters and other dealers depositing the Series 2019C Bonds into investment trusts) at prices lower or yields higher than the public offering prices or yields stated on the cover page hereof. The initial offering prices or yields may be changed, from time to time, by the Underwriter.

The Series 2020B Bonds are being purchased by the Underwriter, pursuant to the terms of the Series 2020B Purchase Agreement. For more information, see "Delayed Delivery of the Series 2020B Bonds" herein. Pursuant to the Series 2020B Purchase Agreement, the Underwriter has agreed, subject to certain conditions, to purchase the Series 2020B Bonds from the Town at the net aggregate purchase price of \$4,948,813.44 (consisting of the par amount of \$4,625,000.00 plus original issue premium of \$346,393.95, less an underwriter's discount of \$22,580.51). The Underwriter will be obligated to purchase all such Series 2020B Bonds, if any such Series 2020B Bonds are purchased. The Series 2020B Bonds may be offered and sold to certain dealers (including unit investment trusts and other affiliated portfolios of certain underwriters and other dealers depositing the Series 2020B Bonds into investment trusts) at prices lower or yields higher than the public offering prices or yields stated on the cover page hereof. The initial offering prices or yields may be changed, from time to time, by the Underwriter.

II. THE ISSUER

Description of the Town

The Town is located in central Connecticut adjacent to and west of the City of Hartford, the state capital. 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, a residential suburb in the Hartford metropolitan area, encompasses 22.2 square miles and has a population of 63,360. West Hartford was settled as an agricultural community in the early 1700s and was incorporated as a town in 1854.

West Hartford has access to the two major highways in central Connecticut: Interstate Routes 91 and 84, the latter of which has exits in the Town. The Town is also served by U.S. Routes 6 and 44 and State Routes 4, 173, 185 and 218. Amtrak provides passenger rail service for the area. Bradley International Airport is 20 minutes north of the center of West Hartford. Public transportation is provided by the CT Department of Transportation. The two largest public utilities are Eversource Energy and Connecticut Natural Gas.

West Hartford is comprised primarily of property with single-family, owner occupied, mid to upper price range homes. The Town has eleven public elementary schools, three middle schools and two public high schools. It also has seven parochial schools, seven private schools and two universities.

There are three branch post offices and a public library system with three branch locations. Additionally, the Town has 36 public parks and playgrounds, one playhouse and 24 churches and synagogues. West Hartford has 217 miles of streets, 300 miles of sidewalks, and is almost fully sewerred.

Form of Government

In 1919, the Town became the first in the State to appoint a Town Manager, and it presently operates with a Council-Manager form of government. The legislative function is performed by the nine-member council, which is elected biennially. The Council formulates policies for the administration of the Town. The Town Manager is appointed by the Council to serve as the Town's Chief Executive Officer, with appointive and removal authority over department directors and other employees of the Town. The Town Manager is responsible for the implementation of policies established by the Council. An elected seven-member Board of Education appoints a Superintendent of Schools, who administers the education system of the Town.

Principal Municipal Officials

<u>Office</u>	<u>Town Council</u>	<u>Manner of Selection and Length of Service</u>
Mayor/President of Council	Shari G. Cantor	Appointed 12/04-11/05 Elected 11/05-11/21
Deputy Mayor/Vice President of Council	Leon S. Davidoff	Elected 11/07-11/21
Minority Leader	Lee Gold	Elected 11/19-11/21
	Carol Blanks	Elected 11/19-11/21
	Mary Fay	Elected 11/17-11/21
	Beth Kerrigan	Elected 11/15-11/21
	Liam Sweeney	Elected 11/17-11/21
	Ben Wenograd	Elected 11/17-11/21
	Chris Williams	Elected 11/15-11/21
	<u>Other Elected Officials</u>	
Town Clerk	Essie Labrot	Elected 1/08-1/24
Registrar of Voters	Patrice Peterson	Elected 1/19-1/21
	Beth Kyle	Elected 1/15-1/21

<u>Office</u>	<u>Board of Education</u>	<u>Manner of Selection and Length of Service</u>
Chairperson	Deb Polun	Elected 11/17-11/21
Vice-Chairperson	Lorna Thomas-Farquharson	Elected 11/17-11/21
	Amanda Aronson	Appointed 7/19-11/19
		Elected 11/19-11/21
	Robert Levine	Elected 11/17-11/21
	Sean Passan	Elected 11/19-11/23
	Ari Steinberg	Elected 11/19-11/23
	Mark Zydanowicz	Appointed 11/12-11/15
		Elected 11/15-11/23

Town Council

Shari G. Cantor has served as a member of the Town Council since December 2004. She served as Deputy Mayor from 2011-May 2016 at which time she became Mayor of West Hartford. She is a lifelong town resident and a graduate of Hall High School and the University Of Connecticut School Of Business. She is a registered Certified Public Accountant.

Leon S. Davidoff was elected to the Town Council in November 2007. He received his undergraduate degree from Clark University and his law degree from Case Western Reserve University School of Law. Leon is an attorney as well as the co-owner of The Paper Station.

Lee Gold was elected to the Town Council in November 2019. He received his undergraduate degree from Lehigh University, attended UCONN Law and is a partner at Butler, Norris & Gold.

Carol Blanks was elected to the Town Council in November 2019. Carol received her undergraduate degree from Mount St. Mary's College and her MPA from the University of Hartford. Carol served as Chairwoman for the West Hartford Board of Education from 2015 until being elected to the Town Council. Carol is employed as the Public Health Services Manager for the Contracts and Grants Management Section for the State of Connecticut.

Mary Fay was elected in November 2017 to the Town Council. Mary is a graduate of Skidmore College, with an undergraduate degree in business/accounting and a minor in government. Mary earned an M.B.A. from Rensselaer Polytechnic Institute and is a financial services senior executive and currently works for the Connecticut Retirement Security Authority.

Beth Kerrigan graduated from State University of New York - Oswego with a degree in Industrial Arts Technology and Education and was elected to the Town Council in November 2015. Beth served as the Town's Deputy Mayor during the November 2017 to November 2019 session. She is self-employed and specializes in Medicare/Medicaid and Long Term-Care Planning.

Liam Sweeney, a lifelong resident of West Hartford, was elected to the Town Council in November 2017. Liam is a graduate of Temple University and is now a principal at Penn Lincoln Strategies.

Ben Wenograd, a Conard High School graduate, Wesleyan graduate and Northeastern Law School graduate, was elected to the Town Council in November 2015. Ben is currently employed by the American Federation of Teachers as a Union Representative.

Chris Williams, a Conard High School graduate, was elected to the Town Council in November 2015. Chris is a graduate of Loyola College and Quinnipiac University School of Law. Chris is a partner with Conway Stoughton LLC.

Town Administration

<u>Position</u>	<u>Name</u>	<u>Manner of Selection and Term of Office</u>
Town Manager	Matthew Hart	Appointed-Indefinite
Corporation Counsel	Patrick Alair	Appointed-Indefinite
Director of Assessment	Joseph Dakers Sr.	Appointed-Indefinite
Director of Community Development	Mark McGovern	Appointed-Indefinite
Director of Financial Services	Peter Privitera	Appointed-Indefinite
Director of Human Resources	Richard Ledwith	Appointed-Indefinite
Director of Information Technology	Jared Morin	Appointed-Indefinite
Director of Leisure Services & Social Services	Helen Rubino-Turco	Appointed-Indefinite
Director of Library Services	Martha Church	Appointed-Indefinite
Director of Plant and Facilities Services	Robert Palmer	Appointed-Indefinite
Director of Public Works	John Phillips	Appointed-Indefinite
Chief, Fire Department	Greg Priest	Appointed-Indefinite
Chief, Police Department	Vernon Riddick	Appointed-Indefinite

Matthew Hart, Town Manager, holds a Juris Doctor (JD) and Master's degree in Public Affairs (MPA) from the University of Connecticut, and a Bachelor's degree in political science from the State University of New York at Potsdam. Mr. Hart was appointed Town Manager on July 31, 2017. Mr. Hart has over twenty (20) years of municipal experience in Connecticut. Prior to his tenure with the Town of West Hartford, Mr. Hart was employed as Town Manager in Mansfield, Connecticut, where he played a critical role in the development of Storrs Center, a mixed-use, New Urbanism project located adjacent to the University of Connecticut's main campus. Prior to his tenure in Mansfield, Mr. Hart served as Assistant to Town Manager in Windsor, Connecticut. He also has experience working in the private sector and is a veteran of the US Army and US Army National Guard. Mr. Hart is past president of the Connecticut Town and City Management Association (CTCMA) and serves as a vice president on the board of directors for the International City/County Management Association (ICMA). Additionally, Mr. Hart is an ICMA credentialed manager, one of only 12 in the state of Connecticut.

Peter Privitera, Director of Financial Services, holds a Bachelor's degree and a Master's degree in Public Administration from the University of Hartford. He was appointed Director of Financial Services on July 15, 2013. Mr. Privitera has over thirty (30) years of municipal finance experience in Connecticut. Prior to his tenure with the Town of West Hartford, Mr. Privitera was employed by the City of Stamford as the Director of Management and Budget and Purchasing Agent (10 years) and prior to that worked for the City of Hartford (20 years).

Board of Education Administration

<u>Position</u>	<u>Name</u>	<u>Manner of Selection and Term of Office</u>
Superintendent of Schools	Thomas Moore	Appointed-Indefinite
Assistant Superintendent of Schools	Andrew Morrow	Appointed-Indefinite
Assistant Superintendent of Schools	Paul Vicinus	Appointed-Indefinite

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Municipal Services

Department of Assessment

The Department of Assessment is responsible for real property and personal property assessments. The administration of property tax exemptions and tax relief benefit programs for the elderly, disabled and veteran residents is also handled by this department. The Assessor is appointed by the Board of Assessors. The Town revalues property in accordance with Connecticut General Statutes.

Department of Community Development

The Department of Community Development manages those functions associated with private development and public infrastructure improvements within the Town, including engineering, building inspections, planning, zoning, zoning enforcement, wetlands protection, traffic and transportation, economic development and housing rehabilitation.

Department of Financial Services

The Department of Financial Services serves as a central staff and service agency to all Town departments. The Financial Operations, Purchasing Services, and Revenue Collection divisions are responsible for the financial affairs of the Town. The department prepares and administers the operating and capital budgets of the Town and is responsible for all financial reporting functions. A more detailed description of the operations of the Financial Services Department is included in the "Financial Information" section herein.

Department of Human Resources

The Department of Human Resources manages all employee related functions, including central personnel administration, labor relations with the Town's ten employee bargaining units, employee involvement and training programs, and health, risk management and pension benefits administration.

Department of Information Technology

The Department of Information Technology is managed as a consolidated department with the Board of Education. The staff provide information technology services to all Town departments and agencies. The department manages the communications infrastructure, associated systems, applications, and technical support for all staff.

Department of Leisure Services & Social Services

The Department of Leisure Services & Social Services is responsible for social services and the management of all Town parks, recreational facilities and leisure programs throughout the Town. Case management, information and referral, and crisis intervention are available to residents of all ages by professional social workers. Support services include a food pantry, volunteer services and The Town That Cares charity fund. Recreational facilities include seven neighborhood parks/playgrounds, five outdoor pools, an indoor aquatics center, an indoor skating rink, a demonstration farm at Westmoor Park, a meeting and conference center, two golf courses, a community center and two senior centers. Annually, approximately 3,000 recreational instructional programs are scheduled for all ages and abilities.

Department of Library Services

The West Hartford Public Library ("WHPL") system consists of a main library and two branches serving West Hartford residents of all ages. West Hartford cardholders have ready access to the physical collections of twenty-nine (29) area libraries through participation in the Library Connection consortium as well as three major collections of electronic books, audio books, films, music and magazines. Library staff provide information and reference assistance; programs of interest to children (including preschool readiness programming), teens, and adults on a wide range of topics; 24/7 access to nearly seventy online research databases and other electronic materials; and public computers and Wi-Fi access in each facility.

Department of Plant and Facilities Services

The Department of Plant and Facilities Services is managed as a joint venture with the West Hartford Board of Education. The departmental staff is responsible for the routine operation and upkeep of all Town buildings, maintains building equipment and systems, upgrades mechanical systems, manages setup requirements for elections, enhances the physical

appearance of public spaces and oversees energy conservation programs and equipment upgrades, utility usage and budgets. In addition, this department is responsible for the management of capital projects involving Town and school buildings.

Department of Public Works

The Department of Public Works is responsible for the repair and maintenance of streets, storm drainage systems, public grounds, athletic fields, parking operations, cemeteries, street signs, traffic signals and fiber optic network, and approximately 300 vehicles and pieces of equipment. Refuse/recycling and leaf collection services are provided by private contractors and managed by this department.

Fire Department

The Town provides around-the-clock emergency services through a professionally staffed Fire Department. The departmental staff of 92 is deployed in five strategically located fire stations. The Department is comprised of Fire Control/Rescue, Fire Prevention, Emergency Management, Training, Maintenance, and Emergency Medical Services divisions. The Town merits an ISO 2 rating for the purpose of fire insurance premium calculations.

Police Department

Crime prevention and patrol services are provided by the Town's Police Department. The Chief of Police, with the assistance of two Assistant Police Chiefs, coordinates the efforts of 154 Police Department employees. The Department is divided into four divisions: patrol services, investigatory services, management, and support services.

Water and Sewer Services

The Town is a member of the Metropolitan District Commission (the "MDC"), a special district in Hartford County formed under Connecticut General Statutes to provide water, sanitary sewer and related services in eight member towns. Water services provided by the MDC are billed directly to the individual users. Sewer services are billed annually to the eight member towns and are apportioned based upon a three year average of each town's annual tax revenues. The Town's ad valorem sewer assessment for fiscal year 2019-20 is \$11,467,700, which equates to 5.8% of the MDC's adopted 2019 combined water and sewer budget.

Educational System

The West Hartford public school system serves approximately 9,300 students. The curriculum exceeds all basic State requirements in both depth and variety. Individualization of instruction is emphasized. The elementary schools (Grades K-5) strive to develop the basic skills for learning in each child. The curriculum includes art, music, physical education, mathematics, social studies, science, health, language arts and computer literacy. In addition, comprehensive programs in special education are available. The middle schools (grades 6-8) continue the development of basic skills while providing increasing opportunities for self-direction, program diversity and exploration of interests.

The high schools (grades 9-12) are comprehensive high schools, each offering a fully accredited program. Twenty-two units of credit are required for graduation. When possible, a student's program is designed to meet his or her personal interests and future ambitions. Advanced placement courses are available in most academic areas. Work experience programs are offered, as are several options for community-based experiences in career exploration. A full program of extracurricular activities is available in each school as well as extensive interscholastic and intramural athletic programs for boys and girls.

School Enrollment

School Year	Historical ¹			
	Elementary (K-5)	Middle (6-8)	Senior (9-12)	Total Enrollment
2009-2010	4,677	2,172	3,147	9,996
2010-2011	4,678	2,228	3,129	10,035
2011-2012	4,633	2,249	3,003	9,885
2012-2013	4,550	2,225	3,042	9,817
2013-2014	4,488	2,164	3,005	9,657
2014-2015	4,336	2,201	2,994	9,531
2015-2016	4,193	2,222	3,068	9,483
2016-2017	4,184	2,276	2,975	9,435
2017-2018	4,109	2,259	3,032	9,400
2018-2019	4,028	2,209	3,076	9,313

School Year	Projections			
	Elementary (K-5)	Middle (6-8)	Senior (9-12)	Total Enrollment
2019-2020	3,964	2,219	3,040	9,223
2020-2021	3,929	2,143	3,094	9,166
2021-2022	3,889	2,079	3,049	9,017

¹ School populations reported as of October 1st of each school year. Projections represent estimates by the Board of Education.

Source: West Hartford Board of Education.

Municipal Employees

The Town of West Hartford currently has 2,026 full-time positions for general government and education, including two federally funded positions. With the exception of certain employees, all Town employees are represented by a collective bargaining organization. The following table shows the Town's authorized positions for the last five years:

	2020	2019	2018	2017	2016
Board of Education	1,580	1,559	1,541	1,561	1,534
General Government	444	442	443	443	440
Federally Funded	2	2	2	2	2
Total	2,026	2,003	1,986	2,006	1,976

Employee Bargaining Organizations

Nearly all full-time employees are represented by bargaining organizations as follows:

Bargaining Unit	Number of Members¹	Contract Expiration
<u>General Government</u>		
Local 1241 International Association of Firefighters	82	6/30/22
West Hartford Police Officers Association	122	6/30/21
Public Safety Dispatcher Union Local 2001 SEIU	11	6/30/17 ²
Local 1142 of Council No. 4 AFL-CIO	25	6/30/18 ²
Professional & Management Union Local 2001 SEUI	75	6/30/17 ²
Grounds Union Local 2001 SEIU	17	6/30/17 ²
Buildings Union Local 2001 SEIU	3	6/30/17 ²
Clerical Union Local 2001 SEIU	36	6/30/17 ²
Supervisory Union, Local 2001 SEIU	7	6/30/17 ²
Non-Bargaining Employees	34	n/a
Sub-Total General Government	412	
<u>Board of Education</u>		
West Hartford Education Association	900	6/30/22
West Hartford Administrators Association	54	6/30/20
West Hartford Federation of Educational Secretaries	51	6/30/22
AFL-CIO AFSCME Local No. 1303 Council No. 4 Skilled Trades	13	6/30/22
West Hartford Federation of Educational Personnel	202	6/30/22
West Hartford Public Schools Nurses Association	23	6/30/20
AFL-CIO AFSCME Local No. 1303 Council No. 4 Custodians	100	6/30/22
AFL-CIO AFSCME Local No. 818 Council No. 4 Custodians	4	6/30/22
AFL-CIO AFSCME Local No. 1303 Council No.4 Security	22	6/30/22
West Hartford BOE Professional Employees Local 760 SEIU	33	6/30/21
AFL-CIO AFSCME Local No. 1303 Council No. 4 Maintenance	5	6/30/22
Non-Bargaining Employees (includes Teaching Assistants)	203	n/a
Sub-Total Board of Education	1,610	
Total General Government and Board of Education	2,022	

¹ Number of actual members differs from authorized positions due to vacancies and union agreements with part-time personnel.

² Contract currently in negotiation.

n/a – not applicable

Connecticut General Statutes Sections 7-473c, 7-474, and 10-153a to 10-153n provide a procedure for binding arbitration of collective bargaining agreements between municipal employers and organizations representing municipal employees, including certified teachers and certain other employees. The legislative body of an affected municipality may reject the arbitration panel's decision by a two-thirds majority vote. The State and the employee organization must be advised in writing of the reasons for rejection. The State then appoints a new panel of either one or three arbitrators to review the decisions on each of the rejected issues. The panel must accept the last best offer of either party. In reaching its determination, the arbitration panel shall give priority to the public interest and the financial capability of the municipal employer, including consideration of other demands on the financial capability of the municipal employer. For binding arbitration of teachers' contracts, in assessing the financial capability of the municipality, there is an irrefutable presumption that a budget reserve of 5% or less is not available for payment of the cost of any item subject to arbitration. For binding arbitration of all other municipal employee contracts, there is an irrebuttable presumption that a budget reserve of 15% is not available for payment of the cost of any item subject to arbitration. In light of the employer's financial capability, the panel shall consider prior negotiations between the parties, the interests and welfare of the employee group, changes in the cost of living, existing employment conditions, and the wages, salaries, fringe benefits, and other conditions of employment prevailing in the labor market, including developments in private sector wages and benefits.

III. ECONOMIC AND DEMOGRAPHIC INFORMATION

Population Trends

Year	Town of West Hartford	% Change	Density¹
1970	68,031	--	3,064
1980	61,301	(9.89)	2,761
1990	60,110	(1.94)	2,708
2000	61,045	1.56	2,750
2010	63,268	3.64	2,850
2017	63,360	0.15	2,854

¹ Population per square mile: 22.2 square miles

Source: 1970 - 2010 - U.S. Census Bureau, Centennial Census; 2017 - American Community Survey, 2013-17.

Age Characteristics of Population

Age	Town of West Hartford		Hartford County		State of Connecticut	
	Number	Percent	Number	Percent	Number	Percent
Under 5	3,008	4.7	47,813	5.3	186,188	5.2
5 - 9	4,096	6.5	51,521	5.7	206,536	5.8
10 - 14	4,421	7.0	57,057	6.4	225,831	6.3
15 - 19	4,789	7.6	59,663	6.6	249,777	7.0
20 - 24	3,261	5.1	58,500	6.5	245,849	6.9
25 - 34	7,440	11.7	116,711	13.0	439,239	12.2
35 - 44	7,934	12.5	109,916	12.2	433,401	12.1
45 - 54	8,608	13.6	129,870	14.5	525,611	14.6
55 - 59	4,212	6.7	65,124	7.3	266,501	7.4
60 - 64	4,363	6.9	56,241	6.3	229,788	6.4
65 - 74	5,331	8.4	78,749	8.8	318,515	8.9
75 - 84	3,287	5.2	42,272	4.7	167,133	4.7
85 and over	2,610	4.1	23,980	2.7	90,109	2.5
Total	<u>63,360</u>	<u>100.0</u>	<u>897,417</u>	<u>100.0</u>	<u>3,584,478</u>	<u>100.0</u>
Median Age (years)	41.1		40.4		40.8	

Source: U.S. Census Bureau, American Community Survey, 2013-17.

Educational Attainment

Years of School Completed Age 25 and Over

Educational Attainment Group	Town of West Hartford		Hartford County		State of Connecticut	
	Number	Percent	Number	Percent	Number	Percent
Less than 9th grade	1,209	2.8	28,547	4.6	104,623	4.2
9th to 12th grade, no diploma	1,274	2.9	37,603	6.0	137,877	5.6
High School graduate	6,266	14.3	169,040	27.1	673,582	27.2
Some college, no degree	5,219	11.9	105,576	17.0	422,535	17.0
Associates degree	2,444	5.6	49,406	7.9	188,481	7.6
Bachelor's degree	12,805	29.2	132,166	21.2	532,055	21.4
Graduate or professional degree	14,568	33.3	100,525	16.2	421,144	17.0
Total	43,785	100.0	622,863	100.0	2,480,297	100.0
Percent of High School Graduates		94.3%		89.4%		90.2%
Percent of College Graduates		62.5%		37.4%		38.4%

Source: U.S. Census Bureau, American Community Survey, 2013-17.

