

In the opinion of Bond Counsel, based on existing statutes and court decisions and assuming continuing compliance with certain covenants and procedures relating to requirements of the Internal Revenue Code of 1986, as amended (the "Code"), interest on the Bonds is excluded from gross income for federal income tax purposes; interest on the Bonds is not treated as an item of tax preference for purposes of computing the federal alternative minimum tax and is not taken into account in the calculation of adjusted current earnings for purposes of calculating the federal alternative minimum tax imposed on corporations. In the opinion of Bond Counsel, based on 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 (see "Tax Matters" herein.)

\$41,660,000
TOWN OF WEST HARTFORD, CONNECTICUT
General Obligation Refunding Bonds
Series 2009B
Book-Entry Only

Dated: Date of Delivery**To Mature: October 1, as shown below**

The Bonds will bear interest payable on April 1, 2010 and semiannually thereafter on October 1 and April 1 in each year until maturity. 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".

The Bonds are subject to redemption prior to maturity as more fully described herein.

The Bonds are general obligations of the Town of West Hartford ("Town"), Connecticut 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 Registrar, Transfer Agent, Certifying Agent and Paying Agent will be U.S. Bank National Association, Hartford, Connecticut.

MATURITY SCHEDULE

Maturity	Principal	Coupon	Yield		Maturity	Principal	Coupon	Yield	
Date	Amount	(%)	(%)	CUSIP	Date	Amount	(%)	(%)	CUSIP
2010	\$385,000	2.00	0.37	953106L82	2018	\$4,095,000	3.00	2.45	953106M81
2011	385,000	3.00	0.64	953106L90	2019	4,180,000	4.00	2.60	953106M99
2012	385,000	2.00	0.98	953106M24	2020	4,300,000	3.00	2.72	953106N23
2013	385,000	2.00	1.27	953106M32	2021	3,320,000	3.00	2.84	953106N31
2014	385,000	2.00	1.58	953106M40	2022	3,420,000	3.00	2.93	953106N49
2015	1,435,000	2.00	1.78	953106M57	2023	3,525,000	4.00	3.02	953106N56
2016	3,945,000	3.00	2.02	953106M65	2024	3,670,000	4.00	3.11	953106N64
2017	4,020,000	3.00	2.26	953106M73	2025	3,825,000	4.00	3.20	953106N72

The Bonds are offered for delivery when, as and if issued, subject to the final approving opinion of Shipman & Goodwin, LLP, Bond Counsel, of Hartford, Connecticut. It is expected that delivery of the Bonds in definitive form will be made on or about October 6, 2009 through the facilities of DTC or its custodial agent.

No dealer, broker, salesman or other person has been authorized to give any information or to make any representation, other than those contained in this Official Statement, and if given or made, such other information or representation must not be relied upon. 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 persons to make such offer, solicitation or sale. The information set forth herein has been obtained by the Town of West Hartford, Connecticut from sources which are believed to be reliable, but it is not guaranteed as to accuracy or completeness.

The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Town of West Hartford, Connecticut since the date of this Official Statement.

Other than as to matters expressly set forth herein as the opinion of Bond Counsel, Bond Counsel are not passing on and do not assume any responsibility for the accuracy or adequacy of the statements made in this Official Statement and make no representation that they have independently verified the same.

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Financial Advisor:
LAMONT FINANCIAL SERVICES CORPORATION

Bond Issue Summary

The information in this Bond Issue Summary and the front cover page is qualified in its entirety by the detailed information and financial statements appearing elsewhere in this Official Statement speaks only as of its date and the information herein is subject to change.

Date of Sale:	September 23, 2009, 11:30 A.M. (E.D.T.)
Issuer:	Town of West Hartford, Connecticut (the “Town”).
Issue:	\$41,660,000 General Obligation Refunding Bonds, Series 2009B, Book-Entry Only (the “Bonds”).
Dated Date:	Date of Delivery
Principal and Interest Due:	Principal due on October 1 in each of the years 2010 through 2025, inclusive. Interest payable on April 1, 2010 and semiannually thereafter on April 1 and October 1 in each year until maturity.
Purpose:	The Bonds are being issued to advance refund all or a portion of the aggregate principal amount outstanding of certain Town of West Hartford General Obligation Bonds (the “Refunded Bonds”).
Security:	The Bonds will be general obligations of the Town of West Hartford, Connecticut, and the Town will pledge its full faith and credit to the payment of principal of and interest on the Bonds when due.
Credit Rating:	The Bonds are rated Aaa and AAA by Moody’s Investors Service, Inc. and Standard and Poor’s, respectively. The Town has received long-term ratings on its outstanding general obligation bonds of Aaa and AAA from Moody’s Investors Service and Standard & Poor’s respectively.
Bond Insurance:	The Town does not expect to purchase a credit enhancement facility.
Basis of Award:	Lowest True Interest Cost (TIC).
Tax Exemption:	In the opinion of Bond Counsel, based on existing statutes and court decisions and assuming continuing compliance with certain covenants and procedures relating to requirements of the Internal Revenue Code of 1986, as amended (the “Code”), interest on the Bonds is excluded from gross income for federal income tax purposes; interest on the Bonds is not treated as an item of tax preference for purposes of computing the federal alternative minimum tax and is not taken into account in the calculation of adjusted current earnings for purposes of calculating the federal alternative minimum tax imposed on corporations. In the opinion of Bond Counsel, based on 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 (see “Tax Matters” herein.)
Bank Qualification:	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.
Optional Redemption:	The Bonds are subject to redemption prior to maturity, as more fully described herein.
Continuing Disclosure:	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, annual financial information and operating data and notices of material events with respect to the Bonds pursuant to a Continuing Disclosure Agreement to be executed by the Town substantially in the form attached as Appendix C to this Official Statement.
Registrar, Transfer Agent, Certifying Agent, Escrow Agent and Paying Agent:	U.S. Bank National Association, Hartford, Connecticut.
Financial Advisor:	Lamont Financial Services Corporation, 201 Willowbrook Boulevard, 5 th Floor, Wayne, New Jersey 07470, telephone (973) 785-8900.
Legal Opinion:	Shipman & Goodwin LLP of Hartford, Connecticut will act as Bond Counsel.
Delivery and Payment:	It is expected that delivery of the Bonds in book-entry only form will be made to The Depository Trust Company on or about October 6, 2009, in New York, New York, against payment in Federal funds.
Issuer Official:	Questions concerning the Official Statement should be addressed to Mr. Chris Johnson or Mrs. C. Elizabeth Hewitt, Town of West Hartford, 50 South Main Street, West Hartford, Connecticut 06107, telephone (860) 561-7460.

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I. BOND INFORMATION

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 \$41,660,000 General Obligation Refunding Bonds, Series 2009B (the “Bonds”) of the Town.

This Official Statement is not to be construed as a contract or agreement between the Town and the purchasers or holders of any of the Bonds. Any statement made in this Official Statement involving matters of opinion or estimates are not intended to be representations of fact, and no representation is made that any such opinion or estimate will be realized. No representation is made that past experience, as might be shown by financial or other information herein, will necessarily continue or be repeated in the future. Neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Town since the date hereof. References to statutes, charters, or other laws herein may not be complete and such provisions of law are subject to repeal or amendment.

The information in this Official Statement has been prepared by the Town from information supplied by Town officials and other sources. US Bank, National Association will act as Certifying Agent, Registrar, Transfer Agent and Paying Agent for the Bonds.

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 their opinion) and makes no representation that it has independently verified the same.

THE BONDS

Purpose

The Bonds are being issued to advance refund all or a portion of the aggregate principal amount outstanding of certain Town of West Hartford General Obligation Bonds (the “Refunded Bonds”). The Bonds are issued pursuant to a resolution adopted by the Town Council on August 11, 2009 to issue refunding bonds in an amount not to exceed \$60,000,000. See “Plan of Refunding” herein.

Description of the Bonds

The Bonds will be dated as of the date of delivery, will mature on October 1 in each of the years 2010-2025, in the amounts, and will bear interest at the rate or rates per annum payable on April 1, 2010 and semiannually thereafter on October 1 and April 1 in each year until maturity, as set forth on the cover page of this Official Statement. The interest will be calculated on the basis of a 30-day month and a 360-day year. Interest will be payable to the registered owner as of the close of business on the fifteenth day of March and September in each year, by check mailed to the registered owner or by wire transfer; or so long as the 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. Principal on the Bonds will be payable at the office of U.S. Bank National Association in Hartford, Connecticut.

Plan of Refunding

The Bonds are being issued to refund prior to maturity, all of the Town’s General Obligation Bonds outstanding as set forth below:

<u>Issue</u>	<u>Dated</u> <u>Date</u>	<u>Maturity</u> <u>Date</u>	<u>Principal</u> <u>Amount</u>	<u>Call</u> <u>Date</u>	<u>Call</u> <u>Price</u>
Series 2005A	02/15/05	01/15/15	\$1,135,000	07/15/14	100%
	02/15/05	01/15/16	1,135,000	07/15/14	100
	02/15/05	01/15/17	1,135,000	07/15/14	100
	02/15/05	01/15/18	1,135,000	07/15/14	100
	02/15/05	01/15/19	1,135,000	07/15/14	100
	02/15/05	01/15/20	1,135,000	07/15/14	100
Series 2005B	10/18/05	10/01/16	2,540,000	10/01/15	100%
	10/18/05	10/01/17	2,670,000	10/01/15	100
	10/18/05	10/01/18	2,810,000	10/01/15	100
	10/18/05	10/01/19	2,955,000	10/01/15	100
	10/18/05	10/01/20	3,105,000	10/01/15	100

10/18/05	10/01/21	3,265,000	10/01/15	100
10/18/05	10/01/22	3,430,000	10/01/15	100
10/18/05	10/01/23	3,605,000	10/01/15	100
10/18/05	10/01/24	3,790,000	10/01/15	100
10/18/05	10/01/25	3,985,000	10/01/15	100

Upon delivery of the Bonds, a portion of the Bond proceeds will be deposited in an irrevocable trust fund (the “Escrow Deposit Fund”) established with the Escrow Agent under an Escrow Agreement (the “Escrow Agreement”) dated as of October 6, 2009 between the Escrow Agent and the Town. The Escrow Agent will use such proceeds 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 prepayable at the option of the issuer thereof (the “Escrow Securities”). The Town may also enter into an agreement to reinvest receipts from Escrow Securities not immediately required to pay the principal of and redemption premium, if any, and interest on the Refunded Bonds. All investment income on and the maturing principal of the Escrow Securities held in the Escrow Deposit Fund will be irrevocably deposited by the Town for payment of the Refunded Bonds. The balance of the proceeds of the Bonds will be used to pay costs of issuance and the Underwriter’s discount.

Sources and Uses of Bond Proceeds

Sources of Funds

Par amount of Bonds	\$41,660,000.00
Net Original Issue Premium	\$ 2,236,554.35
Total Sources	\$43,896,554.35

Uses of Funds

Deposit to Escrow Deposit Fund	\$43,627,366.91
Underwriter’s Discount	\$ 170,009.09
Costs of Issuance	\$ 90,000.00
Contingency	\$ 9,178.35
Total Uses	\$43,896,554.35

Verification of Mathematical Computations

Amtec (the “Verification Agent”) will verify from the information provided to them the mathematical accuracy as of the date of the closing on the bonds of (i) the computations that the anticipated receipts from the Escrow Securities and cash deposits set forth in the underwriter’s schedules, will be sufficient to pay, when due, the principal, interest and applicable call premium, if any, payment requirements of the Refunded Bonds; and (ii) the yields on the Bonds and the Escrow Securities for purposes of determining compliance with certain requirements of the Internal Revenue Code of 1986, as amended. Such verification of the accuracy of the mathematical computations will be based upon information and assumptions supplied to the Verification Agent by the Underwriter, and such verification information and assumptions will be relied upon by Bond Counsel in rendering its opinions. The Verification Agent will express no opinion on the assumptions provided to them.

Optional Redemption

The Bonds maturing on and after October 1, 2020 are subject to redemption prior to maturity, at the election of the Town, on and after October 1, 2019 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 price (expressed as a percentage of the principal amount of the 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>
From October 1, 2019 and thereafter	100%

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, by registered mail, to the registered owner of such Bonds at the address as it appears on the books of the registry or at such address as such owner may have filed with the registrar for that purpose. So long as Cede & Co., as nominee for DTC, is the registered owner of the Bonds, all notices of redemption will be sent only to DTC. The Bonds called for redemption shall, on the redemption date designated in the notice of redemption, become due and payable only if moneys for the payment of such Bonds called for redemption and the interest accrued to the redemption date on such Bonds are held for the purpose of payment by the Paying Agent.

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 Connecticut 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 of qualified disabled persons taxable at limited amounts. There was, however, no such classified property on the last completed Grand List of the Town, and under existing statutes the State of Connecticut is obligated to pay the Town the amount of tax revenue which the Town would have received except for the limitation on its powers to tax such dwelling houses.

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 power in appropriate proceedings to render a judgment against the Town. Courts of competent jurisdiction also have 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 thereof 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.

Availability of Continuing Information

in accordance with State law, the Town of West Hartford prepares annual audited financial statements and files such 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, annual financial information and operating data, and notices of material events with respect to the Bonds pursuant to a Continuing Disclosure Agreement to be executed substantially in the form attached as Appendix C 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). To date the Town has not failed to meet any of its undertakings under such agreements.

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 Standard & Poor's highest rating: AAA. 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 and www.dtc.org.

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.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issues to be redeemed.

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 Issuer 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, and redemption premium, if any, with respect to 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 holding 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. Payments of principal and interest, and redemption premium, if any, to Cede & Co. (or other such nominee as may be requested by an authorized representative of DTC) is the responsibility of the Town or 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 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.

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.

Ratings

The Town has received long-term ratings on its outstanding general obligation bonds of Aaa from Moody's Investors Service and AAA from Standard & Poor's. The ratings assigned by Moody's and Standard & Poor's express only the views of the rating agencies. The explanation of the significance of the ratings may be obtained from Moody's and Standard & Poor's, respectively. 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.

II. THE ISSUER

DESCRIPTION OF THE TOWN

The Town of West Hartford, Connecticut (“West Hartford” or the “Town”) is located in central Connecticut adjacent to and west of the City of Hartford, the State capital. The Town is also bounded by the towns of Bloomfield, Newington, Farmington and Avon. It is approximately 100 miles southwest of Boston and approximately 100 miles northeast of New York City. The Town encompasses 22.2 square miles.

West Hartford was settled as an agricultural community in the early 1700's and was incorporated as a town in 1854. Now a residential suburb in the Hartford Metropolitan Area, the Town has a 2000 Census adjusted population of 61,045.

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 Connecticut Light and Power (CL&P) and Connecticut Natural Gas.

West Hartford is comprised primarily of property with single-family owner occupied, mid to upper price range dwellings. The Town has 11 public elementary schools; three middle schools (grades 6 through 8); and two public high schools. It also has five parochial elementary schools, one parochial high school, six private schools, one private college and two universities.

There are three branch post offices and a public library system with 252,000 volumes. Additionally the Town has 46 public parks and squares, one playhouse, 24 churches and synagogues and a weekly newspaper. One Hartford and one New Britain daily newspaper serve the Town, as do five radio and five television stations. West Hartford has 210 miles of streets, 245 miles of sidewalks, and is almost fully sewered.

Description of Government

In 1919, West Hartford became the first town in Connecticut to adopt the Council-Manager form of government. The legislative function is performed by a nine member Town Council that is elected biennially.

Principal Municipal Officials

<u>Office</u>	<u>Town Council</u>	<u>Manner of Selection and Length of Service</u>
Mayor/President of Council	Scott Slifka	Elected 11/01-11/09
Deputy Mayor/Vice President of Council	Tim Brennan	Elected 11/07-11/09
Minority Leader	Leon S. Davidoff	Elected 11/07-11/09
	Steven Adler	Elected 11/07-11/09
	Shari G. Cantor	Appointed 12/04-11/05
		Elected 11/05-11/09
	Chuck Coursey	Elected 11/03-11/09
	Carolyn J. Thornberry	Appointed 03/02-11/03
		Elected 11/03 - 11/09
	Joseph Verrengia	Appointed 7/04-11/05
		Elected 11/05-11/09
	Joseph Visconti	Elected 11/07 - 11/09
	<u>Other Elected Officials</u>	
Town Clerk	Essie Labrot	Elected 1/08-1/12
Registrar of Voters	Marcia Woolsey	Appointed 7/03-1/05
		Elected 1/05-1/11
	Eleanor Brazell	Appointed 7/03-1/05
		Elected 1/05-1/11
	<u>Board of Education</u>	
Chairperson	Terry Schmitt	Elected 11/03-11/11
Vice-Chairperson	Jack Darcey	Elected 11/01-11/09
	Bruce Putterman	Elected 11/03-11/11
	Harry Captain	Elected 11/01-11/09
	Diane Mudge	Elected 11/07-11/11
	Clare Kindall	Appointed 11/06-11/07
		Elected 11/07-11/09
	Lib Brassil-Spinella	Elected 11/05-11/09

Town Council

Scott Slifka, a lifelong town resident, graduated from Hall High School. He received both his undergraduate and law degrees from George Washington University. He was elected to his first term in 2001 and serves as the Mayor of the Town.

Tim Brennan is an investment attorney in the insurance industry. He is a graduate of Providence College, Washington University School of Law and spent a year studying at Oxford University. He serves as the Deputy Mayor of the Town.

Leon Davidoff was elected to the Town Council in November 2007 and serves as the Minority Leader. He received his undergraduate degree from Clark University and his law degree from Case Western Reserve University School of Law.

Steven Adler received his undergraduate degree in Public Administration from Western Connecticut State University and his MS in Business Management from Rensselaer. He is employed in the insurance industry.

Shari G. Cantor was appointed to the Town Council in December 2004 and elected in November 2005. She is a lifelong town resident, attended Hall High School and graduated from the University of Connecticut's School of Business. She serves as Chair of the Finance and Budget Committee.

Chuck Coursey grew up in West Hartford, graduating from Kingswood-Oxford School and the College of the Holy Cross. He was elected to the Council in November 2003 and is a business owner in town.

Carolyn Thornberry was appointed to the Town Council in 2002 and elected in 2003. An Assistant Professor-in-Residence at the University of Connecticut, she has lived in West Hartford for over 20 years. After graduating from Edgecliff College of Xavier University, she received her MA from Western Kentucky University and her PhD from the University of Connecticut.

Joseph Verrengia is a lifelong resident of West Hartford, who was appointed in July 2004 and elected in November 2005. He attended Northeastern University and has been a police officer in West Hartford since 1989. He also serves as a Commissioner to the Metropolitan District Commission.

Joseph Visconti graduated high school in West Hartford and received his undergraduate degree from the University of Hartford. He has owned and operated his own business for over 25 years.

Town Administration		
Town Manager	Ronald F. Van Winkle	Appointed-Indefinite
Corporation Counsel	Joseph O'Brien	Appointed-Indefinite
Director of Assessment	Joseph Dakers Sr.	Appointed-Indefinite
Director of Community Services	Robert Rowson	Appointed-Indefinite
Director of Employee Services	Richard Ledwith	Appointed-Indefinite
Director of Facilities Services	Robert Palmer	Appointed-Indefinite
Director of Financial Services	Chris Johnson	Appointed-Indefinite
Director of Human & Leisure Services	James M. Capodiece	Appointed-Indefinite
Director of Library Services	Patricia Holloway	Appointed-Indefinite
Director of Public Works	John Phillips	Appointed-Indefinite
Chief, Fire Department	William Austin	Appointed-Indefinite
Chief, Police Department	James J. Strillacci	Appointed-Indefinite

Ronald F. Van Winkle, Town Manager, holds a BA degree in Economics and Finance from the University of South Florida and an MA degree in economic development from the Northeastern University. He was appointed Town Manager on August 11, 2009, having served as Acting Town Manager since September 9, 2008. He has been employed by the Town since 1987 as the Director of Community Services.

Chris Johnson, Director of Financial Services, holds a BA and an MPA from the University of Connecticut. He was appointed Director of Financial Services on May 1, 2006. He has been employed by the Town since October 1983 and was the Director of Administrative Services from January 1989 through April 2006.

Board of Education Administration		
Superintendent of Schools	Karen List	Appointed-Indefinite
Assistant Superintendent of Schools	Timothy Dunn	Appointed-Indefinite
Assistant Superintendent of Schools	Eileen Howley	Appointed-Indefinite

Municipal Services

Department of Assessment

The Department of Assessment is responsible for real estate and personal property assessments. The administration of tax-exempt 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 on a periodic basis in accordance with state statutes.

Department of Community Service

The Department of Community Services manages those functions associated with residential and private development within the Town, including engineering, building inspections, planning, zoning, zoning enforcement, wetlands protection, public communications, traffic and transportation, economic development, and the management of capital projects involving town and school buildings. This department also handles the fair housing and housing rehabilitation programs. Grants and loans are available through the housing rehabilitation program to income-eligible homeowners to ensure property is maintained within the guidelines of the Housing and Property Maintenance Code.

Department of Employee Services

The Department of Employee Services manages all employee related functions, including central personnel administration, labor relations with the Town's nine employee bargaining units, employee involvement and training programs, and health and pension benefits administration.

Department of Facilities Services

The Department of Facilities Services is managed as a joint venture with the West Hartford Board of Education. The departmental staff addresses routine operation and upkeep of all town buildings, maintains building equipment and systems, upgrades mechanical systems and enhances the physical appearance of public spaces.

Department of Financial Services

The Department of Financial Services serves as a central staff and service agency to all Town departments. The Department has four divisions. The Accounting, Purchasing 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. The Information Technology Division provides information technology services to all Town departments and agencies and is guided by a five-year information technology plan. A more detailed description of the operations of the Financial Services Department is included in the "Financial Administration" section herein.

Department of Human & Leisure Services

The Department of Human & Leisure Services is responsible for social services and the management of all recreational facilities and programs throughout the Town. Case management, information and referral and crisis intervention are available to residents of all ages by professional Social Workers. Tenant and landlord dispute resolution services, as well as eviction assistance, are provided. Recreational facilities include five neighborhood parks/playgrounds, six outdoor pools, an indoor Aquatics Center, an indoor skating rink, Westmoor Park, a Meeting and Conference Center, two golf courses, a community center and two senior centers. Annually, over 3,000 recreational instructional programs are scheduled for all ages and abilities.

Department of Library Services

The West Hartford Public Library system consists of a main library and two branches. Library resources include a book collection of approximately 233,500 volumes, 700 periodical subscriptions, and over 25,000 audio/visual materials (videos, DVD's, compact discs, and talking books). Services include information/reference assistance, on-line (Internet) and CD-ROM services, book lists, institutional and shut-in loans, book talks, and children and adult programs on a wide range of topics. The library has over 27,000 registered borrowers.

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, Town owned cemeteries, street signs, traffic signals and approximately 300 vehicles and pieces of equipment. Refuse/recycling and leaf collection services are provided by private contractors.

Fire Department

The Town provides around-the-clock fire prevention and control services through a professionally staffed Fire Department. The departmental staff of 93 is deployed in five fire stations equipped with seven fire apparatus. The Department has Fire Prevention, Control and Rescue, Training and Maintenance 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 147 Police Department employees. Approximately eighty-nine percent of the sworn officers are college educated. The Department is divided into four divisions: patrol services, investigatory services, management, and support services. The Police Department has three full-time training officers and a police systems analyst who provide assistance to the Chief of Police.

Water and Sewer Services

The Town is a member of the Metropolitan District Commission (the "MDC"), a special district in Hartford County formed under State statutes to provide water, sanitary sewers and related services in eight member towns. Water services are provided directly by the District and billed to the individual users. Sewer services are billed to the eight member towns.

Solid Waste Disposal - Service Contract

On May 15, 1984, the Town executed a Service Contract (the "Service Contract") with the Connecticut Resources Recovery Authority (the "Authority") for the disposal of solid waste through the Mid-Connecticut System. The Service Contract became effective upon execution and will remain in effect so long as any bonds issued by the Authority remain outstanding, provided the last installment of principal on any bond shall become due no later than 30 years from the effective date of the Service Contract.

Each municipality signing a Service Contract, including the Town, has agreed to cause to be delivered to the Mid-Connecticut System, all of the solid waste under the legal control of the municipality. The Authority is required to impose service payments at a uniform rate per ton for all municipalities. If the municipality delivers less than its minimum commitment (as defined in the service contract) such rates shall be applied to its minimum commitment amount. The system began commercial operation on May 15, 1988.

All municipalities, including the Town, pledge their full faith and credit for the payment of all Service Payments and any delayed-payment charges and costs and expenses of the Authority and its representatives in collecting overdue Service Payments. Each municipality agrees that its obligation to make any such Service Payments and other such payments, in the amounts and at the times specified in the Service Contract, whether to the Authority or the trustee, shall be absolute and unconditional, shall not be subject to any setoff, counterclaim, recoupment, defense (other than payment itself) or other right which the municipality may have against the Authority, the trustee or any other person for any reason whatsoever, shall not be affected by any defect in title, compliance with the plans and specifications, condition, design, fitness for use of, or damage to or loss or destruction of, the System or any part thereof and, so long as the Authority shall accept solid waste delivered by the municipality pursuant to the Service Contract, shall not be affected by any interruption or cessation in the possession, use or operation of the System or any part thereof by the Authority or the operator of the System for any reason whatsoever. To the extent that a municipality does not make provisions or appropriations to provide for and authorize the payment by such municipality to the Authority of the payments required to be made by it under the Service Contract, the remaining municipalities including the Town, must levy and collect such general or special taxes or cost sharing or other assessments as may be necessary to make such payments in full when due thereunder.

Educational System

The West Hartford public school system serves more than 9,800 students. The curriculum exceeds all basic State requirements, in 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. The World of Work program introduces upper level students to career and consumer education concepts. 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 senior 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 ENROLLMENT¹

School Year	Elementary (K-5)	<u>Historical</u>		Special Education ²	Total Enrollment
		Middle (6-8)	Senior High (9-12)		
1999-2000	4,224	2,068	2,646	36	8,974
2000-2001	4,361	2,123	2,796	51	9,331
2001-2002	4,439	2,137	2,841	53	9,470
2002-2003	4,486	2,191	2,874	50	9,601
2003-2004	4,374	2,194	2,915	55	9,738
2004-2005	4,532	2,271	2,984	61	9,848
2005-2006	4,595	2,254	2,982	-	9,831
2006-2007	4,609	2,273	3,054	-	9,936
2007-2008	4,610	2,181	3,030	-	9,821
2008-2009	4,659	2,187	3,035		9,881
School Year	Elementary (K-5)	<u>Projected</u>		Special Education	Total Enrollment
		Middle (6-8)	Senior High (9-12)		
2009-2010	4,654	2,178	3,107	-	9,939
2010-2011	4,663	2,204	3,048	-	9,915
2011-2012	4,596	2,247	2,963	-	9,806

Source: West Hartford Board of Education

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

² Figures reflect only pre-school special education; all other students are distributed among the three other categories. Beginning in 2005-2006, special education is not segregated at all.