Selected Wealth and Income Indicators

	Town of West Hartford	Hartford County	State of Connecticut
Per Capita Income, 2017	\$52,846	\$37,817	\$41,365
Per Capita Income, 1999	\$33,468	\$26,047	\$28,766
Per Capita Income, 1989	\$26,943	\$18,983	\$20,189
Median Family Income, 2017	\$124,679	\$89,300	\$93,800
Median Household Income, 2017	\$95,298	\$69,936	\$73,781
Percent of Families Below Poverty Level	5.2%	8.1%	7.0%

Source: U.S. Census Bureau, Census 1990, Census 2000, American Community Survey, 2013-17.

Income Distribution

	Town of West Hartford		Hartford County		State of Connecticut	
	Families	Percent	Families	Percent	Families	Percent
Less than \$10,000	396	2.5	20,872	6.0	73,078	5.4
\$ 10,000 to 14,999	117	0.7	13,112	3.8	48,416	3.5
\$ 15,000 to 24,999	562	3.6	28,081	8.0	104,604	7.7
\$ 25,000 to 34,999	538	3.4	27,234	7.8	99,688	7.3
\$ 35,000 to 49,999	846	5.4	39,533	11.3	148,260	10.9
\$ 50,000 to 74,999	1,960	12.4	55,968	16.0	216,936	15.9
\$ 75,000 to 99,999	1,766	11.2	45,437	13.0	171,880	12.6
\$100,000 to 149,999	2,968	18.8	59,052	17.0	232,398	17.1
\$150,000 to 199,999	2,422	15.3	28,632	8.2	116,915	8.6
\$200,000 or more	4,217	26.7	30,950	8.9	149,580	11.0
Total	15,792	100.0	348,871	100.0	1,361,755	100.0

Source: U.S. Census Bureau, American Community Survey, 2013-17.

Age Distribution of Housing

Year Structure Built	Town of West Hartford		Hartford County		State of Connecticut	
	Number	Percent	Number	Percent	Number	Percent
1939 or earlier	7,034	27.2	76,848	20.3	338,011	22.4
1940 to 1949	3,496	13.5	30,138	8.0	104,251	6.9
1950 to 1959	6,799	26.3	65,122	17.2	225,763	15.0
1960 to 1969	3,317	12.8	55,830	14.8	205,463	13.6
1970 to 1979	2,318	9.0	50,047	13.2	200,217	13.3
1980 to 1989	1,065	4.1	47,043	12.5	191,939	12.7
1990 to 1999	649	2.5	25,578	6.8	114,261	7.6
2000 to 2009	1,044	4.0	23,055	6.1	105,131	7.0
2010 to 2013	65	0.3	2,994	0.8	17,308	1.1
2014 or later	89	0.3	1,185	0.3	5,367	0.4
Total.....	<u>25,876</u>	<u>100.0</u>	<u>377,840</u>	<u>100.0</u>	<u>1,507,711</u>	<u>100.0</u>

Source: U.S. Census Bureau, American Community Survey, 2013-17.

West Hartford Housing Inventory

Type	Units	Percent
1-unit detached	17,070	66.0
1-unit attached	916	3.5
2 to 4 units	2,786	10.8
5 to 9 units.....	814	3.1
10 or more units	4,156	16.1
Mobile home, trailer, other	134	0.5
Total Inventory	<u>25,876</u>	<u>100.0</u>

Source: U.S. Census Bureau, American Community Survey, 2013-17.

Owner-Occupied Housing Values

Value of Owner Occupied Units	Town of West Hartford		Hartford County		State of Connecticut	
	Number	Percent	Number	Percent	Number	Percent
Less than \$50,000	349	2.0	5,937	2.6	24,038	2.7
\$ 50,000 to \$ 99,999	131	0.7	7,815	3.5	29,789	3.3
\$ 100,000 to \$149,999	358	2.0	26,671	11.8	83,320	9.2
\$ 150,000 to \$199,999	1,366	7.8	44,819	19.9	141,024	15.5
\$ 200,000 to \$299,999	5,467	31.1	71,457	31.7	244,356	26.9
\$ 300,000 to \$499,999	7,297	41.5	52,507	23.3	236,671	26.1
\$ 500,000 to \$999,999	2,421	13.8	14,456	6.4	106,192	11.7
\$1,000,000 and over	202	1.1	1,716	0.8	41,408	4.6
Total	<u>17,591</u>	<u>100.0</u>	<u>225,378</u>	<u>100.0</u>	<u>906,798</u>	<u>100.0</u>
Median Value	\$326,000		\$235,300		\$270,100	

Source: U.S. Census Bureau, American Community Survey, 2013-17.

Employment Data
By Place of Residence

Period	Town of West Hartford		Percentage Unemployed		
	Employed ¹	Unemployed ¹	Town of West Hartford (%) ¹	Hartford Labor Market (%) ¹	State of Connecticut (%) ¹
Jan-Sept 2019	33,917	1,019	2.9	3.9	3.8
Annual Average					
2018.....	33,720	1,070	3.1	4.1	4.1
2017.....	33,545	1,189	3.4	4.7	4.7
2016.....	33,011	1,323	3.9	5.2	5.1
2015	32,694	1,439	4.2	5.7	5.7
2014	32,395	1,646	4.8	6.6	6.6
2013	31,454	1,926	5.8	7.8	7.8
2012	31,695	2,070	6.1	8.3	8.3
2011	32,011	2,279	6.6	8.8	8.8
2010	31,929	2,376	6.9	9.2	9.1
2009	27,550	2,164	7.3	8.3	8.3

¹ Not seasonally adjusted.

Source: Connecticut Department of Labor.

Employment by Industry

Employed Persons 16 Years and Over

Employment Sector	Town of West Hartford		Hartford County		State of Connecticut	
	Number	Percent	Number	Percent	Number	Percent
Agriculture, Forestry, Fishing, & Mining ..	38	0.1	946	0.2	7,166	0.4
Construction	1,160	3.5	21,189	4.8	104,122	5.8
Manufacturing	2,880	8.8	47,943	10.8	191,519	10.6
Wholesale Trade	578	1.8	11,234	2.5	44,741	2.5
Retail Trade	2,383	7.3	47,212	10.6	193,016	10.7
Transportation, Warehousing & Utilities ..	497	1.5	18,347	4.1	68,926	3.8
Information	997	3.1	10,347	2.3	42,200	2.3
Finance, Insurance & Real Estate	5,048	15.4	50,054	11.2	163,810	9.1
Professional, Scientific & Management	4,237	13.0	48,762	10.9	208,130	11.5
Educational Services & Health Care	10,419	31.9	116,879	26.2	478,083	26.5
Arts, Entertainment, Recreation	1,833	5.6	32,308	7.3	153,679	8.5
Other Service (including nonprofit)	1,332	4.1	20,361	4.6	82,538	4.6
Public Administration	1,277	3.9	19,886	4.5	67,156	3.7
Total	32,679	100.0	445,468	100.0	1,805,086	100.0

Source: U.S. Census Bureau, American Community Survey, 2013-17.

Major Employers

Employer	Business	Number of Employees
Town of West Hartford	Government	2,026
University of Hartford	Education.....	1,512
Hospital at Hebrew Health Care	Hospital	750
Wiremold/Legrand Products, Inc.	Manufacturing	750
UTC Aerospace/Triumph Engine Control Systems	Manufacturing	375
Colt Manufacturing	Manufacturing	375
American School for the Deaf	Education	375
American Medical Response	Ambulance Service	375
St. Mary's Home	Nursing Home	375
Cheesecake Factory	Restaurant	375
Total		<u>7,288</u>

Source: Connecticut Department of Labor.

Number and Value of Building Permits

Fiscal Year	Number of Permits	Value of Permits
2020 ¹	2,284	\$ 32,073,905
2019	6,220	91,838,478
2018	6,321	88,272,197
2017	6,005	72,729,574
2016	6,223	104,751,012
2015 ²	5,567	151,335,754
2014	5,604	71,572,250
2013	5,265	67,298,445
2012	4,268	56,560,316
2011	4,534	56,648,306

¹ As of October 29, 2019.

² Fiscal year 2015 data includes approximately \$40 million in permit value for tax-exempt entities, which are not subject to fees.

Source: Town of West Hartford Building Department.

Land Use Summary

The Town Planning and Zoning Commission, in conjunction with the Planning Division of the Department of Community Development, has responsibility for implementing the comprehensive plan of development for West Hartford. The Town Council adopted the most recent plan on December 1, 2008. The Town of West Hartford is finalizing an update of its 2009-2019 Plan of Conservation and Development. It is anticipated the process will conclude in calendar year 2019.

Land Use Category	Percent (%)
Residential	48.0
Undeveloped, including MDC land	20.0
Streets	11.0
Institutional	8.0
Recreational	7.0
Commercial/Industrial	6.0
Total Area	<u>100.0</u>

Source: Department of Community Development, Town of West Hartford.

Economic Initiatives and Proposals

The Town of West Hartford continues to see significant investment Town-wide. While the Town Center has become the dining, shopping and entertainment center of the region, all commercial areas are seeing reinvestment and attracting new small businesses. The commercial districts, along with strong schools, parks and an extensive array of services, help make West Hartford the community of choice in the region. West Hartford is consistently rated as a great place to live and work and has received recent recognition by national publications such as TIME/Money, livability.com and Kiplinger's Personal Finance.

Commercial Districts

All of West Hartford's commercial districts remain vibrant and are regularly attracting new investment in retail, restaurants and multi-family housing, in particular. More specifically:

West Hartford Center and Blue Back Square

Located in the geographic center of the community, the intersection of Main Street and Farmington Avenue, the "Center" is reflective of a traditional town center. There are more than 140 specialty shops and restaurants, in addition to banks, professional offices, and salons in the western portion of the Center. While a few small redevelopment projects have been completed in recent years, the need to build structured parking to support new development remains an obstacle. A new Incentive Zoning ordinance is now in place which will allow developers to seek approval to develop more dense projects if they include one or more public amenities, such as structured parking or public open space, among others.

Just east of the Center, Blue Back Square is comprised of approximately 20 acres of land, 600,000 square feet of mixed residential, retail and office improvements, a public square and two parking structures. Tenants include Crate and Barrel, Cinopolis Theaters, Barnes & Noble, Cheesecake Factory, West Elm and Hartford Hospital Surgical Center, among others, providing approximately 2,000 jobs. Blue Back Square remains the model mixed-use development in Connecticut.

In 2012, recognizing the need for a full service hotel, the Town issued a request for proposals and selected Delamar West Hartford to develop an upscale hotel on Town owned land on Raymond Road, just east of Blue Back Square. The hotel opened in September 2017 and includes 114 rooms, a spa, a full service restaurant and banquet facilities.

Elmwood

Elmwood has seen a number of positive developments in recent years. Most significantly, the New Britain Avenue streetscape from Mayflower Street to New Park Avenue was completed by the State of Connecticut. These improvements to the public realm, coupled with new housing units nearby, support the thriving business district which has seen increased retail occupancy up and down New Britain Avenue. In recent years, restaurants that could not find available space in the Center have landed in Elmwood making it both a neighborhood and regional dining destination.

Park Road

The Park Road district, a vibrant neighborhood commercial district, continues to see investment. Retail space is highly sought after as it is the preferred alternative to higher priced space in the Center for independently owned business. New restaurants, an artist studio and a health food store have opened in 2018. Twenty-five townhomes are under construction on Ringgold Street and approvals are being sought for 294 apartments in a former convent at the corner of Park and Prospect.

Bishops Corner

Bishops Corner has also become a dining destination with additional sit down and fast casual options opening. Following an amendment to a Special Development District, it is expected that Target will be occupying the former Wal-Mart space. As with other neighborhoods, housing development is also active. Additional apartments and single family housing are under construction nearby.

New Park Avenue Corridor

The New Park Avenue Corridor, located in the southeast corner of the Town, is a new area of development focus. It has transformed from a strictly industrial sector to a thriving mixed-use environment. It is home to the Home Design District that serves home improvement and homeowners alike. Investment is being spurred by two bus rapid transit stations that anchor each end of New Park Avenue. A transit oriented development at 616 New Park opened in 2018 and offers 54 rental units and ground floor retail.

The Town was awarded two State infrastructure grants totaling \$2.5 million to rebuild the New Park Avenue streetscape. The project will include a reconstructed roadway with reduced lanes, a bicycle lane and new sidewalks, all of which will promote a better pedestrian environment and attract additional investment in this corridor. In addition, Town and City of Hartford staff have begun joint planning efforts to support the proposed West Hartford Rail Station, a stop on the new Springfield-Hartford-New Haven commuter rail line. The station will be sited across from the Flatbush Fastrak station and is expected to begin service in the next few years.

Corbin's Corner

Seritage Growth Partners is currently redeveloping the former Sears Site and its two buildings into a multi-tenant retail development. REI, Saks Off Fifth, Shake Shack and others opened in 2018, with only a few tenant locations remaining. Across the street, Westfarms Mall continues to see strong leasing activity and remains one of the highest grossing malls in Connecticut.

Other Initiatives

Former UConn Campus

Ideanomics, a publicly traded financial technology company specializing in the development of block chain and artificial intelligence, closed on the purchase of the 58 acre campus in October 2018. The company is proposing to locate its global headquarters for technology and innovation on the campus and employ more than 300. Plans are expected to include office, research and training space, as well as employee housing, in both new and renovated buildings. The project cost is estimated at \$280 million.

Plan of Conservation and Development

The Town is currently engaged in the update of its Plan of Conservation and Development. This State required, ten year plan will address topical areas such as economic development, housing, transportation, open space and sustainability. It will include an action plan with goals and objectives and serve as a development roadmap for policy makers.

Conclusion

While these are the highlights of development activity in West Hartford, it is by no means a complete picture. In addition to the projects detailed above, local schools and universities such as the American School for the Deaf, Kingswood-Oxford and the University of St. Joseph continue to make major investments in their campuses. Wherever possible, parcels are being sub-divided to create new single family lots for home construction, and office and retail properties are seeing incredibly high occupancy rates.

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IV. INDEBTEDNESS

Principal Amount of Bonded Indebtedness

As of December 18, 2019 ^{1,2}

(Pro forma)

Date	Purpose	Rate %	Original Issue	Debt	Fiscal Year Maturity
				Outstanding Including This Issue	
1/15/2001	General Purpose	4.10 – 4.50	\$ 10,250,000	\$ 1,025,000	2021
1/15/2001	Schools	4.10 – 4.50	4,750,000	475,000	2021
1/15/2002	General Purpose	3.50 – 4.75	6,415,000	962,250	2022
1/15/2002	Schools	3.50 – 4.75	7,085,000	1,062,750	2022
4/1/2010	Refunding-General Purpose ³	2.00 – 5.00	10,280,268	1,511,364	2021
4/1/2010	Refunding-Schools ³	2.00 – 5.00	10,329,732	1,518,636	2021
10/15/2010	General Purpose	2.00 – 4.00	6,002,000	401,384	2021
10/15/2010	Schools	2.00 – 4.00	1,998,000	133,616	2021
3/8/2012	General Purpose	2.50 – 5.00	11,648,000	6,212,295	2028
3/8/2012	Schools	2.50 – 5.00	3,352,000	1,787,705	2028
2/5/2014	General Purpose	2.63 – 5.00	12,829,947	8,531,915	2029
2/5/2014	Schools	2.63 – 5.00	7,170,053	4,768,085	2029
2/12/2015	General Purpose ³	2.00 – 4.00	9,655,000	160,917	2020
2/12/2015	Schools ³	2.00 – 4.00	11,345,000	189,083	2020
2/11/2016	General Purpose	2.00 – 5.00	12,536,583	10,024,789	2031
2/11/2016	Schools	2.00 – 5.00	1,463,417	1,170,211	2031
3/17/2016	Refunding-General Purpose	2.00 – 4.00	7,055,000	7,055,000	2026
3/17/2016	Refunding-Schools	2.00 – 4.00	5,240,000	2,610,000	2026
2/16/2017	General Purpose	2.00 – 5.00	11,815,000	10,237,350	2032
2/16/2017	Schools	2.00 – 5.00	5,185,000	4,492,650	2032
1/25/2018	General Purpose	2.00 – 5.00	7,665,000	7,152,035	2033
1/25/2018	Schools	2.00 – 5.00	5,335,000	4,977,965	2033
2/5/2019	General Purpose	2.00 – 5.00	5,745,000	5,745,000	2034
2/5/2019	Schools	2.00 – 5.00	4,255,000	4,255,000	2034
7/9/2019	Refunding - General Purpose	5.00	19,901,000	19,901,000	2026
7/9/2019	Refunding - Schools	5.00	89,000	89,000	2026
12/18/2019	Refunding - General Purpose (This Issue) ...	4.00 - 5.00	6,372,000	6,372,000	2035
12/18/2019	Refunding - Schools (This Issue)	4.00 - 5.00	7,478,000	7,478,000	2035
4/2/2020	Refunding - General Purpose (This Issue) ...	5.00	2,308,000	2,308,000	2024
4/2/2020	Refunding - Schools (This Issue)	5.00	2,317,000	2,317,000	2024
Total			<u>\$217,870,000</u>	<u>\$124,925,000</u>	

¹ Assumes the delivery and issuance of the Series 2019C and Series 2020B Bonds.

² The Town expects to issue between \$10,000,000 and \$15,000,000 in new money General Obligation Bonds in February 2020 in advance of the delivery of the Series 2020B Bonds.

³ Excludes the Refunded Bonds

Bond Authorization Procedure

Debt for capital projects is authorized by Town Council ordinance. Bond ordinances in excess of \$500,000 are subject to referendum if three percent of the Town electors sign a petition for referendum within thirty days of the ordinance publication.

Temporary Financing

When general obligation bonds have been authorized, bond anticipation notes may be issued maturing not more than two years from their original issue date (CGS Sec. 7-378). Temporary notes may be renewed up to ten years from their original date of issue as long as all project grant payments are applied toward payment of project costs or temporary notes when they become due and payable, and the legislative body schedules principal reductions by the end of the third year from the date of original issue and again for each subsequent year during which such temporary notes remain outstanding in an amount equal to a minimum of 1/20th (1/30th for sewer and school projects) of the estimated net project cost (CGS Sec. 7-378a). The term of any bonds issued must be reduced by the amount of time temporary financing exceeds two years.

Temporary notes must be permanently financed no later than ten years from the initial borrowing date except for sewer and school notes issued in anticipation of state and/or federal grants. If a written commitment exists, the municipality may renew the sewer notes from time to time in terms not to exceed six months until such time as the final grant payments are received (CGS Sec. 7-378b).

Capital Improvement Program

In April, 2019, the Town Council approved a twelve year Capital Improvement Program ("CIP") in which approximately \$210.6 million is expected to be invested in capital improvements through fiscal year 2031. Approximately \$79.2 million (38%) of this investment is for transportation and infrastructure related projects. \$71.4 million (34%) is for school facilities and \$60 million (28%) has been allocated to other Town projects. The CIP anticipates non-debt financing of approximately \$49.2 million. The remainder of the CIP funding, approximately \$161.4 million is subject to debt authorization by the Town Council or the development of other funding sources during the period 2020-2031.

Capital Leases

The Town currently has no outstanding capital leases.

Limitation of Indebtedness

Municipalities shall not incur indebtedness through the issuance of bonds which will cause aggregate indebtedness by class to exceed the following:

General Purposes: 2.25 times annual receipts from taxation
School Purposes: 4.50 times annual receipts from taxation
Sewer Purposes: 3.75 times annual receipts from taxation
Urban Renewal Purposes: 3.25 times annual receipts from taxation
Unfunded Past Benefit Obligation: 3 times annual receipts from taxation

In no case, however, shall total indebtedness exceed seven times the annual tax receipts.

Annual receipts from taxation (the "base"), is defined as total tax collections, including interest, penalties, late payment of taxes and payments made by the State for revenue loss under CGS Sections 12-129d and 7-528.

The statutes also provide for exclusion from the debt limit calculation of debt issued in anticipation of taxes; for the supply of water, gas, electricity; for the construction of subways for cables, wires, and pipes; for the construction of underground conduits for cables, wires, and pipes; and for two or more of such purposes. There are additional exclusions for indebtedness issued in anticipation of the receipt of proceeds from assessments levied upon property benefited by any public improvement and for indebtedness issued in anticipation of the receipt of proceeds from state or federal grants evidenced by a written commitment or contract, but only to the extent such indebtedness can be paid from such proceeds.

Statement of Statutory Debt Limitation

As of December 18, 2019 ¹

(Pro forma, Amounts Expressed in Thousands)

TOTAL TAX COLLECTIONS (including interest and lien fees)

received by the Tax Collector for the year ended June 30, 2019 (unaudited estimate) \$ 258,656

REIMBURSEMENT FOR REVENUE LOSS ON:

Tax Relief for Elderly 6

BASE 258,662

	General Purposes	Schools	Sewers ²	Urban Renewal	Pension
DEBT LIMITATION:					
2 1/4 times base	\$ 581,990	-	-	-	-
4 1/2 times base	-	\$1,163,979	-	-	-
3 3/4 times base	-	-	\$ 969,983	-	-
3 1/4 times base	-	-	-	\$ 840,652	-
3 times base	-	-	-	-	\$ 775,986
Total debt limitation	<u>581,990</u>	<u>1,163,979</u>	<u>969,983</u>	<u>840,652</u>	<u>775,986</u>
INDEBTEDNESS:					
<i>The Bonds (This Issue)</i>	8,680	9,795	-	-	-
Bonds Payable ³	78,920	27,530	-	-	-
Notes Payable	-	-	-	-	-
Overlapping Debt	-	-	180,281	-	-
Debt Authorized but Unissued	<u>17,591</u>	<u>18,959</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Indebtedness	<u>105,191</u>	<u>56,284</u>	<u>180,281</u>	<u>-</u>	<u>-</u>
Less: School Construction Grants Receivable ⁴	<u>-</u>	<u>(14,572)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Indebtedness:	<u>105,191</u>	<u>41,712</u>	<u>180,281</u>	<u>-</u>	<u>-</u>
DEBT LIMITATION IN EXCESS OF TOTAL INDEBTEDNESS	<u><u>\$ 476,799</u></u>	<u><u>\$1,122,267</u></u>	<u><u>\$ 789,702</u></u>	<u><u>\$ 840,652</u></u>	<u><u>\$ 775,986</u></u>

¹ Assumes delivery and issuance of the Series 2020B Bonds.