Municipal Employees

The Town of West Hartford currently employs 1,864 full-time persons for general government and education. Included are six 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 employment rolls for the last five years:

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Board of Education	1,430	1,407	1,371	1,357	1,352
General Government	428	423	412.5	412.5	416.5
Federally Funded	6	6	6.5	6.5	6.5
Total	1,864	1,836	1,790	1,776	1,775

Employee Bargaining Organizations

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

Bargaining Unit	Number of Members	Contract Expiration
<u>General Government</u>		
Local 1241 International Association of Firefighters	88	6/30/12
West Hartford Police Officers Association.....	123	6/30/13
Public Safety Dispatcher Union Local 2001 SEIU.....	12	6/30/13
Local 1142 of Council No. 4 AFL-CIO.....	24	6/30/14
Professional & Management Union Local 2001 SEUI.....	68	6/30/13
Grounds Union Local 2001 SEIU.....	21	6/30/13
Buildings Union Local 2001 SEIU.....	5	6/30/13
Clerical Union Local 2001 SEIU.....	43	6/30/13
Supervisory Union, Local 2001 SEIU	6	6/30/13
Non-Bargaining Employees	44	N/A
Sub-Total General Government.....	434	

Bargaining Unit	Number of Members	Contract Expiration
<u>Board Of Education</u>		
West Hartford Education Association	889	6/30/11
West Hartford Administrators Association.....	54	6/30/10
West Hartford Federation of Educational Secretaries.....	55	6/30/10
AFL-CIO AFSCME Local No. 1303 Council No. 4 Maintenance.....	25	6/30/10
West Hartford Federation of Educational Personnel	226	6/30/10
West Hartford Public Schools Nurses Association.....	21	6/30/10
AFL-CIO AFSCME Local No. 1303 Council No. 4 Custodians.....	78	6/30/10
AFL-CIO AFSCME Local No. 818 Council No. 4 Custodians.....	4	6/30/10
AFL-CIO AFSCME Local No. 1303-194 Printers	2	6/30/09 ¹
AFL-CIO AFSCME Local No. 1303 Council No.4 Security	18	6/30/10
West Hartford BOE Professional Employees Local 760 SEIU	32	6/30/12
Non-Bargaining Employees	26	N/A
Sub-Total Board of Education	1,430	
Total General Government and Board of Education	1,864	

¹In negotiation

N/A – not applicable

General Statutes Sections 7-473c, 7-474, and PA 92-84 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 within thirty days of its rendering by a two-thirds majority vote. The State and the employee organization must be advised in writing of the reasons for rejection within ten days thereof. The State will then appoint a new panel of either one or three arbitrators to review the decisions on each of the rejected issues. Within twenty days of the review, the panel may accept the last best offer of either party or anything in between. 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. 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

POPULATION¹ AND DENSITY

Year	Town of West Hartford	% Increase	Density ²
1950	44,402	--	2,000
1960	62,382	40.5	2,810
1970	68,031	9.1	3,064
1980	61,301	-9.9	2,761
1990	60,110	-1.9	2,708
2000	61,045	+1.6	2,750

¹1950 - 2000 U.S. Department of Commerce, Bureau of Census

²Population per square mile: 22.2 square miles

AGE DISTRIBUTION OF THE POPULATION

Age	Town of West Hartford		State of Connecticut	
	Number	Percent	Number	Percent
Under 5	3,621	5.9	223,344	6.6
5 - 9	3,942	6.5	244,144	7.2
10 - 14	4,070	6.7	241,587	7.1
15 - 19	3,602	5.9	216,627	6.4
20 - 24	2,511	4.1	187,571	5.5
25 - 34	6,986	11.4	451,640	13.3
35 - 44	9,375	15.3	581,049	17.1
45 - 54	9,136	15.0	480,807	14.1
55 - 59	2,908	4.8	176,961	5.2
60 - 64	2,515	4.1	131,652	3.9
65 - 74	5,054	8.3	231,565	6.8
75 - 84	4,798	7.9	174,345	5.1
85 and over	2,527	4.1	64,273	1.9
Total	61,045	100.0	3,405,565	100.0
Median Age (years)	40.0		37.4	

Source: U.S. Department of Commerce, Bureau of Census, 2000

INCOME DISTRIBUTION

	Town of West Hartford		State of Connecticut	
	Families	Percent	Families	Percent
Less than \$10,000	363	2.3	33,423	3.8
10,000 - 14,999	281	1.8	23,593	2.7
15,000 - 24,999	746	4.7	63,262	7.1
25,000 - 34,999	1,006	6.3	75,413	8.5
35,000 - 49,999	1,889	11.8	120,134	13.6
50,000 - 74,999	3,321	20.8	198,924	22.5
75,000 - 99,999	2,847	17.8	141,981	16.0
100,000 - 149,999	2,844	17.8	132,177	14.9
150,000 - 199,999	1,179	7.4	42,472	4.8
200,000 and over	1,522	9.5	54,368	6.1
Total	15,998	100.0	885,747	100.0

Source: U.S. Department of Commerce, Bureau of Census, 2000.

INCOME LEVELS

	<u>Town of West Hartford</u>	<u>State of Connecticut</u>
Per Capita Income, 1999	\$33,468	\$28,766
Per Capita Income, 1989	\$26,943	\$24,548
Per Capita Income, 1987 (Est.)	\$22,202	\$21,235
Per Capita Income, 1985 (Est.)	\$19,864	\$18,268
Median Family Income, 1999	\$77,865	\$65,521
Median Household Income, 1999	\$61,665	\$53,935
Percent of Families Below Poverty Level	2.9	5.6

Source: U.S. Department of Commerce, Bureau of Census, 2000.

AGE DISTRIBUTION OF HOUSING

<u>Year Built</u>	<u>Town of West Hartford</u>		<u>State of Connecticut</u>	
	<u>Units</u>	<u>Percent</u>	<u>Units</u>	<u>Percent</u>
1939 or earlier	7,114	28.1	308,896	22.3
1940 to 1959	11,003	43.4	359,042	25.9
1960 to 1969	3,513	13.9	212,176	15.3
1970 to 1979	1,960	7.7	203,377	14.7
1980 to 1989	1,253	5.0	183,405	13.2
1990 to March 2000	489	1.9	119,079	8.6
Total	25,332	100.0	1,385,975	100.0
Percent Owner Occupied		71.9		66.8

Source: U.S. Department of Commerce, Bureau of Census, 2000.

HOUSING INVENTORY

<u>Type</u>	<u>Units</u>	<u>Percent</u>
1-unit detached	17,036	67.3
1-unit attached	761	3.0
2 to 4 units	3,335	13.1
5 to 9 units	599	2.4
10 or more units	3,584	14.1
Mobile home, trailer, other	17	0.1
Total Inventory	25,332	100.0

Source: U.S. Department of Commerce, Bureau of Census, 2000.

OWNER-OCCUPIED HOUSING VALUES

Specified Owner-Occupied Units	Town of West Hartford		State of Connecticut	
	Number	Percent	Number	Percent
Less than \$50,000.....	53	0.3	5,996	0.8
\$ 50,000 to \$ 99,999.....	1,031	6.5	85,221	11.7
\$100,000 to \$149,999.....	4,305	26.9	212,010	29.1
\$150,000 to \$199,999.....	4,532	28.4	156,397	21.5
\$200,000 to \$299,999.....	3,854	24.1	137,499	18.9
\$300,000 or more	2,204	13.8	131,121	18.0
Total	15,979	100.0	728,244	100.0
Median Value	\$176,400		\$166,900	

Source: U.S. Department of Commerce, Bureau of Census, 2000.

EDUCATIONAL ATTAINMENT

Years of School Completed Age 25 and Over

	Town of West Hartford		State of Connecticut	
	Number	Percent	Number	Percent
Less than 9th grade	1,796	4.1	132,917	5.8
9th to 12th grade	2,423	5.6	234,739	10.2
High school graduate	8,138	18.7	653,300	28.5
Some college, no degree	5,717	13.2	402,741	17.5
Associate degree	2,358	5.4	150,926	6.5
Bachelor's degree	11,634	26.8	416,751	18.2
Graduate or professional degree	11,388	26.2	304,243	13.3
Total	43,454	100.0	2,295,617	100.0
Total High School Graduate or Higher (%)	90.3		84.0	
Total Bachelor's Degree or Higher (%)	53.0		31.4	

Source: U.S. Department of Commerce, Bureau of Census, 2000.

EMPLOYMENT DATA
by Place of Residence

Period	Town of West Hartford		Percentage Unemployed		
	Employed	Unemployed	Town of West Hartford (%)	Hartford Labor Market (%)	State of Connecticut (%)
April 2009 ¹	27,506	1,917	6.5	7.7	7.8
Annual Average					
2008	27,995	1,465	5.0	5.8	5.7
2007	27,397	1,230	4.3	5.1	4.6
2006	28,080	1,109	3.8	4.4	4.3
2005	27,608	1,312	4.5	5.1	4.9
2004	27,494	1,288	4.5	5.2	4.9
2003	27,609	1,227	4.3	5.9	5.5
2002	27,879	861	3.0	4.5	4.3
2001 ²	27,443	618	2.2	3.3	3.3
2000	28,116	473	1.7	2.6	2.5
1999.....	27,206	649	2.3	3.3	3.2

¹ Not seasonally adjusted.

² Due to the change in the way the statistics have been compiled by the State Department of Labor, previous data is not comparable.

EMPLOYMENT BY INDUSTRY
Employed Persons 16 Years and Over

Sector	Town of West Hartford		State of Connecticut	
	Number	Percent	Number	Percent
Agriculture, Forestry, Fisheries, Mining	53	0.2	7,445	0.5
Construction	890	3.1	99,913	6.0
Manufacturing	2,334	8.1	246,607	14.8
Wholesale Trade	752	2.6	53,231	3.2
Retail Trade	2,281	7.9	185,633	11.2
Transportation, Warehousing, Utilities	739	2.6	64,662	3.9
Information	898	3.1	55,202	3.3
Finance, Insurance, Real Estate	4,817	16.8	163,568	9.8
Professional, Scientific, Management	3,824	13.3	168,334	10.1
Educational, Health, Social Services	8,115	28.2	366,568	22.0
Arts, Entertainment, Recreation	1,414	4.9	111,424	6.7
Other Services	1,222	4.3	74,499	4.5
Public Administration	1,413	4.9	67,354	4.0
Total Labor Force, Employed	28,752	100.0	1,664,440	100.0

Source: U.S. Department of Commerce, Bureau of the Census, 2000.

MAJOR EMPLOYERS

<u>Employer</u>	<u>Business</u>	<u>Number of Employees</u>
University of Hartford	Education	1,500
Hebrew Home and Hospital.....	Nursing Home	750
Wiremold Products, Inc.	Manufacturing	720
St. Josephs College	Education	540
Colt Manufacturing.....	Manufacturing	520
Macy's	Retail	500
St. Mary's Home.....	Nursing Home	400
Goodrich Corporation	Manufacturing	375
Holo-Krome Company	Manufacturing	300
University of Connecticut	Education	250
Total.....		5,855

Source: Chamber of Commerce, Town of West Hartford, 2006.

LAND USE SUMMARY

The Town Planning and Zoning Commission, in conjunction with the Planning Division of the Department of Community Services, have responsibility for implementing the comprehensive plan of development for West Hartford. The Town Council adopted the most recent plan on September 23, 1997. The following table presents land use information in West Hartford.

<u>Land Use Category</u>	<u>Percent (%)</u>
Residential	46.0
Undeveloped including MDC land.....	22.0
Streets	11.0
Institutional.....	8.0
Recreational.....	7.0
Commercial/Industrial	6.0
Total Area	100.0

Source: Department of Community Services, Town of West Hartford

IV. REVENUE AND TAX POLICY

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.

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 Services 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.

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 of 10/1	Real Property ¹			Personal Property ¹		Less:	Net	Total
	Residential	Commercial	Industrial	Other	Motor Vehicle	Exemptions on Taxable Property ²	Taxable Grand List	Direct Tax Rate
2008	\$ 4,711,416	\$ 828,730	\$ 73,027	\$ 195,797	\$ 362,919	\$ 1,217,965	\$ 4,953,924	37.54
2007	4,651,563	801,976	74,008	180,180	377,062	1,195,360	4,889,430	36.97
2006 ²	4,602,650	815,582	73,570	168,500	369,916	1,531,763	4,498,455	38.63
2005	2,605,522	546,377	67,714	159,506	368,461	36,640	3,710,940	46.19
2004	2,583,536	535,544	67,590	152,863	355,022	34,623	3,659,932	44.07
2003	2,563,021	536,493	67,596	158,462	338,527	36,137	3,627,962	42.12
2002	2,546,055	543,125	67,694	160,637	359,628	38,284	3,638,855	39.70
2001	2,530,191	545,281	68,178	166,128	344,032	39,032	3,614,778	37.65
2000	2,514,916	548,371	71,036	149,106	333,103	40,887	3,575,645	35.69
1999	2,505,879	552,870	79,082	147,248	320,100	46,155	3,559,024	34.36

¹ Assessed Value is 70% of Estimated Actual Value.

² The Town conducted its State-mandated revaluation as of October 1, 2006. The Town Council of the Town of West Hartford elected to phase-in revaluation over a period not to exceed five years. The value of the new assessments being phased-in is reflected as a tax exemption in the Grand List. In June 2009, the Town Council elected to suspend the phase-in in accordance with State legislation. The phase-in tax exemption totals \$1,165,895 as of 10/1/08.

Connecticut General Statutes Section 12-81 (72) exempts new manufacturing equipment from property taxation by municipalities. The State of Connecticut will directly reimburse municipalities for 100% of the foregone taxes.

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

EXEMPT PROPERTY
Assessed Value

Public	Assessed Value as of 10/1/08
Federal	\$10,439,200
Town of West Hartford	117,587,400
State of Connecticut	33,996,600
Sub-Total Public	<u>\$162,023,200</u>
Private	
Public Service Companies	\$5,579,000
Scientific, Educational, Historical, Charitable	236,959,566
Churches	158,231,700
Cemeteries	13,464,000
Veteran's Organizations	1,706,000
Recreation	71,949,000
Private Colleges and Hospitals	82,782,500
Sub-Total Private	<u>\$570,671,766</u>
Total Exempt Property	<u><u>\$732,694,966</u></u>

Percent of Net Taxable Grand List of 10/1/08 14.79%

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, 2008		
		Net Taxable Value	Rank	Percent of Total
Blue Back Square LLC ¹	Retail, Office, Apartments, Residential	\$65,341	1	1.06%
West Farms Associates	Mall	\$35,000	2	0.57%
Corbins Corner Shopping Center LLC	Corbins Corner	\$34,558	3	0.56%
CL & P	Utility	\$28,267	4	0.46%
E & A Northeast Limited Partnership	Retail & office	\$27,933	5	0.45%
Town Center West Associates	Office	\$23,054	6	0.37%
Wiremold Company	Manufacturing	\$19,517	7	0.32%
Bishops Albany LLC	Retail	\$17,039	8	0.28%
Sisters of Mercy/McAuley Center	Assisted Living	\$15,963	9	0.26%
Prospect Plaza Improvements LLC	Retail	<u>\$14,619</u>	10	<u>0.24%</u>
Total		\$281,291		4.57%

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

¹ New construction, partial assessments

Source: Town of West Hartford, Department of Assessment

PROPERTY TAX LEVIES AND COLLECTIONS
(Amounts Expressed in Thousands)

Fiscal Year Ending 6/30	Mill Rate	Total Adjusted Tax Levy	Collected within Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2008	38.63	\$ 174,302	\$ 172,515	99.0%	n/a	172,515	99.0%
2007	46.19	172,700	171,389	99.2%	759	172,148	99.7%
2006	44.07	162,715	161,504	99.3%	803	162,307	99.7%
2005	42.12	153,917	152,782	99.3%	711	153,493	99.7%
2004	39.70	144,883	143,663	99.2%	918	144,581	99.8%
2003	37.65	136,908	135,655	99.1%	955	136,610	99.8%
2002	35.69	128,280	126,952	99.0%	911	127,863	99.7%
2001	34.36	122,520	121,285	99.0%	633	121,918	99.5%
2000	30.05	117,131	116,024	99.1%	631	116,655	99.6%
1999	30.05	116,016	114,776	98.9%	1,010	115,786	99.8%

n/a – information not yet available

Source: Revenue Collection Department, Town of West Hartford.

PROPERTY TAXES RECEIVABLE

(Amounts Expressed in Thousands)

(as of June 30, 2008)

Grand List Year	Adjusted Total Tax Levy	Remaining Uncollected Levy ¹	Percent Adjusted Levy Uncollected
2006	\$ 174,302	\$ 1,787	1.03%
2005	172,700	504	0.29
2004	162,715	62	0.04
2003	153,917	34	0.02
2002	144,883	27	0.02
2001	136,908	25	0.02
2000	128,280	23	0.02
1999	122,520	30	0.02
1998	117,131	32	0.03
1997	116,016	32	0.03

¹ Unaudited Tax Collector's Report, Town of West Hartford.

Note: As of June 30, 2008 the total uncollected levy from all years was \$2,714.

V. DEBT SUMMARY

PRINCIPAL AMOUNT OF BONDED INDEBTEDNESS

October 6, 2009

(Pro forma)

Date	Purpose	Rate %	Original Issue	Debt Outstanding After This Issue	Date of Fiscal Year Maturity
01/15/01	General Purpose	4.10 - 4.50	\$10,250,000	\$6,150,000	2021
01/15/01	Schools	4.10 - 4.50	4,750,000	2,850,000	2021
01/15/02	General Purpose	3.50 – 4.75	6,415,000	4,169,750	2022
01/15/02	Schools	3.50 – 4.75	7,085,000	4,605,250	2022
11/19/02	General Purpose	2.50 – 4.00	3,846,751	1,538,700	2013
11/19/02	Schools	2.50 – 4.00	3,653,249	1,461,300	2013
01/15/03	Refunding – General Purpose	2.00 – 5.00	7,766,668	3,734,509	2015
01/15/03	Refunding - Schools	2.00 - 5.00	11,803,332	5,675,491	2015
02/04/04	General Purpose	3.00 – 5.00	7,232,874	5,424,656	2024
02/04/04	Schools	3.00 – 5.00	16,767,126	12,575,345	2024
03/01/05	General Purpose	3.25 – 5.00	9,815,593	3,273,789	2020
03/01/05	Schools	3.25 – 5.00	7,184,407	2,396,211	2020
06/09/05	Refunding – Schools	3.00 - 5.00	11,105,000	9,970,000	2018
10/12/05	General Purpose	3.50 – 5.00	48,820,000	12,970,000	2026
02/01/07	General Purpose	4.00 – 5.50	12,546,510	10,873,642	2022
02/01/07	Schools	4.00 – 5.50	2,453,490	2,126,358	2022
02/07/08	General Purpose	3.00 – 5.00	10,722,000	10,007,200	2023
02/07/08	Schools	3.00 – 5.00	4,278,000	3,992,800	2023
06/15/09	General Purpose	2.00 – 3.50	10,902,800	10,902,800	2024
06/15/09	Schools	2.00 – 3.50	4,097,200	4,097,200	2024
09/15/09	Refunding-General Purpose (This Issue)		38,582,956	38,582,956	2026
09/15/09	Refunding-Schools (This Issue)		<u>3,077,044</u>	<u>3,077,044</u>	2026
			\$243,155,000	\$160,455,000	

SHORT-TERM DEBT

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

CAPITAL IMPROVEMENT PROGRAM

The Town has adopted a twelve year Capital Improvement Program (“CIP”) in which approximately \$151.5 million is expected to be invested in capital improvements through fiscal year 2021. Approximately \$47.3 million (31%) of such improvements are for school facilities, and \$104.2 million (69%) has been allocated to other Town projects for repairs, replacements, or improvements to streets, sidewalks, sewers, recreational facilities, communications, and drainage facilities. The CIP anticipates non-debt financing of approximately \$27.4 million. The remainder of the CIP funding is subject to debt authorization by the Town Council or the development of other funding sources during the period 2010-2021.

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 this program, the Town expects to receive progress payments for eligible school construction costs at the rate of approximately 25-35 percent.

Debt service reimbursement will continue under the old school grant program for all school projects approved prior to July 1, 1996. Under the old 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. As of September 15, 2009 the Town expects to receive grant reimbursements under the old program in an aggregate amount of \$2,721,517.

GENERAL FUND
ANNUAL BONDED DEBT MATURITY SCHEDULE ¹

As of October 6, 2009

(Pro forma)

Fiscal Year	Outstanding Principal Payments²	Outstanding Interest Payments²	Principal on 2009B Bonds	Interest on 2009B Bonds	Total Debt Service	Cumulative Percent of Principal Retired
2010	\$7,505,000	\$3,687,459		\$666,969	\$10,739,972	4.68%
2011	13,945,000	4,371,206	\$385,000	1,368,200	20,069,406	13.61
2012	14,015,000	3,798,500	385,000	1,358,575	19,557,075	22.58
2013	12,090,000	3,266,925	385,000	1,348,950	17,090,875	30.36
2014	10,430,000	2,785,988	385,000	1,341,250	14,942,238	37.10
2015	9,395,000	2,327,538	385,000	1,333,550	13,441,088	43.19
2016	9,045,000	1,923,438	1,435,000	1,315,350	13,718,788	49.72
2017	6,625,000	1,608,112	3,945,000	1,241,825	13,419,937	56.31
2018	6,615,000	1,357,850	4,020,000	1,122,350	13,115,200	62.94
2019	6,605,000	1,087,100	4,095,000	1,000,625	12,787,725	69.61
2020	5,625,000	866,787	4,180,000	855,600	11,527,387	75.72
2021	5,625,000	646,775	4,300,000	707,500	11,279,275	81.90
2022	4,875,000	423,062	3,320,000	593,200	9,211,262	87.01
2023	3,200,000	229,375	3,420,000	492,100	7,341,475	91.14
2024	2,200,000	105,300	3,525,000	370,300	6,200,600	94.71
2025	1,000,000	17,500	3,670,000	226,400	4,913,900	97.62
2026			3,825,000	76,500	3,901,500	100.00
	<u>\$120,675,000</u>	<u>\$28,502,915</u>	<u>\$41,660,000</u>	<u>\$15,419,000</u>	<u>\$203,257,703</u>	

¹ Excludes Underlying/Overlapping Debt.

² Excludes Refunded Bonds and payments made prior to October 6, 2009.

OVERLAPPING/UNDERLYING DEBT

Overlapping Debt

The Town is a member of the Metropolitan District Commission (the "MDC"), a special district in Hartford County formed under State 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 September 15, 2009, the total net overlapping debt of the MDC was \$139,780,211 of which the Town of West Hartford is responsible for \$29,982,855 or 21.45%.

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 District was fined \$850,000 and signed a Consent Decree to cease all overflows within 12 years. The District also negotiated a Consent Order with the Connecticut Department of Environmental Protection (CTDEP) to control the Combined Sewer Overflows (CSO) located in the Hartford sewer system within 15 years (by the year 2022).

The MDC has conducted studies of the CSO under the direction of the CTDEP. 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, voters in the eight member towns overwhelmingly approved a referendum authorizing the MDC to appropriate \$800,000,000 for the Clean Water Project to be financed by the issuance of bonds. The MDC is pursuing state funding from the Clean Water Fund and federal funding from Congress to assist with the cost of the project. The total cost for the program is expected to be in excess of \$1,600,000,000 and a future authorization from the voters will be required. The MDC has adopted a special sewer service charge for customers of the Metropolitan District who utilize the District sewer system and are furnished water directly by the Metropolitan District. The proceeds from the special sewer service charge shall 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. Bonds and other loans used to finance the Clean Water Project that are supported by the Special Sewer Service Charge will not be included in the calculation of overlapping debt since they are not supported by the ad valorem taxes of the Town.

Underlying Debt

The Town of West Hartford has no underlying debt.

DEBT STATEMENT

As of October 6, 2009

(Pro forma)

LONG-TERM DEBT	
School Bonds ¹	\$52,826,998
Sewer Bonds	--
General Purpose Bonds ¹	109,508,002
Urban Renewal	
TOTAL LONG-TERM DEBT	\$160,455,000
SHORT-TERM DEBT	
Bond Anticipation Notes	--
TOTAL DIRECT DEBT	\$160,455,000
Overlapping Debt - MDC	29,982,855
TOTAL OVERALL DEBT	\$190,437,855
Less: School Construction Grants Receivable ²	2,721,517
TOTAL OVERALL NET DEBT	\$187,716,338

¹ Includes the Bonds of this issue

² For all school projects approved prior to July 1, 1996, the State will continue reimburse the Town for a portion of principal and interest costs over the life of the bonds. For all school projects approved after July 1, 1996, the State will provide proportional progress grant payments.

CURRENT DEBT RATIOS

October 6, 2009

(Pro forma)

Population 2000 ¹	61,045
Net Taxable Grand List (10/1/08).....	\$4,953,923,498
Full Value (exclusive of phase-in exemptions)	\$8,742,597,434
Equalized Net Grand List (10/1/07) ²	\$7,332,637,978
Per Capita Income ¹	\$33,468

¹ Source: U.S. Department of Commerce, Bureau of Census, 2000.

² Source: Office of Policy & Management, State of Connecticut, includes phase-in exemption per State statute.

	Total Direct Debt	Total Overall Debt	Total Overall Net Debt
Debt per Capita	\$2,628	\$3,120	\$3,075
Percent of Net Taxable Grand List	3.24%	3.84%	3.79%
Percent of Estimated Full Value	1.84%	2.18%	2.15%
Percent of Equalized Net Grand List	2.19%	2.60%	2.56%
Percent of Debt per Capita to Income per Capita	7.85%	9.32%	9.19%

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 eight years from their original date of issue as long as all project grant payments are applied toward payment of 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 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 eight years from the initial borrowing date except for sewer notes issued in anticipation of State and/or Federal grants. If a written commitment exists, the municipality may renew the 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).

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 Pension 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 and penalties) and state payments 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 October 6, 2009

(Pro forma, all amounts in thousands))

TOTAL TAX COLLECTIONS (including interest and lien fees) received by the Tax Collector for the year ended June 30, 2008	\$174,041
REIMBURSEMENT FOR REVENUE LOSS ON:	
Tax Relief for Elderly	10
BASE	<u>\$174,051</u>

	General Purposes	Schools	Sewers	Urban Renewal	Pension Benefit Obligation
DEBT LIMITATION:					
2 1/4 times base.....	\$391,615	--	--	--	--
4 1/2 times base.....	--	\$783,230	--	--	--
3 3/4 times base.....	--	--	\$652,691	--	--
3 1/4 times base.....	--	--	--	\$565,666	--
3 times base	--	--	--	--	\$522,153
Total debt limitation	<u>\$391,615</u>	<u>\$783,230</u>	<u>\$652,691</u>	<u>\$565,666</u>	<u>\$522,153</u>
INDEBTEDNESS:					
Bonds Payable.....	107,628	52,827	--	--	--
Notes Payable.....	--	--	--	--	--
Debt Authorized but Unissued	<u>7,255</u>	<u>4,836</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total Indebtedness	<u>\$114,883</u>	<u>\$57,663</u>	<u>--</u>	<u>--</u>	<u>--</u>
Less: School Construction Grants Receivable	--	(2,722)	--	--	--
Net Indebtedness:	<u>\$114,883</u>	<u>\$54,941</u>	<u>--</u>	<u>--</u>	<u>--</u>
DEBT LIMITATION IN EXCESS OF TOTAL INDEBTEDNESS ¹	<u>\$276,732</u>	<u>\$728,289</u>	<u>\$652,691</u>	<u>\$565,666</u>	<u>\$522,153</u>

¹ Excludes overlapping debt. See "Overlapping Debt" herein.

Note: In no case shall indebtedness exceed seven times annual receipts from taxation. The maximum permitted under this formula would be \$1.22 billion.

**RATIOS OF ANNUAL BONDED DEBT SERVICE
TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES
(Amounts Expressed in Thousands)**

Fiscal Year Ended 6/30	Total Debt Service	Total Governmental Funds Expenditures ¹	Debt Service as a % of Non-Capital Expenditures (%)
2008 ²	\$14,542	\$273,346	5.32%
2007	16,803	219,827	7.64
2006	15,810	207,270	7.63
2005	13,403	190,296	7.04
2004	12,193	179,294	6.80
2003	11,445	171,635	6.67
2002	10,603	161,121	6.58
2001	10,053	155,824	6.45
2000	9,784	149,095	6.56
1999	9,427	141,153	6.68

¹ Includes all Governmental Funds, excluding capital outlay. Data is reflected on a modified accrual basis of accounting.

² Increase in Total Governmental Funds Expenditures for fiscal year 2008 results from a significant increase in the intergovernmental revenue and expenditure recorded for payments made by the State of Connecticut on behalf of the Town for the Connecticut Teachers' Retirement System. The contribution by the State increased as a result of state issued pension obligation bonds that partially funded the plan.

Source: Department of Finance, Town of West Hartford

RATIOS OF NET LONG-TERM DEBT TO VALUATION, POPULATION, AND INCOME

Fiscal Year Ended 6/30	Net Assessed Value¹	Estimated Full Value²	Total Direct Debt³	Ratio of Long-Term Debt to Net Assessed Value (%)	Ratio of Long-Term Debt to Estimated Full Value (%)	Population⁴	Net Long-Term Debt per Capita	Ratio of Long-Term Debt per Capita to Per Capita Income⁵ (%)
2008	\$ 4,498,455,415	\$8,614,597,736	\$160,995,000	3.6	1.9	61,045	2,637	7.9
2007	3,710,940,390	5,353,686,271	156,055,000	4.2	2.9	61,045	2,556	7.6
2006	3,659,932,780	5,277,936,829	151,115,000	4.1	2.9	61,045	2,475	7.4
2005	3,627,960,740	5,234,425,343	112,400,000	3.1	2.1	61,045	1,841	5.5
2004	3,638,854,650	5,253,055,214	104,195,000	2.9	2.0	61,045	1,707	5.1
2003	3,614,778,748	5,219,729,640	88,395,000	2.5	1.7	61,045	1,448	4.3
2002	3,575,645,530	5,166,475,043	88,250,000	2.5	1.7	61,045	1,446	4.3
2001	3,559,024,147	5,150,255,924	81,500,000	2.3	1.6	61,045	1,335	4.0
2000	3,875,638,031	5,607,720,044	73,000,000	1.9	1.3	60,110	1,214	4.5
1999	3,843,503,236	5,558,183,194	71,600,000	1.9	1.3	60,110	1,191	4.4

¹ Assessment Ratio: 70%.