² Excludes debt related to the Clean Water Project to be paid from proceeds of MDC's Special Sewer Service Charge. See "Overlapping Debt" herein.

³ Excludes the Refunded Bonds.

⁴ The Town anticipates receiving \$14,572,434 in progress payments for current school construction projects. See "School Projects" herein.

Note: In no case shall indebtedness exceed seven (7) times annual receipts from taxation. The maximum permitted under this formula would be \$1.81 billion.

Note: The Town expects to issue between \$10 million and \$15 million in new money General Obligation Bonds in February 2020 in advance of the closing of the Series 2020B Bonds.

Short-Term Debt

The Town does not have any short-term debt outstanding.

School Projects

Pursuant to Section 10-287i of the Connecticut General Statutes, as amended, the State of Connecticut will provide proportional progress grant payments for eligible school construction expenses on school projects approved after July 1, 1996. The full amount of all current projects is authorized. When progress payments are received those amounts are removed from the authorized totals. This is done on June 30 of each year for payments received during that fiscal year. Under the current program, the Town expects to receive progress payments for eligible school construction costs at the rate of approximately 23-80 percent.

Project	Total Authorization	Estimated Reimbursement Rate	Estimated Grant¹
Asbestos Removal	\$ 725,000	31.03%	\$ 225,000
Charter Oak School	42,000,000	80.00%	33,600,000
Exterior School Building Improvements	6,825,000	39.71%	2,710,000
Hall High Science Classrooms	12,800,000	63.44%	8,120,000
Interior School Building Improvements	8,432,000	23.01%	1,940,000
Portable Classrooms	500,000	38.00%	190,000
School Security	700,000	28.57%	200,000
Total	\$ 71,982,000		\$46,985,000

¹ Estimated grants receivable are based upon eligibility of project costs. Eligible costs are to be determined at completion of a post-project audit. As of November 19, 2019, the Town has received \$32,412,566 for the above projects.

Debt service reimbursement will continue under the prior school grant program for all school projects approved prior to July 1, 1996. Under the prior program the State of Connecticut will reimburse the Town for principal and interest costs for eligible school construction projects over the life of outstanding school bonds. The Town no longer receives any reimbursement under the prior program.

Overlapping Debt

The Town is a member of the Metropolitan District Commission (the "MDC"), a special district in Hartford County formed under the Connecticut General Statutes to provide water and sanitary sewer services to its eight member towns. Water services are provided directly by the MDC and billed to the users. As of August 7, 2019, the total net overlapping debt of the MDC is \$940,702,847 of which \$215,703,163 or 22.93% is attributable to the Town. However, the MDC currently has approximately \$154,479,216 in interim debt outstanding related to the Clean Water Project, which is expected to be repaid from a special sewer service charge collected directly from MDC water customers (the "Special Sewer Service Charge"). Excluding the self-supporting interim debt, the Town of West Hartford net share is reduced to \$180,281,079.

The MDC was cited by the U.S. Environmental Protection Agency ("USEPA") and the United States Department of Justice ("USDOJ") for overflows from the sewer systems in West Hartford, Newington, Wethersfield, Rocky Hill and Windsor. The MDC was fined \$850,000 and signed a Consent Decree to cease all overflows within 12 years. The MDC also negotiated a Consent Order with the Connecticut Department of Energy & Environmental Protection ("CTDEEP") to control the Combined Sewer Overflows ("CSO") located in the Hartford sewer system within 15 years (by the year 2021).

The MDC has conducted studies of the CSO under the direction of the CTDEEP. A plan for abating these pollution sources, called the Clean Water Project, has been prepared by consultants to the MDC. The plan combines several abatement approaches including: new sewers, removal of storm water flows during storm events, and additional treatment capacity. Completion of these system improvements will require a construction program of at least 15 years. Significant abatement can also be achieved by individual homeowners disconnecting roof leaders, sump pumps and yard drains.

On November 7, 2006 and November 6, 2012, voters in the eight member towns approved referenda authorizing the issuance of \$1,740,000,000, in bonds to finance the Clean Water Project. The MDC is pursuing state funding from the State of Connecticut's Clean Water Fund Program and federal funding to assist with the cost of the project. The Special Sewer Service Charge for customers of the MDC who utilize the District sewer system and are furnished water directly by the MDC. The proceeds from the Special Sewer Service Charge will be used exclusively for the payment of the principal and interest on certain bonds issued or which may be issued and other loans, including State of Connecticut Clean Water Fund loans, to finance all costs associated with the Clean Water Project. The Town's allocation of the interim debt for the Clean Water Project (\$35,422,084) is directly supported by the Special Sewer Service charge and therefore is deducted from the calculation of Total Overall Debt in the table herein.

Underlying Debt

The Town of West Hartford has no underlying debt.

Debt Statement

As of December 18, 2019(Pro forma) ¹

Long-term Debt	
The Bonds (This Issue)	\$ 18,475,000
General Purpose Bonds ²	78,920,299
School Bonds ²	27,529,701
Total Long-term Debt	124,925,000
Short-term Debt	
Bond Anticipation Notes	-
Total Direct Debt	124,925,000
MDC Overlapping Debt - Gross	215,703,163
MDC Overlapping Debt – Clean Water Project ³	(35,422,084)
Total Overall Debt	305,206,079
Less: State School Bond Subsidy ⁴	-
Total Overall Net Debt	\$ 305,206,079

¹ Assumes delivery and issuance of the Series 2020B Bonds.

² Excludes the Refunded Bonds.

³ To be paid from proceeds of the MDC's Special Sewer Service Charge. See "Overlapping Debt" herein.

⁴ Represents a subsidy for the principal component of all bonds issues for school projects approved prior to July 1, 1996. All Town bonds issued for school projects approved prior to July 1, 1996 have been retired and the Town no longer receives any subsidy. See "School Projects" herein.

Note: The Town expects to issue between \$10 million and \$15 million in new money General Obligation Bonds in February 2020 in advance of the closing of the Series 2020B Bonds.

Current Debt Ratios

As of December 18, 2019 (Pro forma) ¹

Population 2017 ²	63,360
Net Taxable Grand List (10/1/18)	\$6,314,734,062
Estimated Full Value (10/1/18)	\$9,109,352,979
Equalized Net Grand List (10/1/17) ³	\$9,605,646,775
Per Capita Income ²	\$52,846

	Total Direct Debt	Total Overall Debt	Total Overall Net Debt
Debt per Capita	\$1,972	\$4,817	\$4,817
Percent of Net Taxable Grand List	1.98%	4.83%	4.83%
Percent of Estimated Full Value	1.37%	3.35%	3.35%
Percent of Equalized Net Grand List	1.30%	3.18%	3.18%
Percent of Debt per Capita to Income per Capita ...	3.73%	9.12%	9.12%

¹ Assumes delivery and issuance of the Series 2020B Bonds.

² Source: U.S. Bureau of Census, American Community Survey, 2013-17.

³ Source: Office of Policy & Management, State of Connecticut.

Historical Debt Ratios

Fiscal Year Ended	Net Assessed Value ¹	Estimated Full Value	Total Direct Debt ²	Ratio of Total Direct Debt to Net Assessed Value	Ratio of Total Direct Debt to Estimated Full Value	Population ³	Total Direct Debt per Capita	Ratio of Total Direct Debt per Capita to Per Capita Income ⁴
June 30	\$(000s)	\$(000s)	\$(000s)	Value	Full Value			
2019 ⁵	\$6,285,118	\$9,069,234	\$141,695	2.25%	1.56%	63,360	\$2,236	4.23%
2018	6,232,711	8,981,615	147,085	2.36%	1.64%	63,360	\$2,321	4.39%
2017	5,980,473	8,634,838	150,455	2.52%	1.74%	63,360	\$2,375	4.49%
2016	5,946,171	8,591,093	148,675	2.50%	1.73%	63,187	\$2,353	4.56%
2015	5,924,662	8,556,847	149,280	2.52%	1.74%	63,288	\$2,359	4.76%
2014	5,888,535	8,504,964	140,830	2.39%	1.66%	63,396	\$2,221	4.55%
2013	5,878,019	8,491,271	133,085	2.26%	1.57%	63,340	\$2,101	4.42%
2012	5,034,402	8,945,738	145,620	2.89%	1.63%	63,268	\$2,302	5.23%
2011	4,999,850	8,872,674	145,095	2.90%	1.64%	63,268	\$2,293	5.21%
2010	4,953,924	8,816,983	151,225	3.05%	1.72%	61,045	\$2,477	7.40%

¹ Assessment Ratio: 70%.

² Excludes school building grants receivable and overlapping MDC debt.

³ Source: U.S. Census Bureau.

⁴ Per Capita Income based on U.S. Census Bureau American Community Survey.

⁵ Unaudited estimate.

Ratio of Annual Bonded Debt Service to Total Governmental Funds Expenditures (Amounts Expressed in Thousands)

Fiscal Year Ended 6/30	Total Debt Service ¹	Total Governmental Funds Expenditures ²	Debt Service as a Percent of Non-Capital Expenditures
2018	\$21,536	\$336,748	6.40%
2017	20,435	323,072	6.33%
2016	19,513	300,044	6.50%
2015	17,836	289,729	6.16%
2014	17,232	286,006	6.03%
2013	17,952	278,491	6.45%
2012 ³	20,022	282,644	7.08%
2011	19,877	257,064	7.73%
2010	19,268	244,463	7.88%
2009	19,689	244,864	8.04%

¹ Represents debt service on all General Obligation Bonds including debt issued for the public improvement portion of the Blue Back Square project which is paid from a combination of parking revenues and an additional tax levy imposed within the West Hartford Center Special Services District.

² Includes all Governmental Funds, excluding capital outlay. Data is reflected on a modified accrual basis of accounting.

³ In fiscal year 2012, the Town incurred expenditures of \$12 million related to clean up for Winter Storm Alfred, an unusual October 2011 snowstorm. The Town received reimbursement of \$9.1 million from the Federal Emergency Management Agency (FEMA).

Annual Bonded Debt Maturity Schedule^{1, 2}

As of December 18, 2019

(Pro forma)

Fiscal Year Ending	Outstanding Principal Payments³	Outstanding Interest Payments³	Principal On the Bonds	Interest On the Bonds	Total Debt Service⁴	Cumulative Percent of Principal Retired
2020	\$ 6,720,000	\$ 2,321,191	\$ -	\$ 49,028	\$ 9,090,218	5.38%
2021	15,800,000	3,436,419	795,000	826,495	20,857,914	18.66%
2022	12,090,000	2,753,756	3,000,000	798,275	18,642,031	30.74%
2023	11,545,000	2,236,469	2,035,000	672,900	16,489,369	41.61%
2024	10,655,000	1,797,869	2,065,000	570,900	15,088,769	51.80%
2025	10,830,000	1,397,119	865,000	498,150	13,590,269	61.16%
2026	10,010,000	1,045,719	890,000	454,900	12,400,619	69.88%
2027	5,925,000	800,313	910,000	410,400	8,045,713	75.35%
2028	5,925,000	645,000	935,000	364,900	7,869,900	80.84%
2029	4,925,000	499,700	950,000	318,150	6,692,850	85.55%
2030	3,595,000	354,938	965,000	270,650	5,185,588	89.20%
2031	3,595,000	250,575	980,000	222,400	5,047,975	92.86%
2032	2,640,000	145,050	1,000,000	173,400	3,958,450	95.77%
2033	1,530,000	65,850	1,020,000	123,400	2,739,250	97.81%
2034	665,000	19,950	1,030,000	82,600	1,797,550	99.17%
2035	-	-	1,035,000	41,400	1,076,400	100.00%
	<u>\$106,450,000</u>	<u>\$17,769,916</u>	<u>\$18,475,000</u>	<u>\$ 5,877,948</u>	<u>\$148,572,863</u>	

¹ Assumes delivery and issuance of the Series 2020B Bonds.² Excludes Overlapping Debt.³ Excludes the Refunded Bonds and payments made on or before December 18, 2019.⁴ Totals may not add up due to rounding.

Note: The Town expects to issue between \$10 million and \$15 million in new money General Obligation Bonds in February 2020 in advance of the closing of the Series 2020B Bonds.

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V. FINANCIAL INFORMATION

Accounting Policies

The Town's accounting policies are summarized in Note 1 "Summary of Significant Accounting Policies" in the Notes to the Financial Statements.

Basis of Accounting

By Charter, the responsibility for managing the Town's finances rests with the Director of Financial Services. The Director of Financial Services is responsible for a broad and integrated fiscal operation consisting of general accounting, grants accounting, cash management, revenue collection, purchasing, debt management, and capital financing. The Director of Financial Services is also the Treasurer of the Town, a voting member of the Pension Board, and an advisor to the Risk Management Advisory Board and the Finance and Budget Committee of the Town Council.

The Department of Financial Services utilizes a computerized financial management system which integrates budgeting, purchasing, accounting, and financial reporting. The Town uses the modified accrual basis of accounting for its governmental and expendable trust funds. Revenues are recognized when determined to be measurable and available, and expenditures are recognized when services or goods are received and a liability is incurred. The accrual basis of accounting is used for the Town's proprietary, fiduciary, and non-expendable trust funds.

Audit

The Town, pursuant to local ordinance and provisions of the Connecticut General Statutes, is required to undergo an annual audit by an independent public accountant. The auditor, currently BlumShapiro, LLP of West Hartford, Connecticut, is appointed by the Council, and is required to conduct the audit under the guidelines outlined by the Office of Policy and Management, which also receives a copy of the audit report.

The most recent annual audit covers the fiscal year ended June 30, 2018, a portion of which is included in this document and made a part hereof as Appendix A. Included in Appendix A are the Town's Basic Financial Statements, Notes to the Financial Statements and Required Supplemental Information, together with the report of the independent auditor as prepared by the Town's independent auditor. The information contained in Appendix A is not the whole audit report. Individuals wishing a complete document should contact the Town's Director of Financial Services.

Budgetary Procedures

In March 1981, the Town Council adopted a comprehensive budgeting and accounting ordinance which sets forth the standards and practices governing the Town's financial management. All funds must be appropriated except those which may be expended outside budgetary operations in accordance with specific laws or ordinances. The ordinance also provides administrative flexibility in the management of long-term financing options for capital improvements.

The budget is legally enacted at the department and character of expenditure level (personal services, non-personal expense, capital outlay, and sundry). Budgetary control is maintained via an encumbrance system. Expenditures require a purchase order and accounts are encumbered when the purchase order is issued. An expenditure or expense is recorded when a liability is incurred. Commitments which exceed an appropriation balance are not processed until transfers or additional appropriations are made. Encumbrances outstanding at year-end are recorded as budgetary expenditures and reported as a reservation of fund balance at June 30.

A twelve year Capital Improvement Program (the "CIP") provides the basis for formulating the annual capital budget. A capital financing model is used to determine the impact of debt service on the operating budget over the life of the CIP. The capital budget is funded via bonds, contributions from the Capital and Non-Recurring Expenditure ("CNRE") Fund, other fund contributions and state grant progress payments. These funds are revenues to the Capital Projects Fund, which is used to account for the acquisition or construction of major capital facilities. Bond proceeds flow directly to the Capital Projects Fund. The Town contributions are transferred from the CNRE Fund to the Capital Projects Fund. The CNRE Fund receives funds from appropriated transfers from the General Fund annual budget, residual balances of closed projects, and proceeds on the sale of Town property.

Certificate of Achievement for Excellence in Financial Reporting

The Town has received a Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association ("GFOA") of the United States and Canada for its comprehensive annual financial reports for fiscal years ended June 30, 1986 through 2018. To be eligible for the award, financial reports must include general purpose financial statements presented in conformity with GAAP, and have been audited in accordance with generally accepted audited standards. The report also contains a wide variety of information useful in evaluating the financial condition of a government and conforms to certain generally accepted terminology and formatting standards established for the Certificate Program. The Town has submitted its comprehensive annual financial report for fiscal year ended June 30, 2018 to the GFOA to determine its eligibility for another certificate.

Distinguished Budget Presentation Award

The Town has received a Distinguished Budget Presentation Award from the GFOA of the United States and Canada (GFOA) for its annual budget for the fiscal year ending June 30, 2019. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communication device. The award is valid for a period of one year only.

Employee Pension Systems

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. Refer to the "Notes to the General Purpose Financial Statements", Note 11. Employee Retirement Systems and Pension Plans.

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 five members who each serve a five year term.

The Town implemented Government Accounting Standards Board's ("GASB") Statement No. 67 effective fiscal year ending June 30, 2014. In accordance with GASB Statement No. 67, the net position is based on the fair market value as of the end of the fiscal year and the total pension liability is based on the actuarial assumptions as of the prior valuation date updated to the end of the fiscal year. The components of the net pension liability of the West Hartford Retirement System as of June 30, 2019 were as follows:

	(in Thousands)				
	2019	2018	2017	2016	2015
Total pension liability	\$ 476,986	\$ 463,250	\$ 424,744	\$ 414,551	\$ 375,665
Plan fiduciary net position	212,171	207,224	194,122	175,246	182,086
Net pension liability	<u>\$ 264,815</u>	<u>\$ 256,026</u>	<u>\$ 230,622</u>	<u>\$ 239,305</u>	<u>\$ 193,579</u>
Plan fiduciary net position as a					
% of total pension liability	44.48%	44.73%	45.70%	42.27%	48.47%

The following represents the net pension liability of the West Hartford Retirement System, 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:

	(in Thousands)		
	1% Decrease (6.125%)	Current Discount Rate (7.125%)	1% Increase (8.125%)
Town's Net Pension Liability	\$ 322,193	\$ 264,815	\$ 216,549

The Town's most recent actuarial valuation is as of July 1, 2018. The following changes were adopted by the Town and incorporated into the July 1, 2018 valuation: (1) change in mortality tables, (2) a reduction in the discount rate from 7.25% to 7.125%, and (3) change in amortization increase rate from 2.00% to 1.75% per year.

Schedule of Funding Progress (in Thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percent of Covered Payroll ((b-a)/c)
July 1, 2018	\$ 200,504	\$ 469,051	\$ 268,547	42.7%	\$ 60,176	446.3%
July 1, 2017	189,993	452,993	263,000	41.9%	58,708	448.0%
July 1, 2016	179,642	414,533	234,891	43.3%	58,065	404.5%
July 1, 2015	173,141	403,746	230,605	42.9%	56,649	407.1%
July 1, 2014	159,254	367,482	208,228	43.3%	55,892	372.6%

Schedule of Employer Contributions (in Thousands)

Fiscal Year	Actuarial Determined Contribution	Actual Contribution	Percentage Contributed
2020 ¹	\$ 25,232	\$ 25,232	100.0%
2019 ²	23,880	23,880	100.0%
2018	21,615	21,615	100.0%
2017	20,551	20,551	100.0%
2016	17,917	17,917	100.0%

¹ Adopted budget.

² Unaudited estimate.

Other Post-Employment Benefits

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. Eligibility and premium sharing information is detailed in the various collective bargaining agreements and is summarized in the Town's financial statements.

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 (the "OPEB Board"), which provides policy oversight. The OPEB Board consist of six members, three appointed by the Town Council and three appointed by the Board of Education, who each serve three year terms.

In 1985, the Town established a reserve fund for retiree health care benefits. Annual contributions to the reserve fund are made by the Town and employees, and health care costs for retirees are paid from this fund. The Town actuarially measures its post-employment benefit ("OPEB") obligations every two years in order to determine its liability and model its funding policy. The Town's funding policy calls for increasing contributions from the General Fund and employees, as well as Medi-gap reimbursements and investment income on the reserve balance, in order to fund current retiree health benefits and grow the reserve to cover future claims costs. As of June 30, 2019 the reserve had a balance of \$14.3 million.

The Town has negotiated significant changes in the retirement benefits for new employees in all union labor contracts. For non-public safety employees, the normal retirement age was increased from 55 to 65 years of age and the early retirement age was increased from 45 to 55 years of age. The required years of service for the Police and Fire Unions, was increased from 20 to 25 years. A minimum age of 50 was established for retirement for the Fire Union. In addition, overtime was removed from pension calculations for all police and fire new hires and the retirement multiplier was reduced from 2.5 times years of service to 2.0 times years of service. These changes will have a long term effect on retiree pension and health care liabilities as the existing workforce retires and new employees are hired to replace them. During fiscal year 2009 the Town established an OPEB Trust Fund from which benefits for these new employees will be paid. The Town continues long-term financial

planning to manage liabilities and funding for post-employment pension and health care benefits for employees and has implemented the new accounting standards that address this issue.

For fiscal year 2016-17, the Town implemented Government Accounting Standards Board's ("GASB") Statement No. 74. In accordance with GASB Statement No. 74, the net position is based on the fair market value as of the end of the fiscal year and the total OPEB liability is based on the actuarial assumptions as of the prior valuation date updated to the end of the fiscal year. The components of the net OPEB liability of the Town as of June 30, 2019 were as follows:

	(in Thousands)			
	2019	2018	2017	2016
Total OPEB liability	\$ 180,223	\$ 179,124	\$ 157,148	\$ 152,469
Plan fiduciary net position	7,205	4,762	2,961	1,440
Net OPEB liability	<u>\$ 173,018</u>	<u>\$ 174,362</u>	<u>\$ 154,187</u>	<u>\$ 151,029</u>
Plan fiduciary net position as a % of total OPEB liability	4.00%	2.66%	1.88%	0.94%

The following represents the net OPEB liability of the Town, calculated using the current discount rate, as well as discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	(in Thousands)		
	1% Decrease (6.25%)	Current Rate (7.25%)	1% Increase (8.25%)
Town's Net OPEB Liability	\$ 195,209	\$ 173,018	\$ 154,626

The following represents the net OPEB liability of the Town, calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rate:

	(in Thousands)		
	1% Decrease (6.10% decreasing to 3.6%)	Current Rate (7.10% decreasing to 4.6%)	1% Increase (8.10% decreasing to 5.6%)
Town's Net OPEB Liability	\$ 151,060	\$ 173,018	\$ 199,930

The following presents historical information regarding the post-employment benefit funding progress. The Town's most recent complete actuarial valuation was effective July 1, 2017. Please see "Appendix A", for more information.