² Includes tax exempt property.

³ Excludes school building grants receivable and overlapping MDC debt.

⁴ Source: U.S. Department of Commerce, Bureau of the Census (2000)

⁵ Bureau of Census, Per Capita Income 1999-2000 based on 1990 Census of \$26,943 and 2001-2008 on 2000 Census of \$33,468.

VI. ECONOMIC INITIATIVES AND PROPOSALS

The Town of West Hartford is a 150 year old community which, despite being considered fully developed by many people, currently has numerous development projects pending approval, approved, under construction or proposed for the community.

The Town of West Hartford has enjoyed an unprecedented level of redevelopment and reinvestment in industrial/commercial properties since the real estate recession of the 1990s. Every commercial district in Town, from small neighborhood centers to regional shopping districts, has been revitalized and refurbished. The concurrent improvements provided by the Town (infrastructure and streetscape aesthetics) and those provided by private property owners (building capital improvements and landscaping upgrades) fuel the Town's economy and attract new businesses. West Hartford continues to draw owners of all types of businesses from medical, personal, and household services to office, retail, wholesale, and dining establishments.

The volume and variety of businesses in Town is significant. The overall driving force for economic development is the creation and maintenance of a community in which people want to invest. The streetscape improvements for the commercial centers are a significant piece in creating this environment. Hundreds of millions of dollars have been invested in the community over the past decade and the vast majority of investment occurred in the redevelopment of existing but perhaps functionally obsolete property. Each of the commercial centers in Town has adopted its own personality, function, and appeal as they evolve into the centers envisioned in previous Plans of Conservation and Development.

WEST HARTFORD CENTER

Created at the geographic center of the community, the intersection of Main Street and Farmington Avenue, the "Center" is reflective of a traditional town center. The original Center developed primarily to the west of Main Street with most of the municipal property located to the east. The majority of western buildings date to the 1930s and the 1940s and wide sidewalks, mature trees, and large seasonal planters dominate the streetscape. A consolidated parking system behind the buildings and prevalent well marked crosswalks provide safe and inviting pedestrian travel throughout the entire district. There are over 140 specialty shops and restaurants, in addition to banks, professional offices, and salons in the western portion of the Center.

BLUE BACK SQUARE

Active construction and redevelopment of the eastern portion of the Center has recently been completed and is referred to as Blue Back Square. This area includes 20 ± acres of land, 600,000 ± square feet of mixed residential, retail and office improvements, two (2) parking structures and new supporting infrastructure. Additionally, the area houses a new public square and the stately façade of the former Board of Education building has been preserved.

The project had an overall budget of \$200 million. The developer funded \$150 million through equity and debt and the Town provided approximately \$50 million from the proceeds of tax exempt general obligation bonds for the public improvement portion of the development. Town Hall renovations, police station addition and renovation, library expansion, and construction of a new senior center were all part of the bond expense. The debt service on the bonds will be paid from revenues generated by the new parking structures and from an additional tax levy being imposed on the property within the West Hartford Center - Special Services District in accordance with Connecticut General Statutes.

The redevelopment of this area reflects the evolution of the Center into the uses Town officials and Plans of Development first contemplated over twenty (20) years ago. The actual planning and redevelopment has occurred over a period of approximately 5 years. The result of this large scale development is the transformation of a former commercial use that was no longer appropriate or desirable for its location into a mixed use development that permits people to live, work, and shop in close proximity.

As of Summer 2009, most of the Blue Back Square Development has opened. Tenants include Crate and Barrel, Criterion Theaters, Cheesecake Factory, REI, and Hartford Hospital Surgical Center, among others. Approximately 92% of the retail space and 82% of the office space is currently leased. Of the 59 condo units located in the Heritage Building 49 are sold and 95% of the apartments are leased. When fully completed the shops, stores, restaurants and offices will result in the new employment of approximately 2,000 people.

WHOLE FOODS MARKET

Adjacent to the Blue Back Square location is the site of the recently constructed Whole Foods Market. This development consists of 42,000 sq. ft. specialty food store and future plans call for a full service hotel to also be located on this site. The current economy has delayed commitment to the hotel, however, discussions concerning this use continue.

ELMWOOD

Ginsburg Development, CT, LLC (GDC), a residential real estate developer, received approval in 2003 from the West Hartford Town Council to construct a 148 unit condominium development along South Quaker Lane in the Elmwood section and as part of the development to obtain a small portion of Beachland Park in a land swap with the Town. Certain neighbors appealed the Town Councils' decision in an administrative appeal. That administrative appeal was dismissed by the Superior Court. No further appellate review of that decision was sought so the final judgment cannot be appealed. The Ginsburg Development has been met with great market acceptance. All units constructed to date, approximately 100, have been sold. This development has had an extremely positive impact on the local economy. Also in the Elmwood section is the former Elm Theatre property which was redeveloped as a commercial structure housing a 14,000 square foot Walgreen's store. The plaintiffs mentioned previously, as well as two others, brought a second administrative appeal from a decision granting an approval for the redevelopment of the theatre site, and sought to combine that appeal with a declaratory judgment action seeking to overturn the GDC proposal. This administrative appeal was also dismissed by the Superior Court.

It is also noted that NBC 30, local affiliate WVIT will soon complete its new state-of-the-art broadcast facility. This long anticipated development reflects their outstanding commitment to the community.

ADDITIONAL PROJECTS

A new single family residential subdivision is currently under construction on Avon Mountain. This development consists of sixteen (16) homes, each with a value in the two million dollar range. Additionally, there are two other smaller condominium projects currently under construction in the east central section of the community.

In the Bishop's Corner section of the community, a new seventy-eight (78) unit condominium complex, Somerset, has been completed. Approximately 80% of the units in this complex have been sold and are occupied.

An older, existing 40,000 square foot industrial structure has been converted to house six (6) new smaller business enterprises on New Park Avenue and two (2) new medical office buildings (5,000 square feet and 12,000 square feet) have recently been constructed on South Quaker Lane. Other development projects are also in the planning stages. Included among these are a 30,000 square foot office building near South Main Street and New Britain Avenue and a 10,000 square foot office building on South Quaker Lane. A new retail center of approximately 100,000 square feet on Newington Avenue, anchored by a grocery store, has recently commenced construction.

Also under construction at this time is the 20,000 square foot expansion of a major local manufacturing facility on New Park Avenue. This expansion, when complete, will result in the new employment of 50 highly skilled machinists.

Lastly, the United Tool and Die Corporation on Carney Road completed construction of a 60,000 square foot manufacturing facility to include modern offices. This investment reflects one of the very few investments in manufacturing to occur in central Connecticut during recent times.

VII. FINANCIAL ADMINISTRATION

AUDIT

The Town of West Hartford, 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.

ACCOUNTING AND BUDGETARY BASIS

By Charter, the responsibility for managing the Town's finances rests with the Director of Financial Services. The Director is responsible for a broad and integrated fiscal operation consisting of general accounting, grants accounting, cash management, revenue collection, purchasing, risk management, 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, pension, and non-expendable trust funds.

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 (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 through bonds, Town 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.

LIABILITY INSURANCE

Refer to the "Notes to the General Purpose Financial Statements", Note (9).

PENSION PLAN

Refer to the "Notes to the General Purpose Financial Statements", Note (11).

OTHER POST-EMPLOYMENT BENEFITS

In 1986, the Town established a reserve fund for retiree health care benefits. Annual contributions are made to the fund by employees and the General Fund and retiree health care costs 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. In the current labor contracts for all unions, the Town negotiated significant changes in the retirement benefits for new employees. 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. 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 is prepared to implement the new accounting standards that address this issue. Refer to the “Notes to the General Purpose Financial Statements”, (Note 10).

INVESTMENT POLICY FOR OPERATING FUNDS AND PENSION FUNDS

Eligible investments for Connecticut municipalities are governed by the Connecticut General Statutes, Sections 7-400, and 7-402, and 7-403(a). Refer to the “Notes to the General Purpose Financial Statements”, Note (3), regarding the Town's investments and investment policies.

The Town invests operating funds in 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 the STIF.

GENERAL FUND REVENUES AND EXPENDITURES
(BUDGETARY BASIS) ¹

	Adopted Budget 2010 ⁵	Actual 2009 ⁴	Actual 2008 ³	Actual 2007 ²	Actual 2006	Actual 2005
Revenues						
Property taxes	\$185,372,046	\$181,812,572	\$173,317,428	\$172,564,726	\$162,738,800	\$154,636,482
Intergovernmental.....	20,169,649	21,732,730	20,475,283	16,726,200	16,622,863	15,727,205
Charges for Services.....	3,926,338	4,039,311	4,196,926	4,559,982	4,710,239	3,717,690
Interest on Investments.....	1,500,000	1,939,717	2,535,631	3,342,393	2,933,603	1,538,762
Miscellaneous Revenues	608,000	904,961	951,782	471,008	549,244	507,320
Total Revenues	\$211,576,033	\$210,429,291	\$201,477,050	\$197,664,309	\$187,554,749	\$176,127,459
Expenditures						
General Government:						
Town Council/Town Clerk.....	\$659,791	\$712,456	\$756,674	\$757,263	\$739,136	\$697,259
Town Manager.....	249,283	397,791	322,634	322,831	330,590	288,160
Corporation Counsel.....	451,786	712,733	567,625	535,911	499,120	451,370
Registrar of Voters	259,662	276,822	351,579	287,331	203,112	316,841
Financial Services.....	2,441,434	3,011,437	3,159,025	5,389,414	1,685,217	1,653,324
Assessors	538,907	732,077	761,934	883,092	747,717	643,520
Administrative Services	--	--	--	--	3,346,149	3,119,923
Employee Services	370,685	496,497	526,885	469,054	522,381	526,180
Public Safety:						
Fire Services	9,108,309	12,002,732	12,395,580	11,839,029	11,667,067	10,758,056
Police Services.....	13,062,149	17,599,766	17,886,581	17,068,931	16,414,596	15,576,772
Community Maintenance:						
Community Services	2,585,394	3,637,517	4,016,611	3,970,810	3,672,283	3,427,135
Public Works	10,953,324	12,602,305	12,134,801	11,251,738	16,943,086	16,137,546
Facilities Services	2,214,155	2,399,337	2,265,984	--	--	--
Human & Cultural Resources:						
Human & Leisure Services.....	2,491,672	2,999,007	1,249,192	1,080,442	--	--
Library Services.....	2,918,418	3,611,701	3,684,505	3,604,688	3,460,628	3,302,309
Human Services	--	--	--	--	1,191,876	1,113,905
Debt and Sundry.....	39,567,367	27,480,831	22,611,372	22,048,763	15,863,913	14,331,466
Sub-Total Town.....	\$87,872,336	\$88,673,009	\$82,690,982	\$79,509,297	\$77,286,871	\$72,343,766
Board of Education.....	123,306,323	122,932,908	116,903,853	113,232,423	106,267,279	100,554,489
Total Expenditures.....	\$211,178,659	\$211,605,917	\$199,594,835	\$192,741,720	\$183,554,150	\$172,898,255
Excess of Revenues Over (Under)						
Expenditures	\$397,374	(\$1,176,626)	\$1,882,215	\$4,922,589	\$4,000,599	\$3,229,204
Other Financing Sources(Uses):						
Transfers In.....	995,655	2,045,265	1,238,896	920,000	1,540,052	1,712,312
Transfers Out	(1,393,029)	(1,356,896)	(2,480,693)	(4,115,530)	(4,232,801)	(3,011,413)
Total Other Financing Sources(Uses) ..	(\$397,374)	\$688,369	(\$1,241,797)	(\$3,195,530)	(\$2,692,749)	(\$1,299,101)
Excess of Revenues & Other Sources						
Over Expenditures and Other Uses ..	\$ ---	(\$488,257)	\$640,418	\$1,727,059	\$1,307,850	\$1,930,103
Fund Balance, Beginning of Year.....	\$16,345,479	\$16,833,736	\$16,193,318	\$14,466,259	\$13,158,409	\$11,228,306
Designated Fund Balance, End of						
Year	---	---	(781,185)	(781,185)	-	-
Undesignated Fund Balance, End of						
Year.....	<u>\$16,345,479</u>	<u>\$16,345,479</u>	<u>\$16,052,551</u>	<u>\$15,412,133</u>	<u>\$14,466,259</u>	<u>\$13,158,409</u>

¹On a budgetary basis, encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order, contract or other commitment is issued, and accordingly, encumbrances outstanding at year end are reflected in budgetary reports as expenditures in the current year. This accounting treatment is different from that utilized under GAAP. All unencumbered budget appropriations lapse at the end of each fiscal year.

²In fiscal year 2007, the Administrative Services Department was combined with the Financial Services Department; the Human Services Department was combined with the Leisure Services Department; and the Town's payment to MDC was moved from the Public Works Department to Debt and Sundry.

³In fiscal year 2008, the Facilities Services department was separated from the Financial Services department.

⁴Unaudited.

⁵In fiscal year 2010, the budget for all Risk Management costs (Health, Workers Compensation, etc.) were transferred from individual departments to Debt and Sundry.

VIII. TAX MATTERS

The Internal Revenue Code of 1986, as amended (the “Code”), imposes certain requirements which must be met at and subsequent to delivery of the Bonds in order that interest on the Bonds be and remain excluded from gross income for federal income tax purposes. Non-compliance with such requirements could cause interest of the Bonds to be included in gross income retroactive to the date of issuance of the Bonds. The Tax Compliance Agreement and Tax Certificate, which will be executed and delivered by the Town concurrently with the Bonds, contain representations, covenants and procedures relating to the use, expenditure and investment of proceeds of the Bonds in order to comply with such requirements of the Code. Pursuant to the Tax Compliance Agreement and Tax Certificate, the Town also covenants and agrees that it shall perform all things necessary or appropriate under any valid provision of law to ensure interest of the Bonds shall be excluded from gross income for federal income tax purposes under the Code.

In the opinion of Bond Counsel, based on existing statutes and court decisions and assuming continuing compliance by the Town with its covenants and the procedures contained in the Tax Compliance Agreement and Tax Certificate, interest on the Bonds is excluded from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of computing the federal alternative minimum tax. Interest on the Bonds is not taken into account in the calculation of adjusted current earnings for purposes of calculating the federal alternative minimum tax imposed on corporations.