Schedule of Funding Progress (in Thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percent of Covered Payroll ((b-a)/c)
July 1, 2017	\$ 2,960	\$ 169,415	\$ 166,455	1.7%	\$ 116,440	143.0%
July 1, 2015	702	147,594	146,892	0.5%	105,853	138.8%
July 1, 2013	183	118,865	118,682	0.2%	127,047	93.4%
July 1, 2011	80	107,490	107,410	0.1%	121,405	88.5%
July 1, 2009	20	89,038	89,018	0.0%	116,938	76.1%

Schedule of Employer Contributions (in Thousands)

Fiscal Year	Actuarial Required Contribution	Actual Contribution	Percentage Contributed
2020 ¹	\$ 14,836	\$ 12,180	82.1%
2019 ²	14,255	11,780	82.6%
2018	12,689	12,208	96.2%
2017	11,981	12,019	100.3%
2016	11,251	10,813	96.1%

¹ Adopted budget.

² Unaudited estimate.

Investment Policy for Operating and Pension Funds

Eligible investments for Connecticut municipalities are governed by the Connecticut General Statutes, Sections 7-400, 7-402, and 7-403. Refer to the "Notes to the General Purpose Financial Statements," Note 3. Cash, Cash Equivalents and Investments, regarding the Town's investments and investment policies.

The Town invests operating funds in qualified public depositories or the State of Connecticut Short Term Investment Fund ("STIF"). STIF was authorized in 1978 (P.A. 78-236) to enable the State Treasurer to invest various state funds. Section 3-27a ("CGS") spells out the various governmental entities eligible to participate in STIF. Section 3-27d details eligible investments for STIF as those relating to the investments approved for savings banks, or U.S. government obligations, U.S. agency obligations, U.S. postal service obligations, certificates of deposit, commercial paper, corporate bonds, savings accounts and bank acceptances, and repurchase agreements relating to the above securities. Section 3-27f authorizes all agencies, instrumentalities, and political subdivisions of the State of Connecticut to invest in STIF.

Assessment Practices

The maintenance of an equitable tax base and the location and appraisal of all real and personal property within the Town for inclusion on the Grand List is the responsibility of the Town Assessor. The Grand List represents the total assessed values for all taxable real and personal property located within the Town on October 1 of a given year. Assessments for real property are computed at 70 percent of the estimated market value at the time of the last revaluation. Revaluations are conducted in accordance with Connecticut General Statutes, currently every five years. The Town last conducted a revaluation for the grand list of October 1, 2016 which was effective for fiscal year 2017-18.

When the building of a new structure - or modification to an existing structure - is undertaken, the Assessment Department receives a copy of the permit issued by the Building Inspection Division of the Community Development Department. A physical inspection is then completed and the structure classified and priced from a schedule developed at the time of the last revaluation. The proper depreciation and obsolescence factors are also considered when arriving at an equitable value.

Motor vehicle lists are furnished to the Town by the State of Connecticut and appraisals of motor vehicles are accomplished in accordance with NADA price guides with a valuation schedule recommended by the Office of Policy and Management in cooperation with the Connecticut Association of Assessing Officials.

All business personal property (furniture, fixtures, equipment and machinery) is valued annually. An assessor's check and audit is completed periodically. Assessments for both personal property and motor vehicles are computed at 70 percent of present market value.

Tax Collection Procedure

Property taxes are levied on all assessed property on the Grand List 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 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. A margin against delinquencies, legal reductions, and Grand List adjustments, such as assessor errors, is provided by including a modest estimate for prior years' delinquent taxes when computing anticipated property tax revenue from the current levy. A modest estimate for interest and lien fees anticipated to be collected during the fiscal year is normally included as a revenue item in the budget. 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 1½ percent per month retroactive to the original due date. In accordance with state law, the oldest outstanding tax is collected first. Outstanding real estate tax accounts are automatically lienied each year in June, with legal demands and alias tax warrants used in the collection of personal property and motor vehicle tax bills.

Comparative Assessed Valuations

(Amounts Expressed in Thousands)

Grand List as of 10/1	Real Property ¹			Personal Property ¹		Less: Exemption on Taxable Property	Net Taxable Grand List	Total Direct Tax Rate
	Residential	Commercial	Industrial	Other	Motor Vehicle			
2018	\$4,533,613	\$1,076,472	\$85,861	\$242,671	\$437,930	\$61,813	\$6,314,734	41.80
2017	4,524,296	1,061,804	87,823	237,868	436,673	63,346	6,285,118	41.00
2016 ²	4,517,901	1,038,528	87,682	213,611	429,408	54,419	6,232,711	41.04 ³
2015	4,467,509	854,835	81,443	218,497	422,102	63,913	5,980,473	39.51 ⁴
2014	4,448,363	846,482	81,656	218,010	419,255	67,595	5,946,171	38.31
2013	4,429,342	845,804	86,007	212,811	415,829	65,131	5,924,662	37.37
2012	4,410,715	845,821	86,130	204,405	406,403	64,939	5,888,535	36.30
2011 ²	4,399,030	843,891	86,022	201,370	413,576	65,870	5,878,019	35.75
2010	4,763,366	842,798	71,412	197,281	387,159	1,227,614	5,034,402	39.44
2009	4,738,213	837,183	71,579	197,343	366,554	1,211,022	4,999,850	38.38

¹ Assessed Value is 70% of Estimated Actual Value.

² Year of revaluation.

³ For fiscal year 2017-18 the mill rate for real and personal property was 41.04 mills and the mill rate for motor vehicles was 32.00 mills. Pursuant to Public Act 17-2 of the Connecticut General Assembly (June 2017 Special Session), the mill rate for motor vehicles was capped at 39.00 mills. ("Motor Vehicle Property Tax Rate" herein).

⁴ For fiscal year 2016-17 the mill rate for real and personal property was 39.51 mills and the mill rate for motor vehicles was 37.00 mills. Pursuant to Public Act No. 16-3 of the Connecticut General Assembly (May 2016 Special Session), the mill rate for motor vehicles was capped at 37.00 mills. (See "Motor Vehicle Property Tax Rate" herein).

Source: Assessor's Office, Town of West Hartford.

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Exempt Property

(Assessed Value, Amounts Expressed in Thousands)

Public	Assessed Value as of 10/1/18
Federal	\$ 10,798
Town of West Hartford	145,085
State of Connecticut	21,479
Sub-Total Public	<u>177,362</u>
Private	
Public Service Companies	4,086
Scientific, Educational, Historical, Charitable	354,383
Churches	131,004
Cemeteries	12,830
Veteran's Organizations	1,161
Recreation	71,463
Private Colleges and Hospitals	115,708
Sub-Total Private	<u>690,635</u>
Total Exempt Property	<u>\$ 867,997</u>
Percent of Net Taxable Grand List of 10/1/18	13.75%

Source: Assessor's Office, Town of West Hartford.

Principal Taxpayers

(Amounts Expressed in Thousands)

Name of Taxpayer	Nature of Business	Grand List of October 1, 2018		
		Taxable Value	Rank	Percent of Total
Sof-Ix Blue Back Square Holdings LP ...	Retail, Office, Apartments, Residential .	\$ 80,035	1	1.27%
West Farms Mall LLC	Mall	52,580	2	0.83%
Connecticut Light & Power	Utility	44,539	3	0.71%
Corbins Corner Shopping Center LLC ...	Shopping Center	42,378	4	0.67%
SF WH Property Owner LLC.....	Shopping Center/Hotel.....	29,271	5	0.46%
Town Center West Associates	Office, Retail	28,069	6	0.44%
McAuley Center Incorporate.....	Assisted Living	25,530	7	0.40%
BFN Westgate LLC	Apartments	20,516	8	0.32%
Steele Road LLC	Apartments	20,048	9	0.32%
Bishop's Corner (E&A) LLC	Shopping Center	18,884	10	0.30%
Total.....		<u>\$361,850</u>		<u>5.72%</u>

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

Source: Assessor's Office, Town of West Hartford.

Property Tax Levies and Collections
(Amounts Expressed in Thousands)

Fiscal Year Ending 6/30	Total Tax Rate (In Mills)	Total Tax Levy for Fiscal Year	Collected within Fiscal Year of Levy		Collections Subsequent Years	Total Collections to Date	
			Collections	Percentage of Levy		Collections	Percentage of Levy
2020 ¹	41.80	\$261,406	n/a	n/a	n/a	n/a	n/a
2019 ²	41.00	258,647	\$256,840	99.3%	n/a	\$256,840	99.3%
2018 ³	41.04 ⁴	252,998	251,419	99.4%	\$562	251,981	99.6%
2017	39.51 ⁵	236,740	234,921	99.2%	1,464	236,385	99.9%
2016	38.31	229,112	227,450	99.3%	1,057	228,507	99.7%
2015	37.37	222,213	220,483	99.2%	1,302	221,785	99.8%
2014	36.30	214,310	212,530	99.2%	1,360	213,890	99.8%
2013 ³	35.75	210,065	208,258	99.1%	1,460	209,718	99.8%
2012	39.44	199,192	197,344	99.1%	1,433	198,777	99.8%
2011	38.38	192,761	190,585	98.9%	1,757	192,342	99.8%

n/a - information not yet available

¹ Adopted Budget

² Unaudited estimate

³ Year of revaluation

⁴ For fiscal year 2017-18 the mill rate for real and personal property was 41.04 mills and the mill rate for motor vehicles was 32.00 mills. Pursuant to Public Act 17-2 of the Connecticut General Assembly (June 2017 Special Session), the mill rate for motor vehicles was capped at 39.00 mills. ("Motor Vehicle Property Tax Rate" herein).

⁵ For fiscal year 2016-17 the mill rate for real and personal property was 39.51 mills and the mill rate for motor vehicles was 37.00 mills. Pursuant to Public Act No. 16-3 of the Connecticut General Assembly (May 2016 Special Session), the mill rate for motor vehicles was capped at 37.00 mills. (See "Motor Vehicle Property Tax Rate" herein).

Source: Revenue Collection Division, Town of West Hartford.

Property Taxes Receivable
(Amounts Expressed in Thousands)
(As of June 30, 2019)

Grand List Year	Total Tax Levy for Fiscal Year	Remaining Uncollected Levy	Percent of Levy Uncollected
2017	\$258,647	\$1,807	0.7%
2016	252,998	1,579	0.6%
2015	236,740	712	0.3%
2014	229,112	230	0.1%
2013	222,213	117	0.1%
2012	214,310	102	0.0%
2011	210,065	82	0.0%
2010	199,192	41	0.0%
2009	192,761	39	0.0%
2008	186,542	31	0.0%

Source: Tax Collector's Report, Town of West Hartford.

Revenues

The Town derives its revenues from a direct tax levy on property, State and Federal aid, various fees and charges, and other miscellaneous sources. Town revenues are summarized for fiscal years ended 2014-2018 in "Statements of General Fund Revenues, Expenditures and Changes in Fund Balance-General Fund" herein.

Property Tax Revenues

(Amounts Expressed in Thousands)

Fiscal Year	General Fund Revenues & Transfers in	Property Tax Revenues	Property Tax Revenues as a Percentage of Fund Revenues
2020 ¹	\$296,494	\$263,678	88.9 %
2019 ²	291,295	258,047	88.6
2018	322,008	253,000	78.6
2017	304,245	236,916	77.9
2016	281,874	229,630	81.5
2015	271,837	223,063	82.1
2014	264,659	214,923	81.2
2013	257,007	210,571	81.9
2012 ³	253,929	200,033	78.8
2011	232,133	192,984	83.1

¹ Adopted budget, budgetary basis, does not include on-behalf payments to the Connecticut State Teachers' Retirement System.

² Unaudited estimate, budgetary basis, does not include on-behalf payments to the Connecticut State Teachers' Retirement System.

³ In fiscal year 2012, the Town incurred expenditures of \$12 million related to clean up for Winter Storm Alfred, an unusual October 2011 snowstorm. The Town received reimbursement of \$9.1 million from the Federal Emergency Management Agency (FEMA).

Source: Annual audited financial statements; fiscal year 2018-19 unaudited estimate and fiscal year 2019-20 adopted budget.

Intergovernmental Revenues

(Amounts Expressed in Thousands)

Fiscal Year	General Fund Revenues & Transfers in	Intergovernmental Revenue	Aid As a Percentage Of General Fund Revenues
2020 ¹	\$296,494	\$24,268	8.2 %
2019 ²	291,295	24,441	8.4
2018	322,008	57,711	17.9
2017	304,245	59,758	19.6
2016	281,874	44,086	15.6
2015	271,837	41,016	15.1
2014	264,659	43,115	16.3
2013	257,007	39,863	15.5
2012 ³	253,929	46,477	18.3
2011	232,133	32,117	13.8

¹ Adopted budget, budgetary basis, does not include on-behalf payments to the Connecticut State Teachers' Retirement System.

² Unaudited estimate, budgetary basis, does not include on-behalf payments to the Connecticut State Teachers' Retirement System.

³ In fiscal year 2012, the Town incurred expenditures of \$12 million related to clean up for Winter Storm Alfred, an unusual October 2011 snowstorm. The Town received reimbursement of \$9.1 million from the Federal Emergency Management Agency (FEMA).

Source: Annual audited financial statements; fiscal year 2018-19 unaudited estimate and fiscal year 2019-20 adopted budget.

Motor Vehicle Property Tax Rate

Connecticut General Statutes Section 12-71e creates a cap on the local property tax mill rate for motor vehicles. The statute provides that (1) for the assessment year October 1, 2016 (the fiscal year ending June 30, 2018), the mill rate for motor vehicles shall not exceed 39 mills, and (2) for the assessment year October 1, 2017 (the fiscal year ending June 30, 2019), and each assessment year thereafter, the mill rate for motor vehicles shall not exceed 45 mills. No district or borough may set a motor vehicle mill rate that if combined with the motor vehicle mill rate of the town or city in which such district or borough is located would result in a combined motor vehicle mill rate in excess of these mill rate caps. For fiscal year 2019-20 the Town issued motor vehicles tax bills based on a mill rate of 41.80.

For the fiscal year ending June 30, 2018, motor vehicle property tax grants to municipalities that impose mill rates on real property and personal property other than motor vehicles greater than 39 mills or that, when combined with the mill rate of any district located within the municipality, impose mill rates greater than 39 mills, shall be made in an amount equal to the difference between the amount of property taxes levied by the municipality and any district located within the municipality on motor vehicles for the assessment year October 1, 2013 (the fiscal year ending June 30, 2015), and the amount such levy would have been if the mill rate on motor vehicles for that assessment year was 39 mills. For the fiscal year ending June 30, 2019, and each fiscal year thereafter, motor vehicle property tax grants to municipalities that impose mill rates on real property and personal property other than motor vehicles greater than 45 mills or that, when combined with the mill rate of any district located within the municipality, impose mill rates greater than 45 mills, shall be made in an amount equal to the difference between the amount of property taxes levied by the municipality and any district located within the municipality on motor vehicles for the assessment year October 1, 2013, and the amount such levy would have been if the mill rate on motor vehicles for that assessment year was 45 mills.

Municipal Budget Expenditures Cap

Connecticut General Statutes Section 4-661 creates a cap on adopted general budget expenditures for municipalities in Connecticut in order for municipalities to be eligible to receive the full amount of the State's municipal revenue sharing grant. Beginning in fiscal year ending June 30, 2018, and in each fiscal year thereafter, the Office of Policy and Management ("OPM") must reduce the municipal revenue sharing grant amount for those municipalities whose adopted general budget expenditures (with certain exceptions including but not limited to debt service, special education, implementation of court orders or arbitration awards, budgeting for an audited deficit, nonrecurring grants, capital expenditures of \$100,000 or more, or payments on unfunded pension liabilities, and certain major disaster or emergency expenditures) exceeds the spending limits specified in the statute. For each applicable fiscal year, OPM must determine the municipality's percentage growth in general budget expenditures over the prior fiscal year and reduce the grant if the growth rate is equal to or greater than 2.5% or the inflation rate, whichever is greater, each of those amounts adjusted by an amount proportionate to any increase in the municipality's population from the previous fiscal year. The reduction is generally equal to 50 cents for every dollar the municipality spends over this cap. Each municipality must annually certify to the Secretary of the OPM whether such municipality has exceeded the cap set forth in the statute and if so the amount by which the cap was exceeded. The 2019-2021 biennium budget legislation did not provide funding for the municipal revenue sharing grant in the fiscal years ending June 30, 2020 and June 30, 2021, and accordingly, the Town will not receive a municipal revenue sharing grant in fiscal year 2019-2020.

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General Fund Expenditures

Fiscal Year	Education	Public Safety	Non- Departmental¹	Community Maintenance	Transfers Out²	General Government	Human & Cultural
2020 ³	56.9%	9.6%	17.4%	5.3%	6.4%	2.2%	2.2%
2019 ⁴	56.2%	10.0%	16.4%	5.4%	7.8%	2.1%	2.2%
2018	61.0%	8.3%	14.6%	4.8%	7.4%	1.9%	2.0%
2017	61.1%	8.7%	13.9%	5.1%	7.0%	2.1%	2.1%
2016	59.5%	9.3%	14.1%	5.6%	7.3%	2.1%	2.2%
2015	60.0%	9.5%	13.7%	5.8%	6.8%	2.0%	2.2%
2014	60.7%	9.6%	13.0%	5.9%	6.3%	2.0%	2.3%
2013	60.6%	10.0%	12.7%	6.0%	6.4%	2.0%	2.3%
2012	58.8%	10.0%	16.0%	5.7%	5.3%	2.0%	2.2%
2011	60.3%	10.2%	11.2%	6.5%	7.3%	2.2%	2.4%

¹ Includes pension and risk management costs, Metropolitan District Commission ("MDC") assessment for water and sewer services, health district assessment and contingency. See "Overlapping Debt" herein for more information on the Town's membership with the MDC.

² Includes transfers to Debt Service Fund and non-public school health and transportation expenses.

³ Adopted budget, budgetary basis, does not include on-behalf payments to the Connecticut State Teachers' Retirement System.

⁴ Unaudited estimate, budgetary basis, does not include on-behalf payments to the Connecticut State Teachers' Retirement System.

Source: Annual audited financial statements; fiscal year 2018-19 unaudited estimate and fiscal year 2019-20 adopted budget.

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Comparative General Fund Operating Statement
 Budget and Actual (Budgetary Basis)
 (Amounts Expressed In Thousands)

	Fiscal Year 2017-18			Fiscal Year 2018-19	Fiscal Year 2019-20
	Revised Budget	Actual	Variance Favorable (Unfavorable)	Unaudited Estimate	Adopted Budget
REVENUES					
Property Taxes	\$ 252,223	\$ 253,000	\$ 777	\$ 258,047	\$ 263,678
Intergovernmental	28,640	21,978	(6,662)	24,441	24,268
Charges for Services	5,592	5,579	(13)	5,768	6,083
Investment Income.....	884	987	103	1,713	1,300
Miscellaneous	769	1,155	386	893	701
TOTAL REVENUES	288,108	282,699	(5,409)	290,862	296,030
EXPENDITURES					
Current:					
General Government	5,969	5,969	-	\$ 6,229	\$ 6,387
Public Safety	26,537	26,537	-	28,992	28,471
Community Maintenance	15,633	15,239	394	15,448	15,436
Human & Cultural Resources	6,330	6,330	-	6,268	6,625
Education	159,575	158,523	1,052	163,007	168,801
Debt and sundry	50,935	46,400	4,535	47,625	51,701
TOTAL EXPENDITURES	264,979	258,998	5,981	267,569	277,421
Excess (deficiency) of revenues over expenditures	23,129	23,701	572	23,293	18,609
Other financing sources (uses):					
Operating transfers in	448	3,577	3,129	433	464
Operating transfers out ¹	(23,577)	(23,568)	9	(22,787)	(19,073)
Total Other financing sources (uses) ..	(23,129)	(19,991)	3,138	(22,354)	(18,609)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ 3,710	\$ 3,710	\$ 939	\$ -

¹ Includes transfers to Debt Service Fund and non-public school health and transportation expenses.

Source: Town annual audited financial statements; annual budgets.

Comparative Balance Sheet – General Fund

Fiscal Year Ended:	(In Thousands)				
	2014	2015	2016	2017	2018
Assets					
Cash and cash equivalents	\$ 41,369	\$ 43,244	\$ 32,548	\$ 34,059	\$ 41,047
Investments	-	-	10,187	10,211	8,900
Receivables, net	3,592	3,144	3,182	3,444	3,336
Due from other funds	2,447	2,287	2,355	2,457	2,494
Inventories	178	172	257	193	289
Total Assets	\$ 47,586	\$ 48,847	\$ 48,529	\$ 50,364	\$ 56,066
Liabilities					
Accounts payable	\$ 2,738	\$ 2,434	\$ 2,639	\$ 2,847	\$ 2,640
Payroll liabilities	4,277	3,933	5,070	6,503	8,142
Other liabilities	866	735	670	792	888
Unearned revenue	1,292	1,316	1,433	1,347	2,478
Total Liabilities	9,173	8,418	9,812	11,489	14,148
Deferred Inflows of Resources					
Unavailable revenue - property taxes ..	1,920	1,748	1,789	2,174	2,006
Unavailable revenue - school grants ...	615	494	374	253	-
Advance tax collections	15,673	17,132	14,762	13,903	13,685
Total Deferred Inflows of Resources	18,208	19,374	16,925	16,330	15,691
Fund Balances (Deficits)					
Nonspendable	178	172	257	193	289
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	374	262	441	541	500
Unassigned	19,653	20,621	21,094	21,811	25,438
Total Fund Balances	20,205	21,055	21,792	22,545	26,227
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)	\$ 47,586	\$ 48,847	\$ 48,529	\$ 50,364	\$ 56,066

Source: Town annual audited financial statements.