Ownership of the Bonds may also result in certain collateral Federal income tax consequences to certain tax payers, including, without limitation, financial institutions, property and casualty insurance companies, certain foreign corporations doing business in the United States, certain S corporations with excess passive income, individual recipients of Social Security and Railroad Retirement benefits and certain taxpayers who have or are deemed to have incurred indebtedness to purchase or carry tax exempt obligations, such as the Bonds. Prospective purchasers of the Bonds, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the Federal tax consequences of ownership and disposition of the Bonds.

In the opinion of Bond Counsel, based on 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. The opinion of Bond Counsel is rendered as of its date and is based on existing law, which is subject to change. Bond Counsel assumes no obligation to update or supplement its opinion to reflect any facts or circumstances that may come to their attention, or to reflect any changes in law that may thereafter occur or become effective.

Prospective purchasers of the Bonds are advised to consult their own tax advisors regarding other state and local tax consequences of ownership and disposition of, and receipt of interest on, the Bonds.

ORIGINAL ISSUE PREMIUM

The initial public offering price of certain maturities of the Bonds may be greater than the principal amount payable on such Bonds at maturity. The excess of the initial public offering price at which a substantial amount of these Bonds are sold over the principal amount payable at maturity or on earlier call dates constitutes original issue premium. The prices set forth on the cover page of the Official Statement may or may not reflect the prices at which a substantial amount of the Bonds were ultimately sold to the public.

Under Sections 1016 and 171 of the Code, the amount of original issue premium treated as amortizing with respect to any Bond during each day it is owned by a taxpayer is subtracted from the owner’s adjusted basis for purposes of determining gain or loss upon the sale or other disposition of such gross income for federal income tax purposes. Original issue premium on any bond is treated as amortizing on the basis of the taxpayer’s yield to maturity using the taxpayer’s cost basis and a constant semiannual compounding method. Prospective investors in the bonds should consult their tax advisors with respect to the federal income tax consequences of the disposition of the Bonds.

ORIGINAL ISSUE DISCOUNT

The initial public offering price of certain maturities of the Bonds may be less than the principal amount payable on such Bonds at maturity. The excess of principal amount payable at maturity over the initial public offering price at which a substantial amount of these Bonds are sold constitutes original issue discount. The prices set forth on the cover page of the Official Statement may or may not reflect the prices at which a substantial amount of the Bonds were ultimately sold to the public.

Under Sections 1288 of the Code, the amount of original issue discount treated as having accrued with respect to any Bond during each day it is owned by a taxpayer is added to the owner's adjusted basis for purposes of determining gain or loss upon the sale or other disposition of such Bonds by such owner. Accrued original issue discount on the Bonds is excluded from gross income for federal income tax purposes. Original issue discount on any bond is treated as accruing on the basis of economic accrual for such purposes, computed by a constant semiannual compounding method using the yield to maturity on such bond. The original issue discount attributable to any bond for any particular semiannual period is equal to the excess of the product of (i) one-half of the yield to maturity of such bond, and (ii) the amount which would be the adjusted basis of the bond at the beginning of such semiannual period if held by the original owner and purchased by such owner at the initial public offering price, over the interest paid during such period. The amount so treated as accruing during each semiannual period is apportioned in equal amounts among the days in that period to determine the amount of original issue discount accruing for such period during each such day. Prospective investors in the Bonds should consult their tax advisors with respect to the federal income tax consequences of the disposition of the Bonds.

IX. LEGAL AND OTHER 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.

LEGAL MATTERS

Shipman & Goodwin LLP, Hartford, Connecticut, is serving as Bond Counsel with respect to the authorization and issuance of the Bonds and will render their opinion in substantially the form included in the Official Statement as Appendix A.

FINANCIAL ADVISOR

The Town of West Hartford has retained Lamont Financial Services Corporation as Financial Advisor in connection with the issuance of the Series 2009B Bonds.

TRANSCRIPT AND DOCUMENTS DELIVERED AT CLOSING

The original purchaser will be furnished the following documents when the Bonds are delivered.

1. A Signature and No Litigation Certificate stating that at the time of delivery no litigation is pending or threatened affecting the validity of the 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 at the time bids on the Bonds were accepted the description and 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. A receipt for the purchase price of the Bonds.
4. The approving opinion of Shipman & Goodwin LLP, Bond Counsel of Hartford, Connecticut.
5. An executed continuing disclosure agreement substantially in the form attached as Appendix C to this Official Statement.

6. The Town of West Hartford, Connecticut has prepared an Official Statement for the Bond issue, which is dated September 16, 2009. 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. Chris Johnson or Mrs. C. Elizabeth Hewitt, 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/ Ronald F. Van Winkle

RONALD F. VAN WINKLE
Town Manager

/s/ Chris Johnson

CHRIS JOHNSON
Director of Financial Services

Dated as of September 23, 2009

APPENDIX A

FORM OF OPINION OF BOND COUNSEL

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APPENDIX A - OPINION OF BOND COUNSEL

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

The opinion of Shipman & Goodwin LLP will be substantially in 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 Town of West Hartford, Connecticut (the "Town") of its \$41,660,000 General Obligation Refunding Bonds, Series 2009B, dated October 6, 2009 (the "Bonds").

In connection with our representation of the Town as bond counsel with respect to the Bonds, we have examined the executed Tax Certificate and Tax Compliance Agreement of the Town, each dated as of October 6, 2009, the executed Bonds, and certified records of proceedings of the Town authorizing the 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 Bonds under authority of the constitution and statutes of the State of Connecticut, and that the 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. Under existing statutes, the State of Connecticut is obligated to pay the Town the amount of tax revenue which the Town would have received but for the limitation upon its power to tax such dwelling houses.

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 Bonds if interest on the 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 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 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 for individuals or corporations, and such interest is not taken into account in determining adjusted current earnings for the purpose of computing the federal alternative minimum tax imposed on certain corporations.

We express no opinion regarding other federal income tax consequences caused by ownership of, or receipt of interest on, the Bonds. In rendering the foregoing opinions regarding the federal income tax treatment of interest on the 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 Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.

4. We are of the opinion that, 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.

The rights of the holders of the Bonds and the enforceability of the 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 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 that may hereafter occur.

Very truly yours,

Shipman & Goodwin LLP

APPENDIX B

GENERAL PURPOSE FINANCIAL STATEMENTS

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Independent Auditors' Report

To the Members of the Town Council
Town of West Hartford, Connecticut

We have audited the accompanying financial statements of the governmental activities, the business-type activities, 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, 2008, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town's management. 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 of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of West Hartford, Connecticut, as of June 30, 2008 and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Management's discussion and analysis on pages A-3 through A-16 and budgetary comparison information on pages A-54 through A-59 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Blum, Shapiro & Company, P.C.

December 30, 2008

**TOWN OF WEST HARTFORD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2008**

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, 2008. We encourage readers to consider the information presented here in conjunction with the additional information furnished in our transmittal letter, which can be found on pages v-x of this report, and the Town's financial statements, Exhibits I to IX. All amounts, unless otherwise stated, are expressed in thousands of dollars.

FINANCIAL HIGHLIGHTS

- In the Government-wide Statement of Net Assets, the Town's net assets increased \$5,667 as a result of this year's operations. Net assets from governmental activities increased \$5,350 or 3.1%. Net assets of business activities increased \$317 or 3.1%.
- Total cost of all the Town's programs as shown in the Government-wide Statement of Activities, remained virtually unchanged with the exception of a significant increase (\$38,300) in the payment made by the State of Connecticut on behalf of the Town to the Connecticut State Teacher's Retirement Fund. This has no effect on total net assets since it is recorded as both revenue and expense.
- In the governmental fund balance sheet, fund balance totaled \$35,144, a decrease of \$25,546 from the prior year's balance of \$60,690 primarily the result of current year activity in the Capital Projects Fund.
- Undesignated unreserved fund balance in the General Fund increased \$641, which equates to 7.9% of expenditures.
- Bonds in the amount of \$15,000 were issued during the year to finance renovations and expansions of various town buildings as well as improvements to arterial and neighborhood streets.

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 broader overview of the Town's financial position in a manner similar to the private-sector.

The *statement of net assets* (Exhibit I) presents information on all the Town's assets and liabilities, with the difference between the two reported as *net assets* and is one way to measure the Town's financial health. Over time, increases or decreases in net assets 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 information showing how the Town's net assets have changed during the fiscal year presented. Changes in net assets 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 that will only result in cash flows of future fiscal periods such as uncollected taxes and earned but unused vacation leave.

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 are reported here, which include education, public safety, community maintenance, human and cultural and general government. 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 West Hartford Center Special Services District which was established during fiscal year 2008. 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 17-18 of this report.

Fund Financial Statements - a fund is a grouping of related accounts that is used to maintain control over resources segregated for a specific objective or activity. Some funds are required to be established by Town Charter. However, 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 Federal 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. By doing so, readers may better understand the long-term impact of the government's short-term financing decisions. The relationship (or differences) between governmental activities (reported in the statement of net assets and the statement of activities) and governmental funds is described in the reconciliation included with the fund financial statements.

The Town maintains 26 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, CDBG Housing Rehabilitation Fund and the Capital Projects Fund, all of which are considered major funds. The remaining 23 funds are combined into a single aggregated presentation. Individual fund data for each of the nonmajor governmental funds is provided in the combining statements located on pages 62-69 of this report.

The Town adopts an annual appropriated budget for its General Fund. A budgetary comparison statement, showing original, final and actual results has been provided to demonstrate compliance with this budget and is located in the required supplementary information on pages 54-58 of this report.

The basic governmental fund financial statements can be found on pages 19-22.

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 as well as utility services. 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.

Fiduciary Funds (Exhibits VIII and IX) - The Town is the trustee, or fiduciary, for its employees' pension plans. 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 assets and changes in fiduciary net assets. 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 28-53.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful tool to analyze a government's financial position. The Town's combined assets exceeded liabilities by \$189,684 as of June 30, 2008. The analyses below focus on the net assets (Table 1) and changes in net assets (Table 2) of the Town's governmental and business-type activities.

By far, the largest portion of the Town's net assets (\$164,950 or 87%), reflects its investment in capital assets (e.g. land, infrastructure, machinery, and equipment), less any related debt outstanding to acquire such assets. These assets are used to provide services to citizens and thus are not available to finance future spending. Although the Town's investment in capital assets is reported net of related debt, it should be noted that resources necessary to repay this debt must be provided from other sources, as capital assets cannot be used to satisfy these liabilities.

An additional portion of the Town's net assets (\$2,268 or 1%) represents resources subject to restrictions by external sources on how they may be used. The remaining balance of unrestricted net assets (\$22,466 or 12%), the majority of which is in the General Fund (\$16,834) and the Special Revenue Funds (\$5,993), may be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements.

TABLE 1
Net Assets
In Thousands

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2008	2007	2008	2007	2008	2007
Current and other assets	\$ 71,570	\$ 94,157	\$ 455	\$ 522	\$ 72,025	\$ 94,679
Capital assets, net of accumulated depreciation	312,341	273,473	12,900	12,543	325,241	286,016
Total assets	<u>383,911</u>	<u>367,630</u>	<u>13,355</u>	<u>13,065</u>	<u>397,266</u>	<u>380,695</u>
Long-term liabilities	162,904	159,896	231	222	163,135	160,118
Other liabilities	41,901	33,978	2,546	2,582	44,447	36,560
Total liabilities	<u>204,805</u>	<u>193,874</u>	<u>2,777</u>	<u>2,804</u>	<u>207,582</u>	<u>196,678</u>
Net Assets:						
Invested in capital assets, net of related debt	152,050	152,329	12,900	12,543	164,950	164,872
Restricted	2,268	2,162			2,268	2,162
Unrestricted (deficit)	<u>24,788</u>	<u>19,265</u>	<u>(2,322)</u>	<u>(2,282)</u>	<u>22,466</u>	<u>16,983</u>
Total Net Assets	<u>\$ 179,106</u>	<u>\$ 173,756</u>	<u>\$ 10,578</u>	<u>\$ 10,261</u>	<u>\$ 189,684</u>	<u>\$ 184,017</u>

Governmental Activities. Governmental activities increased the Town's net assets by \$5,350, accounting for 94% of total growth in net assets of the Town. Key elements of this increase are discussed below:

An increase in nonrecurring capital grants was received in the Capital Projects Fund during fiscal year 2008 and related to the items below:

- Farmington Avenue reconstruction, \$2,200
- Artificial turf installed at both high schools, \$877
- UCONN athletic field site improvements, \$410
- Library reconstruction, \$450

Business-type Activities. The total net assets of the Town's business-type activities increased by 3.1% (\$10,578 in 2008 compared to \$10,261 in 2007) primarily as the result of a \$315 capital contribution from the Capital Projects Fund to the enterprise fund. Net capital assets, as opposed to unrestricted net assets, cannot be used to pay for ongoing operations.