Statement of Revenues, Expenditures and Changes in Fund Balance - General Fund

Fiscal Year Ended:	(In Thousands)				
	2014	2015	2016	2017	2018
Revenues					
Property taxes	\$214,923	\$223,062	\$229,630	\$236,916	\$253,000
Intergovernmental	43,115	41,016	44,086	59,758	57,711
Charges for services	4,741	5,711	5,625	5,374	5,579
Income on investments	256	282	629	377	987
Miscellaneous	775	844	976	1,227	1,154
Total Revenues	\$263,810	\$270,915	\$280,946	\$303,652	\$318,431
Expenditures					
Current:					
General government	5,328	5,393	5,807	6,300	5,954
Public Safety	25,368	25,609	26,100	26,445	26,530
Community maintenance	15,669	15,701	15,681	15,591	15,198
Human and cultural	6,079	6,055	6,230	6,309	6,324
Education	160,266	162,477	167,362	185,537	194,291
Debt and sundry	34,431	37,184	39,573	42,094	46,427
Capital outlay	102	132	88	62	34
Total Expenditures	247,243	252,551	260,841	282,338	294,758
Excess (deficiency) of revenues over expenditures	16,567	18,364	20,105	21,314	23,673
Other financing sources (uses):					
Operating transfers in	849	922	928	593	3,577
Operating transfers (out)	(16,654)	(18,436)	(20,425)	(21,154)	(23,568)
Issuance of refunding bonds	-	-	12,295	-	-
Bond premium on refunding	-	-	1,258	-	-
Payment to refunded bond escrow agent ..	-	-	(13,424)	-	-
Total other financing sources (uses)	(15,805)	(17,514)	(19,368)	(20,561)	(19,991)
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	762	850	737	753	3,682
Fund Balance - July 1	19,443	20,205	21,055	21,792	22,545
Fund Balance - June 30	\$ 20,205	\$ 21,055	\$ 21,792	\$ 22,545	\$ 26,227

Source: Town annual audited financial statements.

VI. ADDITIONAL INFORMATION

Litigation

In the opinion of the Town's Corporation Counsel, as of the date of this Official Statement, there are no claims or litigation pending or to his knowledge threatened, which would individually or in the aggregate result in final judgments against the Town that would have a material adverse effect on the finances of the Town or its financial position or the power of the Town to levy and collect taxes.

Availability of Continuing Disclosure Information

The Town of West Hartford prepares, in accordance with State law, annual audited financial statements and files such annual audits with the State Office of Policy and Management within six months of the end of its fiscal year.

In accordance with the requirements of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission, the Town will agree to provide, or cause to be provided, (i) annual financial information and operating data, (ii) timely, but not in excess of ten (10) business days after the occurrence of the event, notice of the occurrence of certain events with respect to the Bonds and (iii) timely notice of a failure by the Town to provide the required annual financial information and operating data on or before the date specified in the Continuing Disclosure Agreements, pursuant to Continuing Disclosure Agreements to be executed by the Town substantially in the forms attached as Appendix D and Appendix E to this Official Statement.

The Town has previously undertaken in continuing disclosure agreements entered into for the benefit of holders of certain of its general obligation bonds and notes to provide certain annual financial information and event notices pursuant to Rule 15c2-12(b)(5).

In the past five (5) years, the Town has not failed to comply, in any material respect, with its undertakings in such continuing disclosure agreements.

The Town is not responsible for any failure by EMMA or any other nationally recognized municipal securities information repository to timely post disclosure submitted to it by the Town or any failure to associate such submitted disclosure to all related CUSIPs.

Municipal Advisor

The Town has retained Hilltop Securities Inc. (the "Municipal Advisor") to serve as its municipal advisor in connection with the issuance of the Bonds. The Municipal Advisor has not independently verified any of the information contained in this Official Statement and makes no guarantee as to its completeness or accuracy. The Town may engage the Municipal Advisor to perform other services, including without limitation, providing certain investment services with regard to the investment of Bond proceeds.

Documents Accompanying the Delivery of the Series 2019C Bonds:

The Underwriter will be furnished the following documents when the Series 2019C Bonds are delivered:

1. Signature and No Litigation Certificates stating that at the time of delivery no litigation is pending or threatened affecting the validity of the Series 2019C Bonds or the levy or collection of taxes to pay them.

2. A certificate on behalf of the Town signed by the Town Manager and the Director of Financial Services, which will be dated the date of delivery, together with a signed copy of the Official Statement, and which will certify, to the best of said officials' knowledge and belief, that as of the date of the execution of the Series 2019C Purchase Agreement, statements in the Official Statement relating to the Town and its finances were true and correct in all material respects and did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, and that there has been no material adverse change in the financial condition of the Town from that set forth in or contemplated by the Official Statement.

3. Receipt for the purchase price of the Series 2019C Bonds.

4. The approving opinion of Shipman & Goodwin LLP, Bond Counsel of Hartford, Connecticut substantially in the form attached as Appendix B to this Official Statement.

5. Executed Continuing Disclosure Agreement substantially in the form attached as Appendix D to this Official Statement.

6. Such other documents as required by the Series 2019C Purchase Agreement.

Documents Accompanying the Delivery of the Series 2020B Bonds:

The Underwriter will be furnished the following documents when the Series 2020B Bonds are delivered:

1. Signature and No Litigation Certificates stating that at the time of delivery no litigation is pending or threatened affecting the validity of the Series 2020B Bonds or the levy or collection of taxes to pay them.

2. A certificate on behalf of the Town signed by the Town Manager and the Director of Financial Services, which will be dated the date of delivery, together with a signed copy of the Official Statement, and which will certify, to the best of said officials' knowledge and belief, that as of the date of the execution of the Series 2020B Purchase Agreement, statements in the Official Statement relating to the Town and its finances were true and correct in all material respects and did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, and that there has been no material adverse change in the financial condition of the Town from that set forth in or contemplated by the Official Statement.

3. Receipt for the purchase price of the Series 2020B Bonds.

4. The approving opinion of Shipman & Goodwin LLP, Bond Counsel of Hartford, Connecticut substantially in the form attached as Appendix C to this Official Statement.

5. Executed Continuing Disclosure Agreement substantially in the form attached as Appendix E to this Official Statement.

6. Such other documents as required by the Series 2020B Purchase Agreement.

The Town of West Hartford, Connecticut has prepared an Official Statement for the Bond issue, which is dated December 4, 2019. The Town deems such Official Statement final as of its date for purposes of SEC Rule 15c2-12 (b) (1), but it is subject to revision or amendment.

A record of the proceedings taken by the Town in authorizing the Bonds will be kept on file at the principal office of the Paying Agent, U.S. Bank National Association, in Hartford, Connecticut and may be examined upon reasonable notice.

Concluding Statement

To the extent that any statements made in this Official Statement involve matters of opinion or estimates, such statements are made as such and not as representations of fact or certainty, and no representation is made that any of such statements will be realized. Information herein has been derived by the Town of West Hartford from official and other sources and is believed by the Town of West Hartford to be reliable, but such information, other than that obtained from official records of the Town of West Hartford, has not been independently confirmed or verified by the Town of West Hartford and its accuracy is not guaranteed.

Additional information may be obtained upon request from the Department of Finance, Attn. Mr. Peter Privitera, Director of Financial Services, or Mrs. Lisa Newton, Financial Operations Manager, Town Hall, 50 South Main Street, West Hartford, CT 06107, (860) 561-7460.

This Official Statement has been duly prepared and delivered by the Town, and executed for and on behalf of the Town of West Hartford by the following officials:

TOWN OF WEST HARTFORD,
CONNECTICUT

/s/ Matthew Hart

Matthew Hart
Town Manager

/s/ Peter Privitera

Peter Privitera
Director of Financial Services

Dated as of December 4, 2019

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APPENDIX A - AUDITED FINANCIAL STATEMENTS

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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, 2018, and the related notes to the financial statements, which collectively comprise the Town of West Hartford, Connecticut's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the Town of West Hartford, Connecticut, as of June 30, 2018 and the respective changes in financial position and, where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Changes in Accounting Principle

As discussed in Note 13 to the financial statements, during the fiscal year ended June 30, 2018, the Town of West Hartford, Connecticut, adopted new accounting guidance, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. The net position of the Town of West Hartford, Connecticut, has been restated to recognize the net other postemployment benefit liability in accordance with GASB No. 75. Our opinion is not modified with respect to this matter

Other Matters

Required Supplementary Information

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

Blum, Shapiro & Company, P.C.

West Hartford, Connecticut
December 18, 2018

TOWN OF WEST HARTFORD, CONNECTICUT

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

This discussion and analysis of the financial performance of the Town of West Hartford (the Town) is prepared by management to provide a narrative overview and analysis of the Town's financial activities for the fiscal year ended June 30, 2018. We encourage readers to consider the information presented here in conjunction with the Town's financial statements, Exhibits I to IX. All amounts, unless otherwise

stated, are expressed in thousands of dollars.

FINANCIAL HIGHLIGHTS

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

Overview of the Financial Statements

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

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

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

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

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

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

The government-wide financial statements include not only the Town itself, but also a discretely presented component unit known as the West Hartford Center Special Services District which was established in 2004. Financial information for the discretely presented component unit is reported separately from the financial information of the primary government. The government-wide financial statements can be found on pages A-17 - A-18 of this report.

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. The relationship (or differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds is described in the reconciliation at the bottom of the fund financial statements. By reading both of these, readers may better understand the long-term impact of the government's short-term financing decisions.

The Town maintains twenty-seven (27) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statements of revenues, expenditures, and changes in fund balances for the General Fund, Capital Projects Funds (comprised of the Capital Projects Fund and the Capital Non-recurring Expenditure Fund), CDBG (Community Development Block Grant) Housing Rehabilitation Fund, and the Debt Service Funds (comprised of the Debt Service Fund and the Blue Back Square Fund), all of which are considered major funds. The remaining twenty-one (21) funds are combined into a single aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the combining statements located on pages A-89 - A-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 A-73 - A77 of this report.

The basic governmental fund financial statements can be found on pages A-19 - A22.

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 A-28 - A-72.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful tool to analyze a government's financial position. The Town's combined net position decreased from (\$117,015) restated at the end of fiscal year 2017 to (\$127,001) at the end of fiscal year 2018. The discussion below focuses on the net position (Table 1) and changes in net position (Table 2) of the Town's governmental and business-type activities.

The largest component of the Town's net position is its \$215,422 investment in capital assets. This represents capital assets (such as land, buildings, infrastructure, vehicles, machinery and equipment) net of accumulated depreciation, less any related debt outstanding to acquire such assets. These assets are used to provide services to citizens and thus are not available to finance future spending. Although the Town's investment in capital assets is reported net of related debt, it should be noted that resources necessary to repay this debt must be provided from other sources, as capital assets cannot be used to satisfy these liabilities.

An additional \$82 of the Town's net position represents resources subject to use restrictions by external sources. The remaining balance is a deficit of \$342,505 and is comprised of the Town's net pension liability of \$256,026 and OPEB liability of \$174,362 offset by unrestricted funds which may be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements.

TABLE 1
Net Position
In Thousands

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

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

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

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

TABLE 2

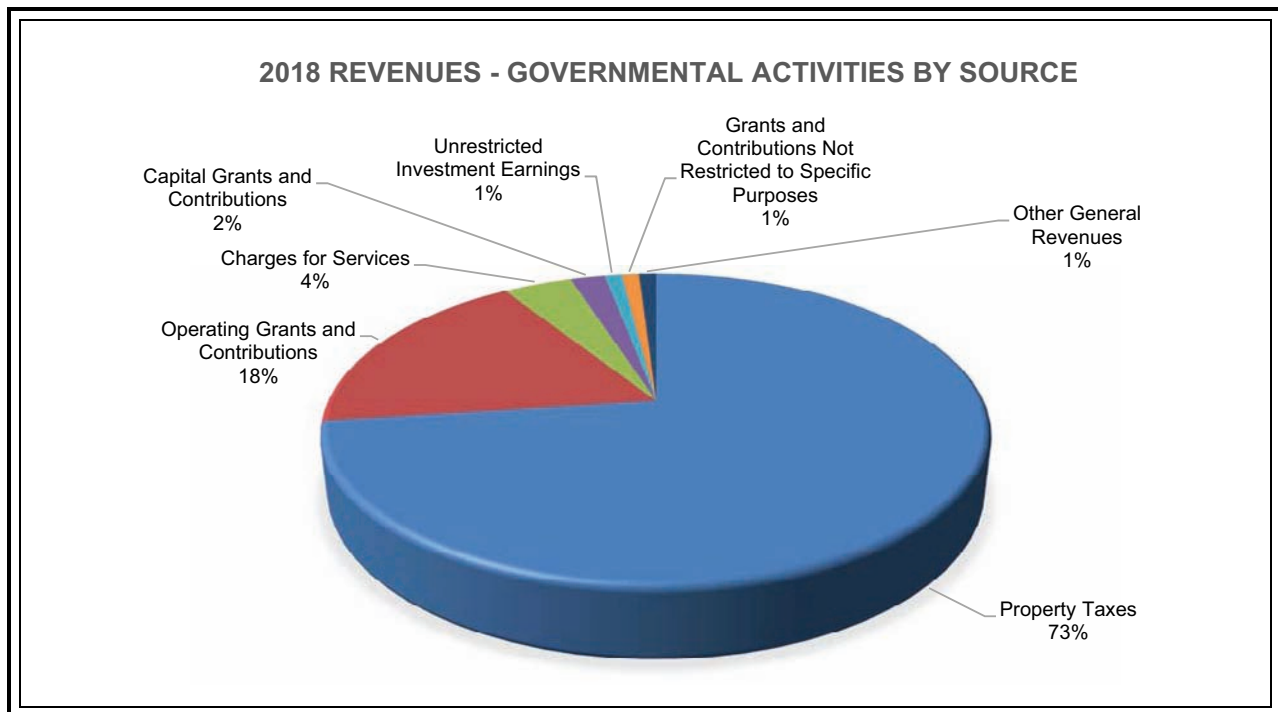
	Changes in Net Position					
	<i>In Thousands</i>					
	Governmental		Business-Type		Total	
	Activities		Activities		Primary Government	
	2018	2017	2018	2017	2018	2017
Revenues:						
Program revenues:						
Charges for services	\$ 15,406	\$ 15,182	\$ 3,814	\$ 2,943	\$ 19,220	\$ 18,125
Operating grants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

Primary Government

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

Governmental Activities

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



Operating grants and contributions totaled \$63,999 in fiscal year 2018, a modest reduction of \$164 from the prior year. Capital grants and contributions decreased \$1,715 from the prior year, the result of fewer school construction grants received from the State of Connecticut as compared to fiscal year 2017. On a government-wide basis, unrestricted investment earnings include both short-term investments in the governmental funds as well as investment income from the risk management reserve accounts. There was a favorable variance of \$381 in unrestricted investment earnings in fiscal year 2018 as compared to the prior year.

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

Program expenses for governmental activities totaled \$356,906 for fiscal year 2018. Approximately 24% of program expenses were supported by program revenues with the balance funded from general revenues, primarily property taxes. Expenses for education (61%), public safety (18%), and community maintenance (12%) comprise 91% of total governmental activities program expenses, with general government, human and cultural, and interest on long-term debt comprising the balance (9%).

2018 EXPENSES - GOVERNMENTAL ACTIVITIES BY FUNCTION

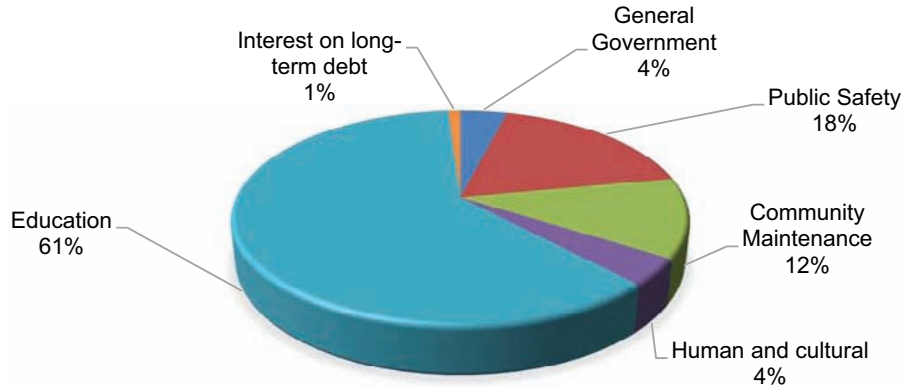
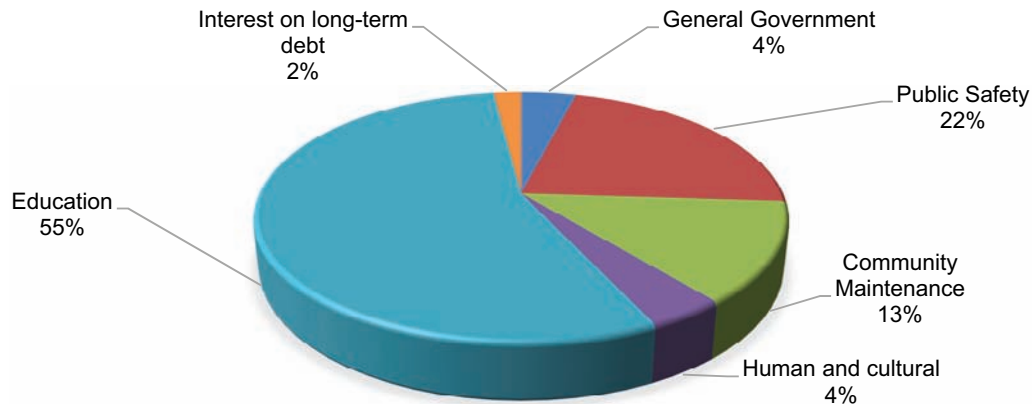


Table 3 presents the total cost and net cost of services (total cost less revenues from non-tax sources directly related to the individual function) for each of the Town's six major functions: education, public safety, community maintenance, human and cultural, general government, and interest on long-term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

TABLE 3
Cost of Governmental Activities by Function
In Thousands

	Total Cost of Services		Net Cost of Services	
	2018	2017	2018	2017
Education	\$ 220,200	\$ 213,041	\$ 151,435	\$ 140,188
Public safety	62,903	56,932	58,351	53,134
Community maintenance	42,443	40,717	34,055	34,495
Human and cultural	13,812	13,144	11,135	10,356
General government	12,947	15,064	11,251	12,992
Interest on long-term debt	4,601	4,696	4,601	4,696
Total	\$ 356,906	\$ 343,594	\$ 270,828	\$ 255,861

2018 NET COST OF SERVICES - GOVERNMENTAL ACTIVITIES BY FUNCTION



Business-Type Activities

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

FUND FINANCIAL ANALYSIS

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

Governmental Funds

As of June 30, 2018, the Town's governmental funds (as presented in the Balance Sheet - Exhibit III) reported a combined fund balance of \$47,705. This represents an increase of \$6,147 or 14.8% from the prior year. Based upon fund balance classification under GASB 54, \$25,438 or 53.3% is unassigned and comprised of fund balance of the General Fund. An additional \$19,322 or 40.5% is committed or constrained for a specific purpose by the Town Council. The remainder is comprised of non-spendable (\$430), restricted (\$2,015), and assigned (\$500) fund balance, as defined in footnote 1.

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

Proprietary Funds

The Town's proprietary fund statements (Exhibits V-VII) provide the same type of information found in the government-wide financial statements, but in more detail. Total net position of proprietary funds was \$19,485 at year-end, a decrease of \$1,474 from the prior year (restated). Net position of the Internal Service Funds increased \$515 due to increased fund premiums in the Risk Management Fund and lower than anticipated expenses in the Utilities Services Fund. As mentioned previously, the Leisure Services Fund experienced a reduction in net position of \$1,989.

General Fund Highlights

Over the course of the year, the Town Council approved budget revisions for factors not known during the budget process. Tables 4 and 5 highlight the changes from the original adopted budget to the final amended budget for fiscal year 2018 and the variance between the final budget and actual results.

TABLE 4					
Summary of General Fund Budget					
Original and Final Estimated Revenues vs. Actual					
In Thousands					
Revenue	Budget		Change	Actual Revenue	(Under) Final Budget
	Original	Final			
Property taxes	\$ 249,923	\$ 252,223	\$ 2,300	\$ 253,000	\$ 777
Federal	8	369	361	383	14
State	28,264	28,271	7	21,595	(6,676)
Charges for services	5,592	5,592		5,579	(13)
Local revenues	755	769	14	1,155	386
Income on investments	384	884	500	987	103
Transfers in	448	448		3,577	3,129
Total	\$ 285,374	\$ 288,556	\$ 3,182	\$ 286,276	\$ (2,280)

General Fund Budgetary Amendments

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

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

General Fund Revenue Variance

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

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

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

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

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

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

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

General Fund Expenditure Variance

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

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2018 the Town had \$368.7 million (net of accumulated depreciation) invested in a broad range of capital assets including land, land improvements, buildings, park facilities, vehicles, furniture and equipment, and infrastructure (such as roads, bridges, dams, storm sewers, and traffic signals) as detailed in Table 6. This amount represents a net increase of \$1.6 million, or 0.4%, from the prior year.

TABLE 6 Capital Assets at Year-end Net of Depreciation In Millions						
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2018	2017	2018	2017	2018	2017
Land	\$ 10.5	\$ 10.6	\$	\$	\$ 10.5	\$ 10.6
Construction in progress	79.8	76.4	1.1	1.6	80.9	78.0
Buildings and land improvements	174.9	173.9	10.5	11.2	185.4	185.1
Furniture and equipment	4.6	4.5	0.1	0.1	4.7	4.6
Vehicles	3.0	3.5			3.0	3.5
Infrastructure	84.2	85.3			84.2	85.3
Total Capital Assets	\$ <u>357.0</u>	\$ <u>354.2</u>	\$ <u>11.7</u>	\$ <u>12.9</u>	\$ <u>368.7</u>	\$ <u>367.1</u>

This slight increase is primarily due to construction of new science classrooms at Hall High School. This project, which began in fiscal year 2018, has an estimated cost of \$12,800,000 with 63% of the cost borne by the State of Connecticut. The Town has no plans to fund current operations from the proceeds of debt issuance. Detailed information about the Town's capital assets is presented in note 5 to the basic financial statements.

Long-Term Debt

On June 30, 2018, the Town had \$147,085 in bonds outstanding versus \$150,455 at the end of the prior year.

Table 7 Outstanding Debt at Year-End In Millions						
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2018	2017	2018	2017	2018	2017
General Obligation Bonds (backed by the Town)	\$ <u>147.1</u>	\$ <u>150.5</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>147.1</u>	\$ <u>150.5</u>

The reduction in outstanding debt results from principal payments on existing debt of \$16,370 in fiscal year 2018, offset by the issuance of \$13,000 in general obligation bonds in January 2018. Long-term debt is discussed in greater detail in note 7 to the financial statements. The Town's general obligation bonds continue to carry the highest ratings awarded by both Moody's Investors Services, Inc. and Standard & Poor's Financial Services, LLC (Aaa and AAA, respectively). These ratings, which have been assigned to the Town since 1972, were reaffirmed by the rating agencies in December 2017.

The State limits the amount of general obligation debt towns can issue based upon a State mandated formula calculated on the type of debt and tax base. The Town's total debt, as calculated by State guidelines, is significantly below the \$1.66 billion State imposed limit. The Town has adopted its own capital financing guidelines which state that annual debt service as a percentage of General Fund expenditures shall not exceed 10% and is targeted to be 8% or less. Actual debt service for fiscal year 2018, inclusive of debt service of the Blue Back Square Fund, was 7.6% of General Fund expenditures. The General Fund portion of debt service was 6.2% of General Fund expenditures. More information on the Town's debt is available in Tables 8, 9 and 10 in the statistical section of this document.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The fiscal year 2019 budget process focused on providing a consistent level of services to residents and visitors while limiting the increase in local taxes. Doing so was challenging as operating expenses continue to increase and there is uncertainty in State aid and diminishing non-tax revenue. The fiscal year 2019 General Fund budget totals \$287,783 and represents an increase of \$9,186 or 3.3% over fiscal year 2018, at the time of adoption. The municipal services portion of the budget totals \$105,869, an increase of \$4,505 or 4.4%. The education budget totals \$164,351, an increase of \$4,494 or 2.8%. The capital financing portion of the budget for both municipal and education services is \$17,562, an increase of \$187 or 1.1%.

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

- Grand List increase of approximately \$48.5 million, or 0.8%;
- A current year property tax collection rate of 99.1%;
- A uniform mill rate for real, personal and motor vehicle property;
- Conservative estimates of non-current year tax revenue;
- Current services budget with no new programs;
- Full funding of the actuarially determined contribution to the Town's Pension Plan; and,
- An increase in the contribution to the Retiree Health Reserve.

In order to finance the budget, an increase in current year property tax revenue of \$6,471 or 2.6% was required. Approximately \$1,900 will be generated as a result of growth in the Grand List, effectively reducing the tax increase for existing taxpayers to 1.9%. In order to generate the necessary property tax revenue, a uniform mill rate of 41.00 was adopted, a reduction of 0.4 mills from the prior year rate on real and personal property and an increase of 9.0 mills on motor vehicles.

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

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

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

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

The accompanying notes are an integral part of the financial statements

TOWN OF WEST HARTFORD, CONNECTICUT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018
(In Thousands)

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

The accompanying notes are an integral part of the financial statements

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

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

(Continued on next page)

TOWN OF WEST HARTFORD, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2018
(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)	\$ 47,705
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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	\$ 617,384	
Less accumulated depreciation	<u>(260,404)</u>	
Net capital assets		356,980

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

Property tax receivables greater than 60 days	2,006
Interest receivable on property taxes	944
Housing loans receivable	2,992
Interest receivable on housing loans	711
Deferred charges	998
Deferred outflows related to pensions	29,461
Deferred outflows related to OPEB	14,614

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

16,056

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

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

Net Position of Governmental Activities (Exhibit I)	<u>\$ (130,430)</u>
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The accompanying notes are an integral part of the financial statements

TOWN OF WEST HARTFORD, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2018
(In Thousands)

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

(Continued on next page)

TOWN OF WEST HARTFORD, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018
(In Thousands)

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

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

Net change in fund balances - total governmental funds (Exhibit IV)	\$ 6,147
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Governmental funds report capital outlays as expenditures. In the statement of activities,
the cost of those assets is allocated over their estimated useful lives and reported as
depreciation expense:

Capital outlay	18,246
Depreciation expense	(14,479)

The statement of activities reports losses arising from the trade-in or disposal of existing capital assets to acquire new capital assets. Conversely, governmental funds do not report any gain or loss on a trade-in or disposal of capital assets.	(1,002)
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Revenues in the statement of activities that do not provide current financial resources are not reported
as revenues in the funds, and revenues recognized in the funds are not reported in the statement of activities:

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

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

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

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

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

Internal service funds are used by management to charge costs to individual funds. The net revenue of certain activities of internal services funds is reported with governmental activities.	515
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Change in Net Position of Governmental Activities (Exhibit II)	\$ (7,997)
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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, 2018
(In Thousands)

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

The accompanying notes are an integral part of the financial statements

**TOWN OF WEST HARTFORD, CONNECTICUT
STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN FUND NET POSITION - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2018
(In Thousands)**

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

The accompanying notes are an integral part of the financial statements

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

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

The accompanying notes are an integral part of the financial statements

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

	Pension and Other Employee Benefit Trust Funds	Student Activity Fund
Assets:		
Cash and cash equivalents	\$ 697	\$ 1,118
Investments:		
Mutual funds	159,448	
Common stock	26,998	
Alternative investments	25,059	
Receivables:		
Interest and dividends	14	
Total assets	<u>212,216</u>	<u>\$ 1,118</u>
Liabilities:		
Accounts and other payables	<u>230</u>	<u>\$ 1,118</u>
Net Position:		
Restricted for Pension and OPEB Benefits	<u>\$ 211,986</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, 2018
(In Thousands)

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

The accompanying notes are an integral part of the financial statements

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

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

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

Discretely Presented Component Unit

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

B. Government-Wide and Fund Financial Statements

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

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

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

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

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

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

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

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

The Town reports the following major governmental funds:

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

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

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

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

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

The Town reports the following major proprietary fund:

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

Additionally, the Town reports the following fund types:

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

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

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

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

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

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

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

D. Deposits and Investments

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

Investments are reported at fair value.

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

E. Receivables and Payables

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

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

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

Real estate, motor vehicle and personal property accounts are no longer collectible 15 years after due date in accordance with State Statutes. An amount of \$468 has been established as an allowance for uncollectible taxes at June 30, 2018. This represents 15.6% of all property taxes receivable.

F. Inventories and Prepaid Items

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

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

G. Capital Assets

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

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

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

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

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).

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

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I. Long-Term Obligations

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

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

J. Net Pension Liability

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

K. Net OPEB Liability

The net OPEB liability is measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to those employees' past periods of service (total OPEB liability), less the amount of the OPEB plan's fiduciary net position. The OPEB plan's fiduciary net position is determined using the same valuation methods that are used by the OPEB plan for purposes of preparing its statement of fiduciary net position. The net OPEB liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period.

L. Compensated Absences

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

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

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

M. Equity

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

Net Investment in Capital Assets

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

Restricted

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

Unrestricted

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

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

Nonspendable Fund Balance

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

Restricted Fund Balance

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

Committed Fund Balance

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

Assigned Fund Balance

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

Unassigned Fund Balance

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

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N. Fund Balance Flow Assumptions

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

O. Accounting Estimates

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

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

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

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

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

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

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

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

For financial statement comparisons, budgetary results have been reconciled to GAAP. Budgeted amounts are as originally adopted or as amended by the Town Council. Supplemental budget amendments totaling \$3,182 were made to the adopted fiscal year 2018 General Fund budget to increase total appropriations.

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

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

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

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

3. CASH, CASH EQUIVALENTS AND INVESTMENTS

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

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

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

Deposits

Deposit Custodial Credit Risk

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

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$53,585 of the Town's bank balance of \$55,685 was exposed to custodial credit risk as follows:

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

The table above includes \$21 related to West Hartford Special Service District (a discretely presented component unit).

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Cash Equivalents

Cash equivalents are short-term, highly liquid investments that are both readily convertible to known amounts of cash and purchased within 90 days of maturity. At June 30, 2018, the Town's cash equivalents amounted to \$14,334. The following table provides a summary of the Town's cash equivalents (excluding U.S. government guaranteed obligations) as rated by nationally recognized statistical rating organizations.

	Standard & Poor's
State Short-Term Investment Fund (STIF)	AAAm
Wells Fargo	*
Morgan Stanley	*
* Not Rated	

Investments

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

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

Interest Rate Risk

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

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Credit Risk - Investments

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

<u>Average Rating</u>	<u>Corporate Bonds</u>	<u>U.S. Government Securities</u>	<u>U.S. Government Agencies</u>	<u>Certificates of Deposit</u>
Aaa	\$ 1,190	\$ 6,636	\$ 3,316	\$
Unrated				5,945
	<u>\$ 1,190</u>	<u>\$ 6,636</u>	<u>\$ 3,316</u>	<u>\$ 5,945</u>

Concentration of Credit Risk

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

Custodial Credit Risk

Custodial credit risk for an investment is the risk that, in the event of the failure of the counterparty (the institution that pledges collateral or repurchase agreement securities to the Town or that sells investments to or buys them for the Town), the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At June 30, 2018, the Town's investments, other than open-end mutual funds and other pooled accounts that are not categorized as to custodial credit risk, were uninsured and unregistered securities held by the counterparty, or by its trust department or agent, and were not in the Town's name.

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements); followed by quoted prices in inactive markets or for similar assets or with observable inputs (Level 2 measurements); and the lowest priority to unobservable inputs (Level 3 measurements). The Town has the following recurring fair value measurements as of June 30, 2018:

	<u>June 30, 2018</u>	<u>Fair Value Measurements Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments by fair value level:				
U.S. Government Securities	\$ 6,636	\$ 3,680	\$ 2,956	\$
U.S. Government Agencies	3,316		3,216	100
Corporate Bonds	1,190		1,190	
Common Stock	26,998	25,983	1,015	
Mutual Funds	171,509	171,509		
Alternative Investments	<u>25,059</u>			<u>25,059</u>
Total Investments by Fair Value Level	<u>\$ 234,708</u>	<u>\$ 201,172</u>	<u>\$ 8,377</u>	<u>\$ 25,159</u>

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

4. RECEIVABLES

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

	<u>General</u>	<u>Capital Projects</u>	<u>CDBG Housing Rehabilitation</u>	<u>Debt Service</u>	<u>Leisure Service Fund</u>	<u>Nonmajor and Other Funds</u>	<u>Total</u>
Receivables:							
Taxes	\$ 2,991	\$	\$	\$	\$	\$	\$ 2,991
Interest*						14	14
Accounts and other	278			2	14	1,798	2,092
Housing loans			2,877			111	2,988
Intergovernmental	514	5,669				943	7,126
Component unit	21						21
Gross receivables	3,804	5,669	2,877	2	14	2,866	15,232
Less allowance for uncollectibles	468						468
Net Total Receivables	<u>\$ 3,336</u>	<u>\$ 5,669</u>	<u>\$ 2,877</u>	<u>\$ 2</u>	<u>\$ 14</u>	<u>\$ 2,866</u>	<u>\$ 14,764</u>

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

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5. CAPITAL ASSETS

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

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

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

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

Construction Commitments

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

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

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

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6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

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

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

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

The following is a schedule of transfers by fund type:

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

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

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7. LONG-TERM DEBT

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2018 was as follows:

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

All general obligation long-term bonds are secured by the general revenue raising powers of the Town. No sinking funds have been established as of June 30, 2018. The net pension liability is paid from primarily the General Fund and Leisure Fund. The net OPEB obligation is paid from primarily the General Fund. Compensated absences are paid from revenues of the fund in which the employee is budgeted.

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

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Bonds Payable

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

<u>General Obligations</u>			
<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 17,410	\$ 4,965	\$ 22,375
2020	16,640	4,286	20,926
2021	16,795	3,558	20,353
2022	15,085	2,890	17,975
2023	13,485	2,354	15,839
2024-2028	47,360	6,266	53,626
2029-2033	18,210	1,705	19,915
2034-2035	<u>2,100</u>	<u>94</u>	<u>2,194</u>
Total	\$ <u>147,085</u>	\$ <u>26,118</u>	\$ <u>173,203</u>

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Principal Amount of Debt Indebtedness

<u>Date</u>	<u>Purpose</u>	<u>Rate %</u>	<u>Original Issue</u>	<u>Debt Outstanding</u>	<u>Date of Fiscal Year Maturity</u>
1/15/2001	General Purpose	4.10-4.50	\$ 10,250	\$ 1,538	2021
1/15/2001	Schools	4.10-4.50	4,750	712	2021
1/15/2002	General Purpose	3.50-4.75	6,415	1,283	2022
1/15/2002	Schools	3.50-4.75	7,085	1,417	2022
6/15/2009	General Purpose	2.00-3.50	10,903	1,454	2024
6/15/2009	Schools	2.00-3.50	4,097	546	2024
9/15/2009	Refunding - General Purpose	2.00-4.00	38,583	28,094	2026
9/15/2009	Refunding - Schools	2.00-4.00	3,077	2,241	2026
4/1/2010	Refunding - General Purpose	2.00-5.00	10,280	7,066	2024
4/1/2010	Refunding - Schools	2.00-5.00	10,330	7,099	2024
10/15/2010	General Purpose	2.00-4.00	6,002	1,204	2026
10/15/2010	Schools	2.00-4.00	1,998	401	2026
2/15/2012	General Purpose	2.50-5.00	11,648	7,765	2028
2/15/2012	Schools	2.50-5.00	3,352	2,235	2028
2/5/2014	General Purpose	2.63-5.00	12,830	9,392	2029
2/5/2014	Schools	2.63-5.00	7,170	5,248	2029
2/12/2015	General Purpose	2.00-3.00	9,655	8,207	2035
2/12/2015	Schools	2.00-3.00	11,345	9,643	2035
1/28/2016	General Purpose	2.00-4.00	12,537	10,862	2031
1/28/2016	Schools	2.00-4.00	1,463	1,268	2031
3/2/2016	Refunding - General Purpose	2.00-4.00	7,055	7,055	2025
3/2/2016	Refunding - Schools	2.00-4.00	5,240	3,490	2025
2/16/2017	General Purpose	2.00-5.00	12,065	11,026	2032
2/16/2017	Schools	2.00-5.00	4,935	4,839	2032
1/11/2018	General Purpose	2.00-5.00	7,665	7,665	2033
1/11/2018	Schools	2.00-5.00	5,335	5,335	2033
			<u>\$ 226,065</u>	<u>\$ 147,085</u>	

Prior Years' In-Substance Defeasance

In prior years, the Town defeased certain bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Town's financial statements. At June 30, 2018, \$7,650 of prior bonds outstanding is considered defeased, of which \$7,925 is held in escrow.

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

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

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

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

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

Indebtedness, in accordance with State Statutes, includes long-term debt outstanding, bond anticipation notes outstanding and the amount of bonds authorized and unissued against which bonds have been issued to partially finance the project. There were \$13,821 of bonds authorized and unissued, for debt limitation purposes, at June 30, 2018. Additionally, school indebtedness is net of school building grants amounting to \$133.

As of June 30, 2018 the Town had, in addition to amounts referred to above, a total of \$35,092 authorized but unissued debt, consisting of \$18,492 for general public improvements and \$16,600 for school purposes. It is the Town Council's policy to authorize the issuance of bonds for the first two years of the Capital Improvement Program to improve the ability to plan and execute projects. Project funding will be released over a two-year period according to the capital financing policy.

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8. FUND BALANCE

The components of fund balance for the governmental funds at June 30, 2018 are as follows:

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

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

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9. RISK MANAGEMENT

A. Types of Risk

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

B. Insurance Coverage

The following is a summary of major coverage:

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

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

C. Loss Estimation Methodology

The Risk Management Fund receives revenues from other funds to finance its costs. Risk allocations are based on both exposure and experience factors, depending on the risk. In the case of the self-insured, workers' compensation and heart and hypertension programs, actuarial estimates are used to determine ultimate losses. Claims and loss expenses are accrued at their present value utilizing actuarially developed factors and discount rates. The discount rate used is 7.25%. The estimate of incurred but not reported (IBNR) health claims is based on 45 days of average claims for the Town Health program and 30 days of average claims for the Board of Education Health program. Total claims liabilities of \$10.8 million at June 30, 2018 are based on the requirements of GASB Statement 10. This Statement requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred. At the date of the financial statements, the amount of the loss must be able to be reasonably estimated.

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

<u>Fiscal Year</u>		<u>Fiscal Year Liability</u>		<u>Current Year Changes in Estimates</u>		<u>Claim Payments</u>		<u>Fiscal Year Liability</u>
2016-17	\$	10,067	\$	5,992	\$	(5,797)	\$	10,262
2017-18		10,262		6,956		(6,425)		10,793

10. OTHER POSTEMPLOYMENT BENEFITS

OPEB Trust Fund

A. Plan Description

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

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

At July 1, 2017, plan membership consisted of the following:

Number of members:	
Active members	1,456
Retired members	<u>813</u>
Total Participants	<u><u>2,269</u></u>

B. Funding Policy

The Town has actuarially calculated and funded retiree health benefits in a reserve fund since 1985. All retiree claims are paid for in the reserve fund and funded from a combination of employee contributions, investment income on the reserve balance, revenue from the Medicare subsidy and an annual appropriation from the General Fund. The Health Reserve portion of the Risk Management Fund had net position of \$13,024 on June 30, 2018. State law allows the fund to invest up to a maximum of 50% in equity securities and the assumed rate of return is 7.25%.

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

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

Town Employees

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

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

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

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

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

Board of Education

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

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

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

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

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Police and Fire

Date of hire prior to July 1, 1986:

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

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

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

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

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

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

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

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

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

Member Contributions:

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

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

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

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C. Investments

Investment Policy

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

Rate of Return

For the year ended June 30, 2018, the annual money-weighted rate of return on investments, net of investment expense, was 2.63%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

D. Net OPEB Liability of the Town

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

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

E. Actuarial Assumptions

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

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

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There was no actuarial experience study completed.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset as of June 30, 2018 are summarized in the following table:

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

F. Discount Rate

The discount rate used to measure the total OPEB liability was 7.04%. The projection of cash flows used to determine the discount rate assumed that Town contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

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G. Changes in Net OPEB Liability

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

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

The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.04%) or 1 percentage point higher (8.04%) than the current discount rate:

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

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

The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (6.10% decreasing to 3.60%) or 1 percentage point higher (8.10% decreasing to 5.60%) than the current healthcare cost trend rates:

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

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

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

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

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

<u>Year Ending June 30</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
2019	\$ 4,290	\$ 63	\$ 4,353
2020	4,290	63	4,353
2021	4,291	62	4,353
2022	1,743	24	1,767

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

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

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

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

State Teachers Retirement Plan

A. Plan Description

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

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

B. Benefit Provisions

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

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

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

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

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

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

Survivor Health Care Coverage

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

C. Eligibility

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

Credited Service

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

Normal Retirement

Age 60 with 20 years of Credited Service in Connecticut, or 35 years of Credited Service including at least 25 years of service in Connecticut.

TOWN OF WEST HARTFORD, CONNECTICUT
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Early Retirement

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

Proratable Retirement

Age 60 with 10 years of credited service.

Disability Retirement

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

Termination of Employment

Ten or more years of Credited Service.

D. Contributions

State of Connecticut

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

Employer (School Districts)

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

Employees

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

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

At June 30, 2018, the Town reports no amounts for its proportionate share of the net OPEB liability, and related deferred outflows and inflows, due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net OPEB liability, the related State support and the total portion of the net OPEB liability that was associated with the Town was as follows:

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

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

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

F. Actuarial Assumptions

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

Inflation	2.75%
Health care costs trend rate	7.25% decreasing to 5.00% by 2022
Salary increases	3.25-6.50%, including inflation
Investment rate of return	3.56%, net of OPEB plan investment expense, including inflation
Year fund net position will be depleted	2018

Mortality rates were based on the RPH-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80, projected to the year 2020 using the BB improvement scale, and further adjusted to grade in increases (5% for females and 8% for males) over age 80. For disabled retirees, mortality rates were based on the RPH-2014 Disabled Mortality Table projected to 2017 using the BB improvement scale.

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

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

G. Discount Rate

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

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

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.

11. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS

Town of West Hartford Retirement System

A. Plan Description and Benefits Provided

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

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

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

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

Membership in the Plan as of July 1, 2017 was as follows:

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

TOWN OF WEST HARTFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018
(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 years ended June 30, 2018 and 2017, were \$21,615 and \$20,551, respectively, and were in accordance with actuarially determined requirements.

D. Investments

Investment Policy

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

Concentrations: The following investment represents more than 5% of the Pension Trust Funds net position as of June 30, 2018:

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

Rate of Return

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

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

E. Net Pension Liability of the Town

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

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

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

F. Actuarial Assumptions

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

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and the best estimates of arithmetic real rate of return for each major asset class as of June 30, 2018 are summarized in the following table:

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

TOWN OF WEST HARTFORD, CONNECTICUT
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G. Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The plan's fiduciary net position was projected to be available to make all projected future benefit payments of current and active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

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

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

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

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

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

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

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

	Employees' Pension Plan					
	Governmental Activities		Business-Type Activities		Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 12,121	\$	\$ 186	\$	\$ 12,307	\$ -
Changes of assumptions	17,340	3	266		17,606	3
Net difference between projected and actual earning on pension plan investments		2,995		46	-	3,041
Total	\$ 29,461	\$ 2,998	\$ 452	\$ 46	\$ 29,913	\$ 3,044

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

<u>Year Ending June 30,</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
2018	\$ 16,122	\$ 247	\$ 16,369
2019	7,383	113	7,496
2020	3,784	57	3,841
2021	(826)	(11)	(837)

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

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

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

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

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

Teachers Retirement

A. Plan Description

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

B. Benefit Provisions

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

Normal Retirement

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

Early Retirement

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

Disability Retirement

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

C. Contributions

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

Employer (School Districts)

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

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

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

Employees

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

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

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

At June 30, 2018, the Town reports no amounts for its proportionate share of the net pension liability, and related deferred outflows and inflows, due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the Town were as follows:

Town's proportionate share of the net pension liability	\$	-
State's proportionate share of the net pension liability associated with the Town		<u>249,079</u>
Total	\$	<u><u>249,079</u></u>

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

For the year ended June 30, 2018, the Town recognized pension expense and revenue of \$28,811 in Exhibit II for on-behalf amounts for the benefits provided by the State.