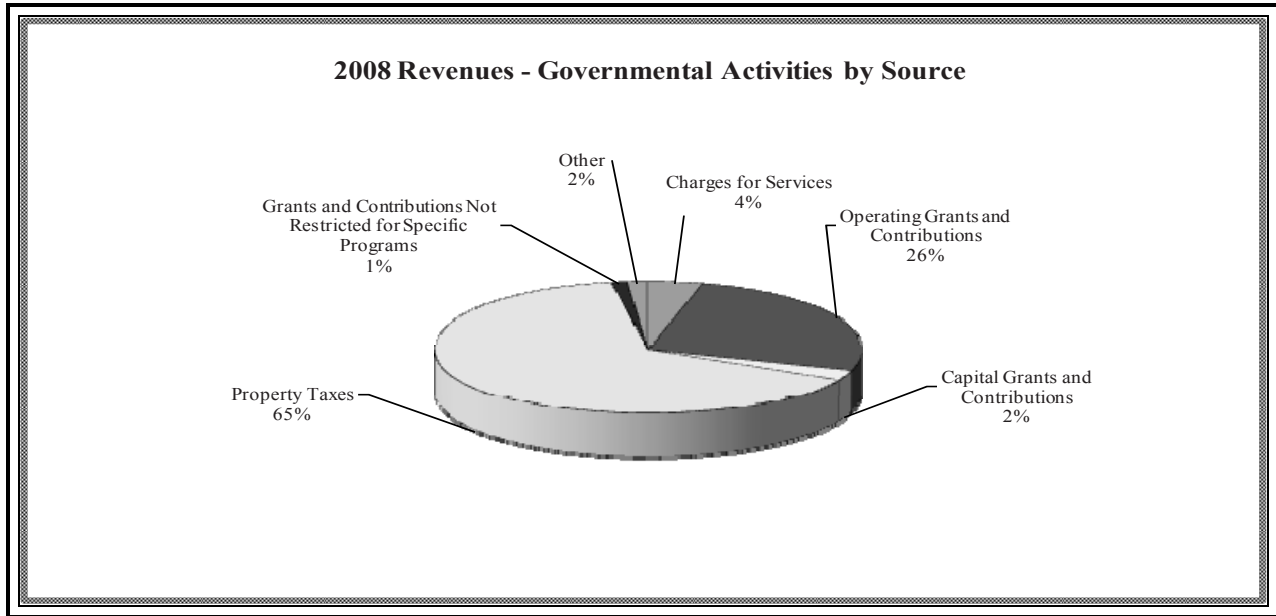
TABLE 2
Changes in Net Assets
In Thousands

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2008	2007	2008	2007	2008	2007
Revenues:						
Program revenues:						
Charges for services	\$ 11,294	\$ 10,804	\$ 3,809	\$ 3,656	\$ 15,103	\$ 14,460
Operating grants and contributions	70,038	27,643			70,038	27,643
Capital grants and contributions	6,725	2,756			6,725	2,756
General revenues:						
Property taxes	174,771	173,039			174,771	173,039
Grants and contributions not restricted to specific purposes	3,297	3,135			3,297	3,135
Unrestricted investment earnings	3,135	7,323			3,135	7,323
Other general revenues	1,114	1,590			1,114	1,590
Total revenues	<u>270,374</u>	<u>226,290</u>	<u>3,809</u>	<u>3,656</u>	<u>274,183</u>	<u>229,946</u>
Program expenses:						
General government	11,563	13,465			11,563	13,465
Public safety	31,605	30,845			31,605	30,845
Community maintenance	29,826	26,260			29,826	26,260
Human and cultural	7,030	6,735			7,030	6,735
Education	178,399	137,341			178,399	137,341
Interest on long-term debt	6,784	7,559			6,784	7,559
Leisure services			5,505	5,171	5,505	5,171
Total program expenses	<u>265,207</u>	<u>222,205</u>	<u>5,505</u>	<u>5,171</u>	<u>270,712</u>	<u>227,376</u>
Change in net assets before transfers	5,167	4,085	(1,696)	(1,515)	3,471	2,570
Transfers	183	(2,857)	2,013	2,857	2,196	-
Change in net assets	<u>5,350</u>	<u>1,228</u>	<u>317</u>	<u>1,342</u>	<u>5,667</u>	<u>2,570</u>
Net Assets at Beginning of Year	<u>173,756</u>	<u>172,528</u>	<u>10,261</u>	<u>8,919</u>	<u>184,017</u>	<u>181,447</u>
Net Assets at End of Year	<u>\$ 179,106</u>	<u>\$ 173,756</u>	<u>\$ 10,578</u>	<u>\$ 10,261</u>	<u>\$ 189,684</u>	<u>\$ 184,017</u>

Total primary government revenues, including transfers, increased \$46,433 during fiscal year 2008, while total primary program expenses increased \$43,336 for the same time period. The following analysis separately considers the operations of governmental and business-type activities.

Governmental Activities

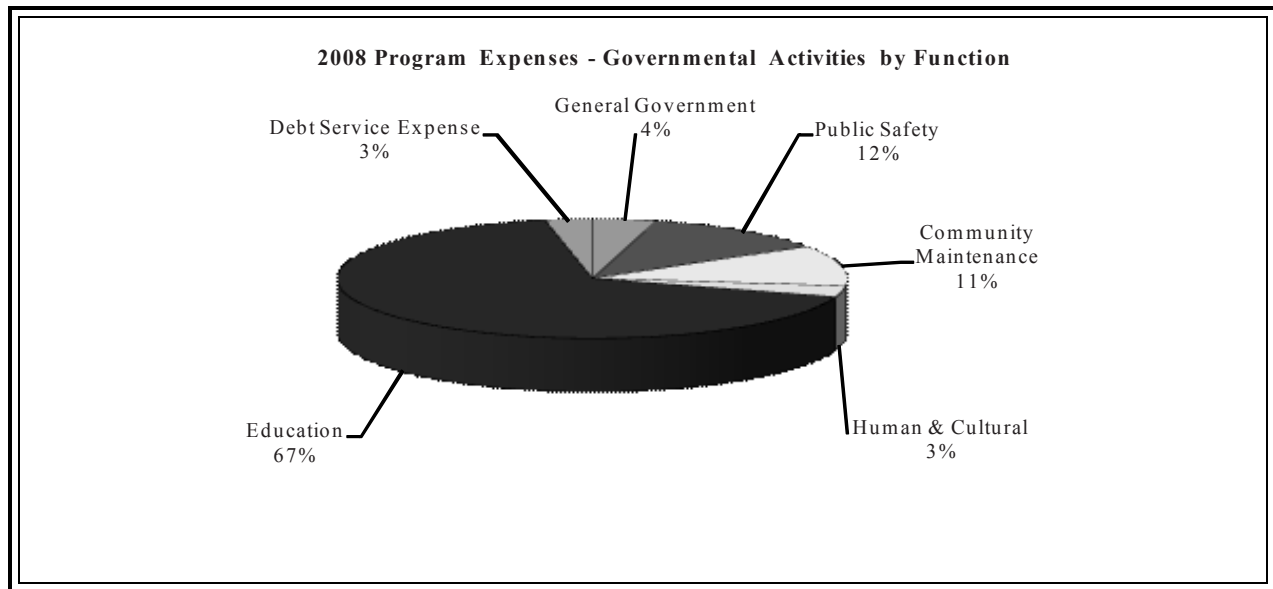
Revenues for governmental activities totaled \$270,374 for fiscal year 2008. Property taxes (65%), operating grants and contributions (26%) and charges for services (4%) are the major revenue sources, contributing 95% of the Town's revenues.



The State of Connecticut issued pension obligation bonds to partially fund its State Teachers' Retirement System during fiscal year 2008. A \$45,773 payment made by the State, on behalf of the Town, is reflected in the government-wide financial statements as an operating grant/contribution and as a program expense - education.

Despite the Town's efforts to utilize various investment vehicles such as money market accounts to increase investment returns of the Town's pooled funds in a declining interest rate environment, unrestricted investment income decreased \$4,188 or 57% during the year. Also contributing to the decline was poor investment returns on the fixed income and equity portfolios of the Risk Management Fund reflecting the market as a whole.

Program expenses for governmental activities totaled \$265,207, of which 33% were supported by program revenues and 67% were supported from general revenues. Expenses for education (67%), public safety (12%) and community maintenance (11%) made up 90% of the total governmental expenses.



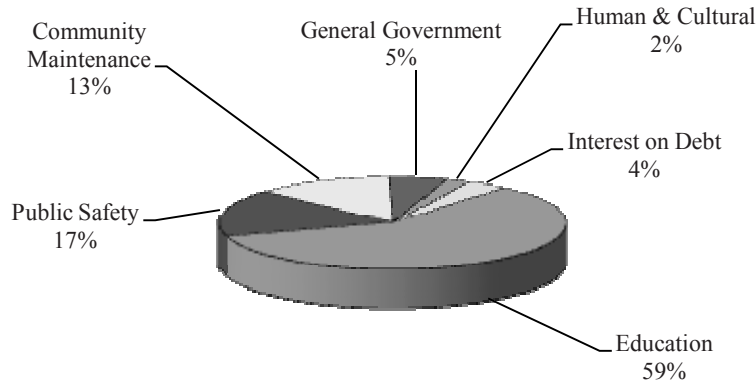
During fiscal year 2008, the facilities services program, previously contained in general government program expenses, was segregated as a separate department. Plant and facilities services were transitioned from a private contractor to an in-house provided service and are reflected in community maintenance program expense. This transition for these expenses resulted in a savings of \$137, and the transfer of expense from the general government program to the community maintenance program in fiscal year 2008.

Table 3 presents the total cost of each of the Town's six major functions - education, public safety, community maintenance, general government, human and cultural and interest on long-term debt - as well as each function's net cost (total cost less revenues generated by each activity). The net cost shows the financial burden that was placed on the Town's taxpayers by each of these functions. The chart below depicts the percentage of total net costs by function.

TABLE 3
Cost of Governmental Activities by Function
In Thousands

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Education	\$ 178,399	\$ 137,341	\$ 104,573	\$ 107,778
Public safety	31,605	30,845	29,669	29,503
Community maintenance	29,826	26,260	22,602	20,472
General government	11,563	13,465	9,527	11,925
Human and cultural	7,030	6,735	4,141	3,942
Interest on long-term debt	6,784	7,559	6,638	7,382
Total	<u>\$ 265,207</u>	<u>\$ 222,205</u>	<u>\$ 177,150</u>	<u>\$ 181,002</u>

2008 Net Cost of Services - Governmental Activities by Function



Net cost of services for education decreased \$3,205, or 3% during fiscal year 2008. This is primarily the result of a current year increase in State funding for the education cost sharing grant.

Business-Type Activities

Operating revenue of business-type activities increased from \$3,656 in 2007 to \$3,809 in 2008 an increase of \$153. Operating expenses for 2008 were \$5,505, an increase of \$334 from fiscal year 2007. The net increase in net assets for fiscal year 2008 including transfers was \$317. The General Fund contributed \$938 to the Leisure Services Fund to subsidize certain programs.

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 the Town completed the fiscal year, its governmental funds (as presented in the Balance Sheet - Exhibit III) reported a combined fund balance of \$35,144. Approximately 63% of this total amount (\$22,221) is comprised of unreserved undesignated fund balance, which is available for spending at the Town's discretion. This represents a decrease of \$25,548 (primarily as a result of activity in the Capital Projects Fund) from the prior year's total of \$60,692.

The Capital Projects Fund's unreserved fund balance decreased from \$15,391 in 2007 to \$(606) in 2008. During fiscal year 2008, the Town purchased the North and South Garages located in Blue Back Square, for approximately \$22,000. The reserved fund balance in the Capital Projects Fund decreased from \$20,225 in 2007 to \$10,188 in 2008 due to a decrease in open encumbrances.

Included in fiscal year 2008's total change in fund balance is an increase of \$641 in the General Fund's unreserved fund balance. Factors affecting the General Fund are discussed below in the General Fund Budgetary Highlights section.

The Parking Lot Fund's unreserved fund balance increased from \$271 to \$713 in fiscal year 2008. Increased traffic enforcement in the Town center has improved meter collections. In addition, a percentage of management salary has been allocated to other funds.

There were no other significant changes in fund balances to the remaining governmental funds.

Proprietary Funds

The Town's proprietary fund statements provide the same type of information found in the government-wide financial statements, but in more detail. Total net assets were \$10,578 at year-end, an increase of \$317 from the prior year.

General Fund Budgetary Highlights

Over the course of the year, the Town Council approves 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 2008.

Revenue

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

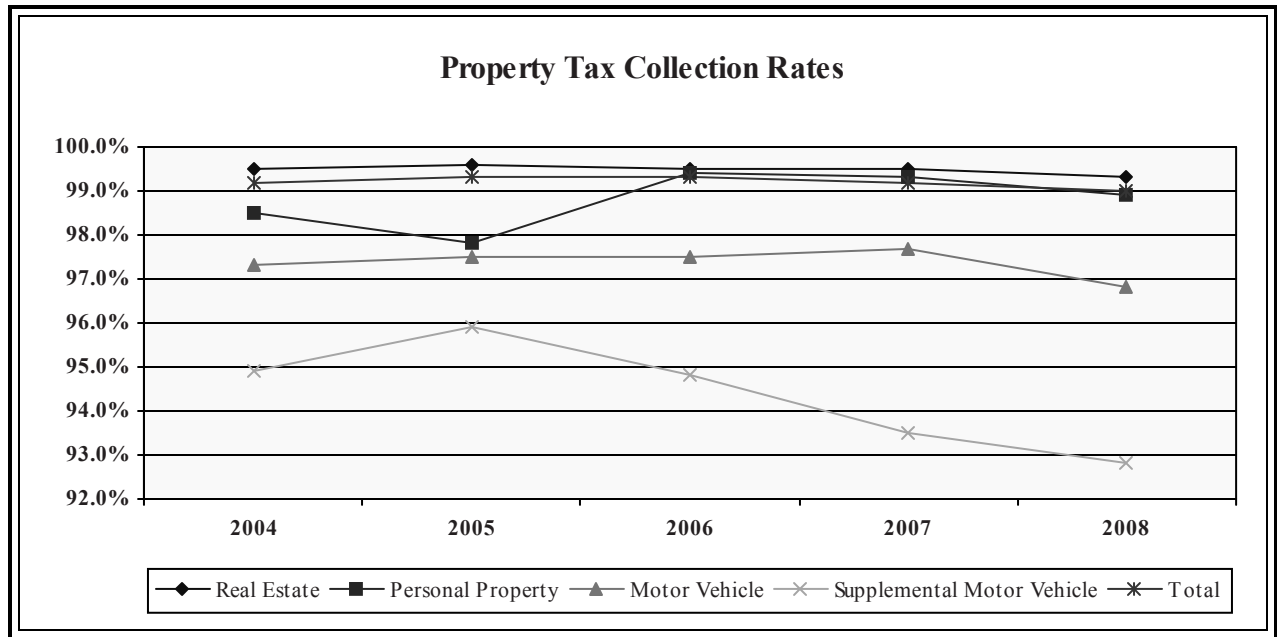
Revenue	Budget		Change	Actual Revenue	Over/ (Under) Final Budget
	Original	Final			
Property taxes	\$ 172,052	\$ 172,752	\$ 700	\$ 173,318	\$ 566
Federal		151	151	151	
State	20,194	20,295	101	20,310	15
Charges for services	3,937	3,961	24	4,262	301
Local revenues	1,822	1,835	13	1,170	(665)
Income on investments	2,675	2,675		2,536	(139)
Transfers in	988	988		970	(18)
Total Revenues	\$ 201,668	\$ 202,657	\$ 989	\$ 202,717	\$ 60

The General Fund's final estimated revenues increased \$989 or 0.5% from the original adopted budget. This increase is attributable to several factors.