E. Actuarial Assumptions

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

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

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

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

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

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

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

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

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

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

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

F. Discount Rate

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

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

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

H. Other Information

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

12. COMMITMENTS AND CONTINGENCIES

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

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

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

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

13. PRIOR PERIOD ADJUSTMENT AND RESTATEMENT

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

Governmental Activities:

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

Business-Type Activities:

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

Business-Type Activities - Enterprise Funds

Leisure Services Fund:

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

TOWN OF WEST HARTFORD, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2018
(In Thousands)

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

(Continued on next page)

**TOWN OF WEST HARTFORD, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018
(In Thousands)**

	Budgeted Amounts		Actual	Variance - Positive (Negative)
	Original	Final		
Charges for services:				
Town Clerk	\$ 1,501	\$ 1,501	\$ 1,360	\$ (141)
Corporation Counsel			1	1
Financial Services	1	1	1	-
Assessment	2	2	2	-
Fire Department	890	890	1,213	323
Police Department	307	307	290	(17)
Community Services	1,747	1,747	1,636	(111)
Public Works	357	357	250	(107)
Human & Leisure Services	722	722	778	56
Library	65	65	48	(17)
Total charges for services	<u>5,592</u>	<u>5,592</u>	<u>5,579</u>	<u>(13)</u>
Miscellaneous local revenues:				
Workers' compensation reimbursement	300	300	487	187
Sale of Assets			1	1
Town-owned property rentals	361	361	350	(11)
Miscellaneous	94	108	317	209
Total miscellaneous local revenues	<u>755</u>	<u>769</u>	<u>1,155</u>	<u>386</u>
Income on investments	<u>384</u>	<u>884</u>	<u>987</u>	<u>103</u>
Total revenues	284,926	288,108	282,699	(5,409)
Other financing sources:				
Transfers in	<u>448</u>	<u>448</u>	<u>3,577</u>	<u>3,129</u>
Total	\$ <u>285,374</u>	\$ <u>288,556</u>	286,276	\$ <u>(2,280)</u>
Budgetary revenues are different than GAAP revenues because:				
On-behalf contributions to the Connecticut State				
Teachers' Retirement System for Town teachers are not budgeted:				
Pension			28,811	
OPEB			2,971	
The Board of Education does not budget for				
intergovernmental grants, which are credited against education				
expenditures for budgetary reporting. These amounts are recorded as				
revenues and expenditures for GAAP financial statement purposes.				
			<u>3,950</u>	
Total Revenues and Other Financing Sources as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - Exhibit IV			\$ <u>322,008</u>	

TOWN OF WEST HARTFORD, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2018
(In Thousands)

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

(Continued on next page)

TOWN OF WEST HARTFORD, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018
(In Thousands)

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

(Continued on next page)

TOWN OF WEST HARTFORD, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018
(In Thousands)

	Budgeted Amounts			Variance - Positive (Negative)
	Original	Final	Actual	
Human and Cultural:				
Library:				
Personal services	\$ 2,588	\$ 2,488	\$ 2,488	\$ -
Non-personal expense	655	621	621	-
Debt and sundry	179	179	179	-
Total	<u>3,422</u>	<u>3,288</u>	<u>3,288</u>	<u>-</u>
Leisure and Social Services:				
Personal services	2,050	2,018	2,018	-
Non-personal expense	955	926	926	-
Debt and sundry	118	98	98	-
Total	<u>3,123</u>	<u>3,042</u>	<u>3,042</u>	<u>-</u>
Total human and cultural	<u>6,545</u>	<u>6,330</u>	<u>6,330</u>	<u>-</u>
Education	<u>159,575</u>	<u>159,575</u>	<u>158,523</u>	<u>1,052</u>
Debt and sundry	<u>50,884</u>	<u>50,935</u>	<u>46,400</u>	<u>4,535</u>
Total expenditures	<u>266,196</u>	<u>264,979</u>	<u>258,998</u>	<u>5,981</u>
Other financing uses:				
Transfers out	<u>19,178</u>	<u>23,577</u>	<u>23,568</u>	<u>9</u>
Total	<u>\$ 285,374</u>	<u>\$ 288,556</u>	<u>282,566</u>	<u>\$ 5,990</u>
Budgetary expenditures are different than GAAP expenditures because:				
State of Connecticut on-behalf payments to the Connecticut State Teachers' Retirement System for Town teachers are not budgeted:				
Pension			28,811	
OPEB			2,971	
The Board of Education does not budget for intergovernmental grants, which are credited against education expenditures for budgetary reporting. These amounts are recorded as revenues and expenditures for GAAP financial statement purposes.			3,950	
Encumbrances for purchases and commitments ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year received for financial statement purposes.			40	
Inventory purchases are reported as expenditures for budgetary purposes			(12)	
Total Expenditures and Other Financing Uses as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - Exhibit IV			<u>\$ 318,326</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, 2018
(In Thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
Revenues:			
Intergovernmental	\$ <u>250</u>	\$ <u>227</u>	\$ <u>(23)</u>
Expenditures:			
Current:			
Human and cultural:			
Non-personal expense	<u>250</u>	<u>114</u>	<u>136</u>
Excess of Revenues over Expenditures	-	113	113
Other Financing Uses:			
Transfers out	<u></u>	<u>(113)</u>	<u>(113)</u>
Net Change in Fund Balance	\$ <u><u>-</u></u>	-	\$ <u><u>-</u></u>
Fund Balance at Beginning of Year		<u>-</u>	
Fund Balance at End of Year		\$ <u><u>-</u></u>	

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

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

Notes to Schedule

Assumption Changes:

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

Mortality:

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

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RP-2000 Mortality Table with separate male and female rates, with separate tables for nonannuitants and annuitants, projected to the valuation date with Scale AA.

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

** Applicable for that particular year

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

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Actuarially determined contribution	\$ 6,813	\$ 7,481	\$ 10,002	\$ 11,648	\$ 14,167	\$ 15,957	\$ 17,712	\$ 17,917	\$ 20,551	\$ 21,615
Contributions in relation to the actuarially determined contribution	<u>6,812</u>	<u>7,480</u>	<u>10,000</u>	<u>11,648</u>	<u>14,167</u>	<u>15,957</u>	<u>17,712</u>	<u>17,917</u>	<u>20,551</u>	<u>21,615</u>
Contribution Deficiency (Excess)	\$ <u>1</u>	\$ <u>1</u>	\$ <u>2</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Covered payroll	\$ 48,107	\$ 50,031	\$ 53,028	\$ 55,150	\$ 55,078	\$ 57,281	\$ 53,742	\$ 59,332	\$ 60,815	\$ 58,708
Contributions as a percentage of covered payroll	14.16%	14.95%	18.86%	21.12%	25.72%	27.86%	32.96%	30.20%	33.79%	36.82%

Notes to Schedule

Valuation date: July 1, 2017
Measurement date: June 30, 2018
Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Level percentage of payroll, closed
Remaining amortization period	28-year closed period
Asset valuation method	5-year smoothed market
Inflation	2.75%; Prior: 3%
Salary increases	2.50%
Investment rate of return	7.25%; Prior: 7.5%
Retirement age	Rates vary by group and age
Mortality	RP-2000 Annuitant and Non-Annuitant Mortality Tables for males and females projected from base year of 2006 to valuation date by Scale BB. A Blue Collar adjustment is applied pre- and post-retirement for members. Prior: RP-2000 Mortality Table with separate male and female rates, with separate tables for nonannuitants and annuitants, projected to the valuation date with Scale AA.

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

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

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

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

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

Notes to Schedule

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

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

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

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

Notes to Schedule

Assumption Changes:

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

Healthcare cost trend rates:

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

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

Mortality:

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

RP-2000 Mortality Table with separate male and female rates, with separate tables
for nonannuitants and annuitants, projected to the valuation date with Scale AA. **

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

** Applicable for that particular year

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

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

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

Notes to Schedule

Valuation date: July 1, 2017

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

Methods and assumptions used to determine contribution rates:

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

N/A - not available

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

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

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

TOWN OF WEST HARTFORD, CONNECTICUT
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
TEACHERS' RETIREMENT PLAN
LAST FISCAL YEAR*
(In Thousands)

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

Notes to Schedule

Changes in benefit terms
Changes of assumptions

None

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

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

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

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

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

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

Appendix B – Form of Legal Opinion of Bond Counsel – The Series 2019C Bonds

The legal opinion of the firm of Shipman & Goodwin LLP of Hartford, Connecticut, Bond Counsel, will be furnished to the underwriter when the Series 2019C Bonds are delivered, and a copy of the legal opinion will be included in the record of proceedings of the Town authorizing the Series 2019C Bonds. The opinion will be dated and given on and will speak only as of the date of original delivery of the Series 2019C Bonds to the underwriter.

The opinion of Shipman & Goodwin LLP will be in substantially the following form:

Town of West Hartford
50 South Main Street
West Hartford, Connecticut 06107

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by the Town of West Hartford, Connecticut (the "Town") of its \$13,850,000 General Obligation Refunding Bonds, Series 2019C, dated December 18, 2019, maturing January 15, 2021-2035 (the "Series 2019C Bonds").

In connection with our representation of the Town as bond counsel with respect to the Series 2019C Bonds, we have examined the executed Tax Certificate and Tax Compliance Agreement of the Town, each dated as of December 18, 2019, the executed Series 2019C Bonds, and certified records of proceedings of the Town authorizing the Series 2019C Bonds. In addition, we have examined and relied on originals or copies, identified to us as genuine, of such other documents, instruments or records, and have made such investigations of law as we considered necessary or appropriate for the purposes of this opinion. In making the statements contained in this opinion, we have assumed, without independently verifying, the genuineness of all signatures, the authenticity of all documents submitted to us as originals, the conformity to original documents of documents submitted to us as certified or photostatic copies, and the legal capacity and authority of all persons executing such documents.

On the basis of our review noted above and subject to the qualifications set forth herein:

1. We are of the opinion that the proceedings and above-referenced evidence show lawful authority for the issuance and sale of the Series 2019C Bonds under the authority of the constitution and statutes of the State of Connecticut, and that the Series 2019C Bonds are valid and binding general obligations of the Town payable, with respect to both principal and interest, unless paid from other sources, from ad valorem taxes which may be levied on all property subject to taxation by the Town without limitation as to rate or amount except as to classified property. Classified property includes certified forest land which is taxable at a limited rate. Classified property also includes dwelling houses of qualified elderly persons of low income which are taxable at limited amounts.

2. We are of the opinion that the Tax Compliance Agreement is a valid and binding agreement of the Town and that the Tax Certificate and Tax Compliance Agreement were duly authorized by the Town.

3. The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements that must be met subsequent to the issuance and delivery of the Series 2019C Bonds if interest on the Series 2019C Bonds is to be excludable from gross income under Section 103 of the Code. The Town has covenanted in the Tax Compliance Agreement that it will at all times perform all acts and things necessary or appropriate under any valid provision of law to ensure that interest paid on the Series 2019C Bonds will not be includable in the gross income of the owners thereof for federal income tax purposes under the Code. In our opinion, under existing law:

(i) interest on the Series 2019C Bonds is excludable from gross income of the owners thereof for federal income tax purposes pursuant to Section 103 of the Code; and

(ii) such interest is not treated as an item of tax preference for purposes of calculating the federal alternative minimum tax.

We express no opinion regarding other federal income tax consequences caused by ownership of, or receipt of interest on, the Series 2019C Bonds. In rendering the foregoing opinions regarding the federal income tax treatment of interest on the Series 2019C Bonds, we have relied upon and assumed (i) the material accuracy of the representations, statements of intention and reasonable expectations, and certifications of fact contained in the Tax Certificate and the Tax Compliance Agreement, and (ii) full compliance by the Town with the covenants set forth in the Tax Compliance Agreement. The inaccuracy of the representations, statements of intention and reasonable expectations, and certifications of fact, contained in the Tax Certificate or the Tax Compliance Agreement, or the failure of the Town to fully comply with the covenants set forth therein, may cause interest on the Series 2019C Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Series 2019C Bonds.

4. We are of the opinion that, under existing statutes, interest on the Series 2019C Bonds is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the federal alternative minimum tax.

The rights of the holders of the Series 2019C Bonds and the enforceability of the Series 2019C Bonds and the enforceability of the Tax Compliance Agreement are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

We express no opinion herein as to the accuracy, adequacy or completeness of the Official Statement relating to the Series 2019C Bonds.

This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law, regulation or judicial interpretation that may hereafter occur.

Very truly yours,

Shipman & Goodwin LLP

Appendix C – Form of Legal Opinion of Bond Counsel – The Series 2020B Bonds

The legal opinion of the firm of Shipman & Goodwin LLP of Hartford, Connecticut, Bond Counsel, will be furnished to the underwriter when the Series 2020B Bonds are delivered, and a copy of the legal opinion will be included in the record of proceedings of the Town authorizing the Series 2020B Bonds. The opinion will be dated and given on and will speak only as of the date of original delivery of the Series 2020B Bonds to the underwriter.

The opinion of Shipman & Goodwin LLP will be in substantially the following form:

Town of West Hartford
50 South Main Street
West Hartford, Connecticut 06107

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by the Town of West Hartford, Connecticut (the "Town") of its \$4,625,000 General Obligation Refunding Bonds, Series 2020B, dated April 2, 2020, maturing July 1, 2021-2023 (the "Series 2020B Bonds").

In connection with our representation of the Town as bond counsel with respect to the Series 2020B Bonds, we have examined the executed Tax Certificate and Tax Compliance Agreement of the Town, each dated as of April 2, 2020, the executed Series 2020B Bonds, and certified records of proceedings of the Town authorizing the Series 2020B Bonds. In addition, we have examined and relied on originals or copies, identified to us as genuine, of such other documents, instruments or records, and have made such investigations of law as we considered necessary or appropriate for the purposes of this opinion. In making the statements contained in this opinion, we have assumed, without independently verifying, the genuineness of all signatures, the authenticity of all documents submitted to us as originals, the conformity to original documents of documents submitted to us as certified or photostatic copies, and the legal capacity and authority of all persons executing such documents.

On the basis of our review noted above and subject to the qualifications set forth herein:

1. We are of the opinion that the proceedings and above-referenced evidence show lawful authority for the issuance and sale of the Series 2020B Bonds under the authority of the constitution and statutes of the State of Connecticut, and that the Series 2020B Bonds are valid and binding general obligations of the Town payable, with respect to both principal and interest, unless paid from other sources, from ad valorem taxes which may be levied on all property subject to taxation by the Town without limitation as to rate or amount except as to classified property. Classified property includes certified forest land which is taxable at a limited rate. Classified property also includes dwelling houses of qualified elderly persons of low income which are taxable at limited amounts.

2. We are of the opinion that the Tax Compliance Agreement is a valid and binding agreement of the Town and that the Tax Certificate and Tax Compliance Agreement were duly authorized by the Town.

3. The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements that must be met subsequent to the issuance and delivery of the Series 2020B Bonds if interest on the Series 2020B Bonds is to be excludable from gross income under Section 103 of the Code. The Town has covenanted in the Tax Compliance Agreement that it will at all times perform all acts and things necessary or appropriate under any valid provision of law to ensure that interest paid on the Series 2020B Bonds will not be includable in the gross income of the owners thereof for federal income tax purposes under the Code. In our opinion, under existing law:

(i) interest on the Series 2020B Bonds is excludable from gross income of the owners thereof for federal income tax purposes pursuant to Section 103 of the Code; and

(ii) such interest is not treated as an item of tax preference for purposes of calculating the federal alternative minimum tax.

We express no opinion regarding other federal income tax consequences caused by ownership of, or receipt of interest on, the Series 2020B Bonds. In rendering the foregoing opinions regarding the federal income tax treatment of interest on the Series 2020B Bonds, we have relied upon and assumed (i) the material accuracy of the representations, statements of intention and reasonable expectations, and certifications of fact contained in the Tax Certificate and the Tax Compliance Agreement, and (ii) full compliance by the Town with the covenants set forth in the Tax Compliance Agreement. The inaccuracy of the representations, statements of intention and reasonable expectations, and certifications of fact, contained in the Tax Certificate or the Tax Compliance Agreement, or the failure of the Town to fully comply with the covenants set forth therein, may cause interest on the Series 2020B Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Series 2020B Bonds.

4. We are of the opinion that, under existing statutes, interest on the Series 2020B Bonds is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the federal alternative minimum tax.

The rights of the holders of the Series 2020B Bonds and the enforceability of the Series 2020B Bonds and the enforceability of the Tax Compliance Agreement are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

We express no opinion herein as to the accuracy, adequacy or completeness of the Official Statement relating to the Series 2020B Bonds.

This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law, regulation or judicial interpretation that may hereafter occur.

Very truly yours,

Shipman & Goodwin LLP

Appendix D – Form of Continuing Disclosure Agreement – The Series 2019C Bonds

In accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, the Town will agree to provide, or cause to be provided, (i) certain annual financial information and operating data, (ii) timely, but not in excess of ten (10) business days after the occurrence of the event, notice of the occurrence of certain listed events with respect to the Series 2019C Bonds, and (iii) timely notice of a failure by the Town to provide the required annual financial information on or before a specified date, all pursuant to a Continuing Disclosure Agreement for the Series 2019C Bonds in substantially the following form:

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the "Agreement") is made as of the 18th day of December, 2019 by the Town of West Hartford, Connecticut (the "Town") acting by its undersigned officers, duly authorized, in connection with the issuance of the Town's \$13,850,000 General Obligation Refunding Bonds, Series 2019C (the "Series 2019C Bonds") dated December 18, 2019 for the benefit of the beneficial owners from time to time of the Series 2019C Bonds.

Section 1. Definitions. For purposes of this Agreement, the following capitalized terms shall have the following meanings:

"MSRB" means the Municipal Securities Rulemaking Board established under the Securities Exchange Act of 1934, as amended, or any successor thereto. As of the date of this Agreement, the MSRB has designated its Electronic Municipal Market Access System ("EMMA") (<http://emma.msrb.org>) to receive submissions of continuing disclosure documents that are described in the Rule.

"Rule" means Rule 15c2-12 under the Securities Exchange Act of 1934, as of the date of this Agreement.

"SEC" means the Securities and Exchange Commission of the United States, or any successor thereto.

Section 2. Annual Financial Information.

(a) The Town agrees to provide, or cause to be provided, to the MSRB in an electronic format as prescribed by the MSRB, in accordance with the provisions of the Rule and this Agreement, annual financial information and operating data (commencing with information and data for the fiscal year ending June 30, 2019), as follows:

(i) the audited general purpose financial statements of the Town, which financial statements include the Town's general fund, any special revenue funds, enterprise and internal service (proprietary) funds, agency and trust (fiduciary) funds and the general fixed assets and general long-term debt account groups, for the prior fiscal year, which statements shall be prepared in accordance with generally accepted accounting principles or mandated state statutory principles as in effect from time to time. As of the date of this Agreement, the Town prepares its financial statements in accordance with generally accepted accounting principles.

(ii) the following financial information and operating data to the extent not included in the financial statements described in (i) above:

- A. amounts of the gross and the net taxable grand list applicable to the fiscal year,
- B. listing of the ten largest taxpayers on the applicable grand list, together with each such taxpayer's taxable valuation thereon,
- C. percentage of the annual property tax levy uncollected as of the close of the preceding fiscal year,
- D. schedule of annual debt service on outstanding long-term bonded indebtedness as of the close of the fiscal year,
- E. calculation of total direct debt and total direct net debt as of the close of the fiscal year,

- F. total direct debt and total direct net debt of the Town per capita,
- G. ratios of the total direct debt and total direct net debt of the Town to the Town's net taxable grand list,
- H. statement of statutory debt limitation as of the close of the fiscal year, and
- I. funding status of the Town's pension benefit obligation.

(b) The financial information and operating data described above shall be provided not later than eight months after the close of the fiscal year for which such information is being provided, commencing with information for the fiscal year ending June 30, 2019. The Town agrees that if audited information is not available eight months after the close of the fiscal year, it shall submit unaudited information by such time and will submit audited information when available.

(c) Annual financial information and operating data may be provided in whole or in part by reference to other documents available to the public on the MSRB's internet website or filed with the SEC. All or a portion of the financial information and operating data may be provided in the form of a comprehensive annual financial report.

(d) The Town reserves the right (i) to provide financial statements which are not audited if no longer required by law, (ii) to modify from time to time the format for the presentation of such information or data, and (iii) to modify the accounting principles it follows to the extent required or permitted by law, by changes in generally accepted accounting principles, or by changes in accounting principles adopted by the Town; provided that the Town agrees that any such modification will be done in a manner consistent with the Rule.

(e) The Town may file information with the MSRB, from time to time, in addition to that specifically required by this Agreement (a "Voluntary Filing"). If the Town chooses to make a Voluntary Filing, the Town shall have no obligation under this Agreement to update information contained in such Voluntary Filing or include such information in any future filing. Notwithstanding the foregoing provisions of this Section 2(e), the Town is under no obligation to provide any Voluntary Filing.

Section 3. Listed Events.

The Town agrees to provide, or cause to be provided, in a timely manner, not in excess of ten (10) business days after the occurrence of the event, to the MSRB in an electronic format as prescribed by the MSRB, notice of the occurrence of any of the following events with respect to the Series 2019C Bonds:

- (a) principal and interest payment delinquencies;
- (b) non-payment related defaults, if material;
- (c) unscheduled draws on debt service reserves reflecting financial difficulties;
- (d) unscheduled draws on credit enhancements reflecting financial difficulties;
- (e) substitution of credit or liquidity providers, or their failure to perform;
- (f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the Series 2019C Bonds;
- (g) modifications to rights of holders of the Series 2019C Bonds, if material;
- (h) Bond calls, if material, and tender offers;
- (i) Bond defeasances;
- (j) release, substitution, or sale of property securing repayment of the Series 2019C Bonds, if material;

- (k) rating changes;
- (l) bankruptcy, insolvency, receivership or similar event of the Town;
- (m) the consummation of a merger, consolidation, or acquisition involving the Town or the sale of all or substantially all of the assets of the Town, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (n) appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (o) incurrence of a financial obligation, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Town, any of which affect security holders, if material; and
- (p) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Town, any of which reflect financial difficulties.

For purposes of events (o) and (p) above, the term “financial obligation” is defined as a (i) debt obligation, (ii) derivative instrument entered into in connection with or pledged as security or a source of payment for an existing or planned debt obligation, or (iii) guarantee of (i) or (ii). The term financial obligation does not include municipal securities for which a final official statement has been filed with the MSRB pursuant to the Rule.

Section 4. Notice of Failure to Provide Annual Financial Information.

The Town agrees to provide, or cause to be provided, in a timely manner, to the MSRB in an electronic format as prescribed by the MSRB, notice of any failure by the Town to provide annual financial information as set forth in Section 2(a) hereof on or before the date set forth in Section 2(b) hereof.

Section 5. Use of Agents.

Annual financial information and operating data and notices to be provided pursuant to this Agreement may be provided by the Town or by any agents which may be employed by the Town for such purpose from time to time.

Section 6. Termination.

The obligations of the Town under this Agreement shall terminate upon the earlier of (i) payment or legal defeasance, at maturity or otherwise, of all of the Series 2019C Bonds, or (ii) such time as the Town ceases to be an obligated person with respect to the Series 2019C Bonds within the meaning of the Rule.

Section 7. Identifying Information.

All documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

Section 8. Enforcement.

The Town acknowledges that the undertakings set forth in this Agreement are intended to be for the benefit of, and enforceable by, the beneficial owners from time to time of the Series 2019C Bonds. In the event the Town shall fail to perform its duties hereunder, the Town shall have the option to cure such failure within a reasonable time (but not exceeding thirty (30) days with respect to the undertakings set forth in Section 2 hereof or five (5) business days with respect to undertakings set forth in Sections 3 and 4 hereof) from the time the Director of Financial Services receives written notice from any beneficial owner of the Series 2019C Bonds of such failure. The present address of the Director of Financial Services is Town of West Hartford, Town Hall, 50 South Main Street, West Hartford, Connecticut 06107. In the event the Town does not cure such failure within the time specified above, the beneficial owner of any Series 2019C Bonds shall be entitled only to the remedy of specific performance. The Town expressly acknowledges and the beneficial owners are hereby deemed to expressly agree that no monetary damages shall arise or be payable hereunder nor shall any failure to comply with this Agreement constitute an event of default with respect to the Series 2019C Bonds.

Section 9. Miscellaneous.

(a) The Town shall have no obligation to provide any information, data or notices other than as set forth in this Agreement; provided, however, nothing in this Agreement shall be construed as prohibiting the Town from providing such additional information, data or notices from time to time as it deems appropriate in connection with the Series 2019C Bonds. If the Town elects to provide any such additional information, data or notices, the Town shall have no obligation under this Agreement to update or continue to provide further additional information, data or notices of the type so provided.

(b) This Agreement shall be governed by the laws of the State of Connecticut.

(c) Notwithstanding any other provision of this Agreement, the Town may amend this Agreement, and any provision of this Agreement may be waived, if (i) such amendment or waiver is made in connection with a change of circumstances that arises from a change in legal requirements, a change in law, or a change in the identity, nature or status of the Town, (ii) the Agreement as so amended or waived would have complied with the requirements of the Rule as of the date of the Agreement, taking into account any amendments or interpretations of the Rule, as well as any changes in circumstances, and (iii) such amendment or waiver is supported by an opinion of counsel expert in federal securities laws to the effect that such amendment or waiver would not materially adversely affect the beneficial owner of the Series 2019C Bonds. A copy of any such amendment or waiver will be filed in a timely manner with the MSRB. The annual financial information provided on the first date following the adoption of any such amendment or waiver will explain, in narrative form, the reasons for the amendment or waiver and the impact of the change in the type of operating data or financial information being provided.

TOWN OF WEST HARTFORD, CONNECTICUT

By _____
Matthew Hart
Town Manager

By _____
Peter Privitera
Director of Financial Services

Appendix E – Form of Continuing Disclosure Agreement – The Series 2020B Bonds

In accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, the Town will agree to provide, or cause to be provided, (i) certain annual financial information and operating data, (ii) timely, but not in excess of ten (10) business days after the occurrence of the event, notice of the occurrence of certain listed events with respect to the Series 2020B Bonds, and (iii) timely notice of a failure by the Town to provide the required annual financial information on or before a specified date, all pursuant to a Continuing Disclosure Agreement for the Series 2020B Bonds in substantially the following form:

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the "Agreement") is made as of the 2nd day of April, 2020 by the Town of West Hartford, Connecticut (the "Town") acting by its undersigned officers, duly authorized, in connection with the issuance of the Town's \$4,625,000 General Obligation Refunding Bonds, Series 2020B (the "Series 2020B Bonds") dated April 2, 2020 for the benefit of the beneficial owners from time to time of the Series 2020B Bonds.

Section 1. Definitions. For purposes of this Agreement, the following capitalized terms shall have the following meanings:

"MSRB" means the Municipal Securities Rulemaking Board established under the Securities Exchange Act of 1934, as amended, or any successor thereto. As of the date of this Agreement, the MSRB has designated its Electronic Municipal Market Access System ("EMMA") (<http://emma.msrb.org>) to receive submissions of continuing disclosure documents that are described in the Rule.

"Rule" means Rule 15c2-12 under the Securities Exchange Act of 1934, as of the date of this Agreement.

"SEC" means the Securities and Exchange Commission of the United States, or any successor thereto.

Section 2. Annual Financial Information.

(a) The Town agrees to provide, or cause to be provided, to the MSRB in an electronic format as prescribed by the MSRB, in accordance with the provisions of the Rule and this Agreement, annual financial information and operating data (commencing with information and data for the fiscal year ending June 30, 2020), as follows:

(i) the audited general purpose financial statements of the Town, which financial statements include the Town's general fund, any special revenue funds, enterprise and internal service (proprietary) funds, agency and trust (fiduciary) funds and the general fixed assets and general long-term debt account groups, for the prior fiscal year, which statements shall be prepared in accordance with generally accepted accounting principles or mandated state statutory principles as in effect from time to time. As of the date of this Agreement, the Town prepares its financial statements in accordance with generally accepted accounting principles.

(ii) the following financial information and operating data to the extent not included in the financial statements described in (i) above:

- A. amounts of the gross and the net taxable grand list applicable to the fiscal year,
- B. listing of the ten largest taxpayers on the applicable grand list, together with each such taxpayer's taxable valuation thereon,
- C. percentage of the annual property tax levy uncollected as of the close of the preceding fiscal year,
- D. schedule of annual debt service on outstanding long-term bonded indebtedness as of the close of the fiscal year,
- E. calculation of total direct debt and total direct net debt as of the close of the fiscal year,

- F. total direct debt and total direct net debt of the Town per capita,
- G. ratios of the total direct debt and total direct net debt of the Town to the Town's net taxable grand list,
- H. statement of statutory debt limitation as of the close of the fiscal year, and
- I. funding status of the Town's pension benefit obligation.

(b) The financial information and operating data described above shall be provided not later than eight months after the close of the fiscal year for which such information is being provided, commencing with information for the fiscal year ending June 30, 2020. The Town agrees that if audited information is not available eight months after the close of the fiscal year, it shall submit unaudited information by such time and will submit audited information when available.

(c) Annual financial information and operating data may be provided in whole or in part by reference to other documents available to the public on the MSRB's internet website or filed with the SEC. All or a portion of the financial information and operating data may be provided in the form of a comprehensive annual financial report.

(d) The Town reserves the right (i) to provide financial statements which are not audited if no longer required by law, (ii) to modify from time to time the format for the presentation of such information or data, and (iii) to modify the accounting principles it follows to the extent required or permitted by law, by changes in generally accepted accounting principles, or by changes in accounting principles adopted by the Town; provided that the Town agrees that any such modification will be done in a manner consistent with the Rule.

(e) The Town may file information with the MSRB, from time to time, in addition to that specifically required by this Agreement (a "Voluntary Filing"). If the Town chooses to make a Voluntary Filing, the Town shall have no obligation under this Agreement to update information contained in such Voluntary Filing or include such information in any future filing. Notwithstanding the foregoing provisions of this Section 2(e), the Town is under no obligation to provide any Voluntary Filing.

Section 3. Listed Events.

The Town agrees to provide, or cause to be provided, in a timely manner, not in excess of ten (10) business days after the occurrence of the event, to the MSRB in an electronic format as prescribed by the MSRB, notice of the occurrence of any of the following events with respect to the Series 2020B Bonds:

- (a) principal and interest payment delinquencies;
- (b) non-payment related defaults, if material;
- (c) unscheduled draws on debt service reserves reflecting financial difficulties;
- (d) unscheduled draws on credit enhancements reflecting financial difficulties;
- (e) substitution of credit or liquidity providers, or their failure to perform;
- (f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the Series 2020B Bonds;
- (g) modifications to rights of holders of the Series 2020B Bonds, if material;
- (h) Bond calls, if material, and tender offers;
- (i) Bond defeasances;
- (j) release, substitution, or sale of property securing repayment of the Series 2020B Bonds, if material;

- (k) rating changes;
- (l) bankruptcy, insolvency, receivership or similar event of the Town;
- (m) the consummation of a merger, consolidation, or acquisition involving the Town or the sale of all or substantially all of the assets of the Town, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (n) appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (o) incurrence of a financial obligation, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Town, any of which affect security holders, if material; and
- (p) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Town, any of which reflect financial difficulties.

For purposes of events (o) and (p) above, the term “financial obligation” is defined as a (i) debt obligation, (ii) derivative instrument entered into in connection with or pledged as security or a source of payment for an existing or planned debt obligation, or (iii) guarantee of (i) or (ii). The term financial obligation does not include municipal securities for which a final official statement has been filed with the MSRB pursuant to the Rule.

Section 4. Notice of Failure to Provide Annual Financial Information.

The Town agrees to provide, or cause to be provided, in a timely manner, to the MSRB in an electronic format as prescribed by the MSRB, notice of any failure by the Town to provide annual financial information as set forth in Section 2(a) hereof on or before the date set forth in Section 2(b) hereof.

Section 5. Use of Agents.

Annual financial information and operating data and notices to be provided pursuant to this Agreement may be provided by the Town or by any agents which may be employed by the Town for such purpose from time to time.

Section 6. Termination.

The obligations of the Town under this Agreement shall terminate upon the earlier of (i) payment or legal defeasance, at maturity or otherwise, of all of the Series 2020B Bonds, or (ii) such time as the Town ceases to be an obligated person with respect to the Series 2020B Bonds within the meaning of the Rule.

Section 7. Identifying Information.

All documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

Section 8. Enforcement.

The Town acknowledges that the undertakings set forth in this Agreement are intended to be for the benefit of, and enforceable by, the beneficial owners from time to time of the Series 2020B Bonds. In the event the Town shall fail to perform its duties hereunder, the Town shall have the option to cure such failure within a reasonable time (but not exceeding thirty (30) days with respect to the undertakings set forth in Section 2 hereof or five (5) business days with respect to undertakings set forth in Sections 3 and 4 hereof) from the time the Director of Financial Services receives written notice from any beneficial owner of the Series 2020B Bonds of such failure. The present address of the Director of Financial Services is Town of West Hartford, Town Hall, 50 South Main Street, West Hartford, Connecticut 06107. In the event the Town does not cure such failure within the time specified above, the beneficial owner of any Series 2020B Bonds shall be entitled only to the remedy of specific performance. The Town expressly acknowledges and the beneficial owners are hereby deemed to expressly agree that no monetary damages shall arise or be payable hereunder nor shall any failure to comply with this Agreement constitute an event of default with respect to the Series 2020B Bonds.

Section 9. Miscellaneous.

(a) The Town shall have no obligation to provide any information, data or notices other than as set forth in this Agreement; provided, however, nothing in this Agreement shall be construed as prohibiting the Town from providing such additional information, data or notices from time to time as it deems appropriate in connection with the Series 2020B Bonds. If the Town elects to provide any such additional information, data or notices, the Town shall have no obligation under this Agreement to update or continue to provide further additional information, data or notices of the type so provided.

(b) This Agreement shall be governed by the laws of the State of Connecticut.

(c) Notwithstanding any other provision of this Agreement, the Town may amend this Agreement, and any provision of this Agreement may be waived, if (i) such amendment or waiver is made in connection with a change of circumstances that arises from a change in legal requirements, a change in law, or a change in the identity, nature or status of the Town, (ii) the Agreement as so amended or waived would have complied with the requirements of the Rule as of the date of the Agreement, taking into account any amendments or interpretations of the Rule, as well as any changes in circumstances, and (iii) such amendment or waiver is supported by an opinion of counsel expert in federal securities laws to the effect that such amendment or waiver would not materially adversely affect the beneficial owner of the Series 2020B Bonds. A copy of any such amendment or waiver will be filed in a timely manner with the MSRB. The annual financial information provided on the first date following the adoption of any such amendment or waiver will explain, in narrative form, the reasons for the amendment or waiver and the impact of the change in the type of operating data or financial information being provided.

TOWN OF WEST HARTFORD, CONNECTICUT

By _____
Matthew Hart
Town Manager

By _____
Peter Privitera
Director of Financial Services

Appendix F – Proposed Form of Delayed Delivery Contract

DELAYED DELIVERY CONTRACT

December 4, 2019

Raymond James & Associates, Inc.
9th Floor
535 Madison Avenue
New York, NY 10022

Re: \$4,625,000 Town of West Hartford, Connecticut General Obligation Refunding Bonds,
Series 2020B Bonds (the “Series 2020B Bonds”)

Ladies and Gentlemen:

The undersigned (the “Purchaser”) hereby agrees to purchase from Raymond James & Associates, Inc. (the “Underwriter”), when, as, and if issued and delivered to the Underwriter by the Town of West Hartford, Connecticut (the “Town”), and the Underwriter agrees to sell to the Purchaser:

<u>Par Amount</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>CUSIP Number</u>	<u>Yield</u>	<u>Price</u>
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of the above-referenced Series 2020B Bonds offered by the Town under the Preliminary Official Statement dated November 19, 2019 (the “Preliminary Official Statement”) and the Official Statement relating to the Bonds dated December 4, 2019 (the “Official Statement”), receipt and review of copies of which (including without limitation, the section entitled “Delayed Delivery of the Series 2020B Bonds” herein) is hereby acknowledged, at the purchase price and with the interest rates, principal amounts, and maturity dates shown above, and on the further terms and conditions set forth in this Delayed Delivery Contract. The Series 2020B Bonds are being purchased by the Underwriter pursuant to a Forward Delivery Bond Purchase Agreement between the Town and the Underwriter (the “Forward Delivery Bond Purchase Agreement”). Capitalized terms used but not defined herein shall have the meanings ascribed thereto in the Preliminary Official Statement.

The Purchaser hereby purchases and agrees to accept delivery of such Series 2020B Bonds from the Underwriter on or about April 2, 2020 (the “Series 2020B Settlement Date”).

Payment for the Series 2020B Bonds, which the Purchaser has agreed to purchase on the Series 2020B Settlement Date, shall be made to the Underwriter or upon its order on the Series 2020B Settlement Date upon delivery to the Purchaser of the Series 2020B Bonds then to be purchased by the Purchaser through the book-entry system of The Depository Trust Company. The Purchaser agrees that in no event shall the Underwriter be responsible or liable for any claim or loss, whether direct or consequential, which the Purchaser may suffer in the event the Town does not for any reason issue and deliver the above-referenced Series 2020B Bonds.

The obligation of the Purchaser to take delivery hereunder shall be unconditional except in the event that between the date of this Delayed Delivery Contract and the Series 2020B Settlement Date and upon written notice from the Underwriter that: (A) the Town has not performed or satisfied the conditions to the obligations of the Underwriter contained in the Forward Delivery Bond Purchase Agreement; (B) the Underwriter shall have exercised the right to terminate the Forward Delivery Bond Purchase Agreement as provided for therein, with respect to which termination the Purchaser shall be deemed to have consented; (C) as of the Series 2020B Settlement Date, the Series 2020B Bonds are no longer rated investment grade by S&P Global Ratings; or (D) there shall have been a Change in Law (in the sole judgment of the Underwriter, as defined below) that shall not have been waived by the Underwriter. A “Change in Law” means:

(i) (A) any change in or addition to applicable federal or state law, whether statutory or as interpreted by the courts, including any changes in or new rules, regulations or other pronouncements or interpretations by federal or state agencies, (B) any law, rule or regulation enacted by any governmental body, department or agency, or (C) any judgment, ruling or order issued by any court or administrative body, which in each instance (as described in (A) through (C) above) would, (1) legally prohibit the Underwriter (or have the retroactive effect of prohibiting, if enacted, adopted, passed or finalized) from accepting delivery of and paying for the Series 2020B Bonds in accordance with the provisions of the Forward Delivery Bond Purchase Agreement or selling the Series 2020B Bonds or beneficial ownership interests therein to bona fide purchasers, or (2) make the sale or issuance and delivery of the Series 2020B Bonds illegal (or have the retroactive effect of making such sale, issuance, or delivery illegal, if enacted, adopted, passed or finalized), or (3) eliminate the exclusion from gross income of interest on the Series 2020B Bonds (or have the retroactive effect of eliminating such exclusion if enacted, adopted, passed, or finalized), or (4) require the Series 2020B Bonds to be registered under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (or have the retroactive effect of requiring such registration if enacted, passed, finalized, or adopted); provided, however, that such change in or addition to law, legislation, rule or regulation, or judgment, ruling or order shall have become effective, been enacted or been issued, as the case may be, subsequent to the date of execution of the Forward Delivery Bond Purchase Agreement; or

(ii) a stop order, ruling, regulation, or official statement by the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall have been issued or made or any other event occurs, the effect of which is that the issuance, offering, or sale of the Series 2020B Bonds is or would be in violation of any provision of the federal securities laws, including the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended.

The Purchaser acknowledges and agrees that the Series 2020B Bonds are being sold on a “forward” or “delayed delivery” basis for delivery on the Series 2020B Settlement Date and that the Purchaser is obligated to take up and pay for the Series 2020B Bonds on the Series 2020B Settlement Date unless one of the events described above shall have occurred and not been waived by the Underwriter. The Purchaser acknowledges that it will not be able to withdraw its order as described herein, and will not otherwise be excused from performance of its obligations to take up and pay for the Series 2020B Bonds on the Series 2020B Settlement Date because of market or credit changes, except as otherwise expressly provided herein, including specifically, but not limited to (a) changes in the ratings assigned to the Series 2020B Bonds between the date of this Delayed Purchase Contract and the Series 2020B Settlement Date, except as otherwise expressly provided herein, or changes in the credit associated with the Series 2020B Bonds generally, and (b) changes in the financial condition, operations, performance, properties or prospects of the Town from the date hereof to the Series 2020B Settlement Date. The Purchaser acknowledges and agrees that it will remain obligated to purchase the Series 2020B Bonds in accordance with the terms hereof, even if the Purchaser decides to sell such Series 2020B Bonds following the date hereof, unless the Purchaser sells such Series 2020B Bonds to another financial institution with the prior written consent of the Underwriter and such financial institution provides a written acknowledgment of confirmation of purchase order and a delayed delivery contract in the same respective forms as that executed by the Purchaser.

The Purchaser represents and warrants that, as of the date of this Delayed Delivery Contract, the Purchaser is not prohibited from purchasing the Series 2020B Bonds hereby agreed to be purchased by it under the laws of the jurisdiction to which the Purchaser is subject.

This Delayed Delivery Contract will inure to the benefit of, and be binding upon, the parties hereto and their respective successors, but will not be assignable by either party without the prior written consent of the other.

The Purchaser acknowledges that the Underwriter is entering into an agreement with the Town to purchase the Series 2020B Bonds in reliance in part on the performance by the Purchaser of its obligations hereunder.

The Purchaser agrees that it will at all times satisfy the minimum initial and maintenance margin requirements of Regulation T of the Board of Governors of the Federal Reserve System, Rule 431 of the New York Governors of the Federal Reserve System, Rule 4210 of the Financial Industry Regulatory Authority and any other margin regulations applicable to the Underwriter.

This Delayed Delivery Contract may be executed by either of the parties hereto in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same instrument.

It is understood that the acceptance by the Underwriter of any Delayed Delivery Contract (including this one) is in the Underwriter's sole and unfettered discretion and that, without limiting the foregoing, acceptances of such contracts need not be on a first-come, first-served basis. If this Delayed Delivery Contract is acceptable to the Underwriter, it is requested that the Underwriter sign the form of acceptance below and mail or deliver one of the counterparts hereof to the Purchaser at its address set forth below. This will become a binding contract between the Underwriter and the Purchaser when such counterpart is so mailed or delivered by the Underwriter. This Delayed Delivery Contract does not constitute a customer confirmation pursuant to Rule G-15 of the Municipal Securities Rulemaking Board.

The Town shall be deemed a third party beneficiary of this Delayed Delivery Contract.

This Delayed Delivery Contract shall be construed and administered under the laws of the State of Connecticut.

[NAME OF PURCHASER]

Address

Telephone

By:_____

Name:

Title:

Accepted:

RAYMOND JAMES & ASSOCIATES, INC.

By:_____

Name:

Title:

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Municipal Advisory Services
Provided By