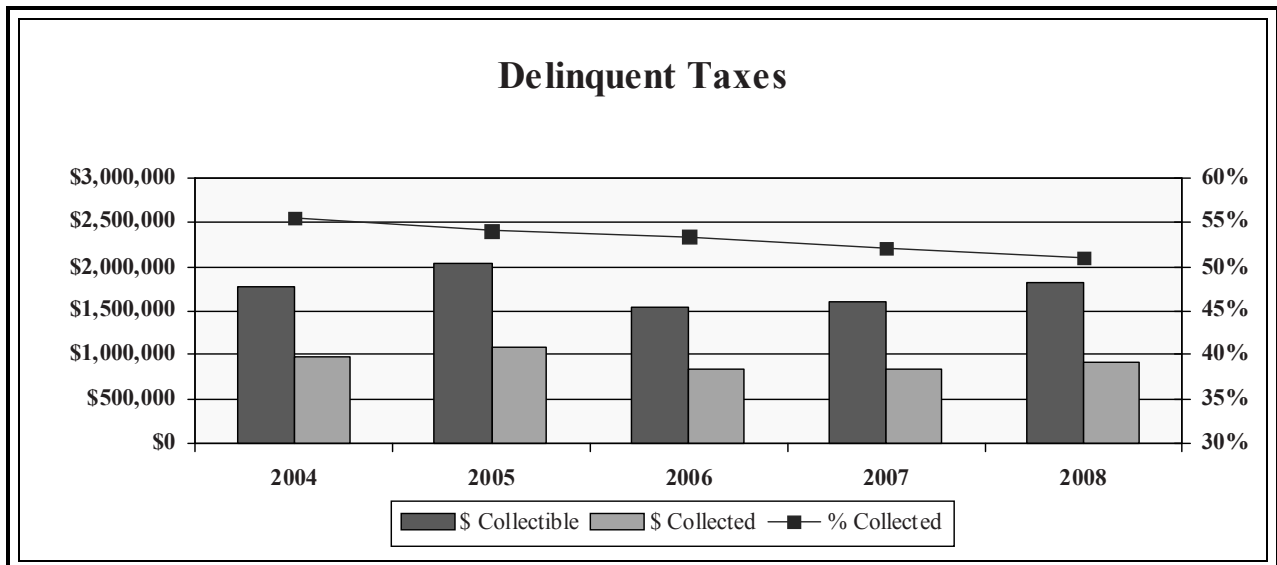
- Property tax collections higher than anticipated, \$700
- Federal grants awarded, \$151 (Dial-a-Ride, \$94; Traffic Enforcement, \$31; JAG, \$26)
- State grants awarded, \$101 (EMS, \$37; Registrar Voting Cabinets, \$20; Regional Transportation, \$35; Preservation of Historical Documents, \$12)

In comparison to final estimated revenues, actual revenue was \$60 more than anticipated. Property tax collection was \$566 more than the final budget. Housing sales remained strong resulting in conveyance tax revenues exceeding budget by \$100. The value of building permits that were issued was greater than forecasted resulting in \$150 more than anticipated in building permit revenue. A planned use of \$781 of fund balance was included with local revenues, but was not needed based on actual revenues achieved. Income on investments was \$139 less than forecasted due to the declining interest rate environment.

Property tax collection rates by type are shown on the chart below. In fiscal year 2008, the Town achieved a current year property tax collection rate of 99.0%. This is the ninth consecutive year that the Town has achieved a collection rate at or above this level. The collection rate for real estate taxes has met or exceeded 99% for the five fiscal years presented. Personal property and motor vehicle collection rates have exceeded 97% over the five years presented. Supplemental motor vehicle tax, which has historically had the lowest collection rate, is currently at 93%.



The Department of Financial Services has been very successful in collecting delinquent taxes over the past several years. Delinquent taxes collectible totaled \$2.2 million at the end of fiscal year 2008 (net of lawful corrections, allowance for doubtful accounts and transfers to suspense). As detailed on the following chart, the collection rate for delinquent taxes has ranged from 51% to 56% for the years presented.



Expenditures

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 Council	\$ 687	\$ 757	\$ 70	\$ 757	\$
Town Manager	318	322	4	322	
Corporation Counsel	585	568	(17)	568	
Registrar of Voters	276	352	76	352	
Financial Services	3,054	3,159	105	3,159	
Assessment	773	762	(11)	762	
Employee Services	530	527	(3)	527	
Fire	11,967	12,396	429	12,396	
Police	17,496	17,887	391	17,887	
Community Services	3,986	4,016	30	4,016	
Public Works	12,099	12,135	36	12,135	
Facility Services	2,206	2,266	60	2,266	
Library	3,678	3,684	6	3,684	
Human & Leisure Services	1,196	1,249	53	1,249	
Education	117,502	117,502		116,905	(597)
Debt and Sundry	23,116	22,876	(240)	22,610	(266)
Transfers Out	2,199	2,199		2,481	282
Total Adopted Budget	\$ 201,668	\$ 202,657	\$ 989	\$ 202,076	\$ (581)

Changes to departmental budgets resulted from transfers between departments, resolutions relating to grant funds and a resolution authorized by the Town Council at fiscal year end to contribute funds to the Capital and Non-recurring Expenditure Fund. Significant variances between the original and amended budget are the result of the following:

- Debt and Sundry budget was decreased \$240. The majority (\$164) of which was transferred at year end to various departments as needed. A portion of this decrease (\$50) related to a reduction in the revaluation litigation budget as there were fewer tax appeals than anticipated.
- The Fire Department required an increase in its appropriation of \$429 due to larger than anticipated overtime costs. The department has minimum staffing requirements by union contract which require that vacancies due to military leave, workers' compensation leave, vacations, etc. be covered, resulting in significant overtime costs.
- The Police Department's budget appropriation was increased by a total of \$391. Various Federal grants were awarded throughout the fiscal year. These grants were a Hazardous Moving Violation Grant of \$22 (for traffic on Avon Mountain), a Driving Under Influence Grant of \$31 and a Justice Assistance Grant of \$27. The SWAT Team Challenge event hosted by the Police Department, received \$24 in revenue which was appropriated for expenditures of the event. Mid-year budget revisions of \$68 were added to the Police Department budget to maintain operation of the Police Department's specialized service units at full staffing levels. Position vacancies in the department created an increase in overtime necessitating a year end budget increase of \$219.

In comparison to final appropriations, actual expenditures were \$581 less than anticipated. The Board of Education was responsible for most of these savings. School transportation was \$235 less than budgeted, and teacher's salaries were \$300 below budget. Transfers out were \$282 more than expected because of a transfer to the CNRE fund at year end and were offset by debt and sundry savings of \$266.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2008, the Town had \$325,241 (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 \$39,226, or 13.7%, over the prior year.

TABLE 6 Capital Assets at Year-End Net of Depreciation <i>In Millions</i>						
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2008	2007	2008	2007	2008	2007
Land	\$ 8.6	\$ 8.6	\$	\$	\$ 8.6	\$ 8.6
Construction in progress	99.5	66.3	1.6	1.0	101.1	67.3
Buildings and land improvements	126.6	125.6	11.1	11.3	137.7	136.9
Furniture and equipment	1.5	1.7	0.2	0.2	1.7	1.9
Vehicles	2.7	2.5			2.7	2.5
Infrastructure	73.4	68.8			73.4	68.8
Total Capital Assets	\$ 312.3	\$ 273.5	\$ 12.9	\$ 12.5	\$ 325.2	\$ 286.0

This year's major capital additions in governmental activities include various capital projects as follows:

- Costs associated with the construction of the Blue Back Square project, including the North and South Garages totaling \$26,219 as well as major renovations to the Police Station totaling \$3,867 were added to construction in progress.
- A variety of projects including street rehabilitation, sidewalk improvements and school re-roofing totaling \$13,724 were completed throughout the year and those capitalized were transferred from construction in progress to buildings and infrastructure.

The Town's capital budget anticipates a spending level of \$12,200 for various capital projects during the 2009 fiscal year. The Town has no plans to fund current operations from the proceeds of debt issuance. More detailed information about the Town's capital assets is presented in Note 5 to the basic financial statements.

Long-Term Debt

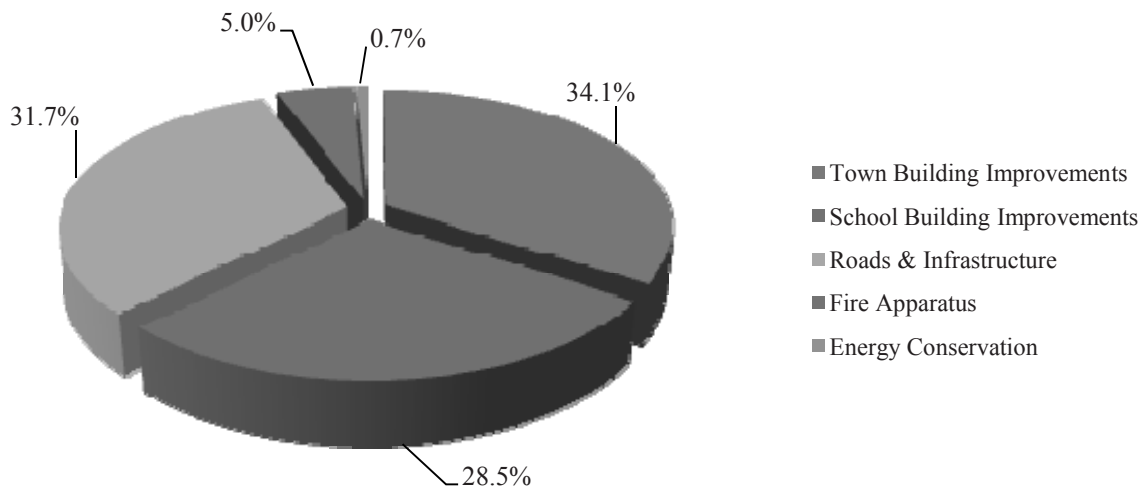
At June 30, 2008, the Town had \$160,995 in bonds and notes outstanding versus \$156,055 in the prior year. This is an increase of 3.2% as shown in Table 7.

Table 7
Outstanding Debt at Year-End
In Millions

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2008	2007	2008	2007	2008	2007
General Obligation Bonds (backed by the Town)	\$ 161.0	\$ 156.1	\$ -	\$ -	\$ 161.0	\$ 156.1

A net increase in outstanding debt resulted from the issuance of \$15,000 in general obligation bonds in January 2008, offset by principal payments of \$10,060 during the year. The bond issue is being used to fund recurring capital projects that are included in the Town's twelve-year Capital Improvement Plan. The Town's general obligation bonds continue to carry the highest ratings awarded by both Moody's and Standard and Poor's (Aaa and AAA respectively). This rating has been assigned to the Town since 1972 and was reaffirmed in January 2008. The graph below illustrates the intended use of the bond proceeds.

Uses of 2008 General Obligation Debt



The State limits the amount of general obligation debt that 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 \$1,218,217 State-imposed limit. In addition to the State-imposed limit, the Town has adopted its own guidelines in its capital financing policies. 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 2008 was 7.2% 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 development of the fiscal year 2009 budget was very challenging due to fiscal pressures and economic factors affecting the Town. In preparing the budget, an effort was made to balance residents' demand for a high level of service and value from municipal and educational services with their willingness and ability to pay property taxes.

In order to do so, the following factors had to be considered:

- Phase-in of the Town's state-mandated October 1, 2006 property revaluation.
- Increased wage and benefit costs required by collective bargaining agreements.
- The Town's commitment to funding pension and other post-employment benefit costs.
- Increased energy costs, the effect of which will be moderated by the Town's use of its Utilities Services Fund.
- Reduced investment income, building permits and tax collection rates due to the softening of the economy.
- Uncertain and unstable State revenues.
- Grand List growth, that while fairly healthy, was not sufficient to meet the financial needs of the Town without an increase in the mill rate.

The Town completed its revaluation of real property for the October 1, 2006 Grand List in accordance with State statutes. The revaluation significantly changed the composition of the Grand List, such that property tax liability shifted from commercial taxpayers to residential taxpayers. In order to mitigate the impact this shift would have on residents, the Town Council elected to phase-in the revaluation over a period of not more than five years under a modified State law advocated by the Town. Fiscal year 2009 is the second year of this phase-in.

Total General Fund appropriations for fiscal year 2009 are \$212,901, an increase of 5.5% from fiscal year 2008. Approximately half of the \$11,135 increase in expenditures supported education spending. The main drivers of the increase in the Board of Education budget were salaries and health benefits (\$4,561), pupil transportation (\$891) and new equipment (\$125).

The Town services appropriation increased \$4,454 from the prior year. Total wages and salaries increased \$2,334 due to contractual cost of living increases (\$1,036), the transfer of several Leisure Services programs to the General Fund (\$960), the transfer of the BOE grounds maintenance unit to Public Works (\$238) and a reduction in the assumed hiring lag for vacant Police Officer positions (\$100). Operating expenditures increase \$861, primarily due to an increase in the Town's contribution to the Metropolitan District Commission for sewer services (\$305), and the transfer of Leisure Services programs (\$425) and BOE grounds unit (\$175), offset by savings in contractual services. Fringe benefits and insurance increase \$2,252 in fiscal year 2009 due to social security increases consistent with wage increases (\$128), pension contribution increase (\$558) and health and other risk management program increases (\$1,565). Offsetting these increases is the elimination of the transfer to the Leisure Services Fund (\$937 in fiscal year 2008).

The capital financing appropriation reflects an increase of \$1,167. This is split between the increase in debt service costs on General Obligation bonds (\$607) and the reinstatement of the transfer to the CNRE Fund to finance capital projects (\$560).

Fiscal year 2009 non-current year property tax estimated revenues increased \$2,783 over the prior year. Intergovernmental revenue increased \$1,033, primarily due to a \$677 rise in the Education Cost Sharing grant and a \$399 increase in Payment-in-lieu-of taxes grants. Charges for Services revenues increase \$851 due to the transfer of several Leisure Services programs to the General Fund. Sale of town-owned land is expected to yield \$670. Inter-fund transfers increase \$500, representing a transfer from the CNRE Fund to assist in restoring the cash financing of capital projects. Investment earnings are reduced \$305 due to delayed mailing of tax bills as a result of the budget referendums as well as declining interest rates.

The Town's conservative revenue estimates, adherence to budgeted appropriations, and ability to react to changing economic factors should ensure that the financial position of the Town of West Hartford remains strong.

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

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

TOWN OF WEST HARTFORD, CONNECTICUT

STATEMENT OF NET ASSETS

JUNE 30, 2008

(In Thousands)

	Primary Government			Component Unit
	Governmental	Business-Type		West Hartford
	Activities	Activities	Total	Special
				Service District
Assets:				
Cash and cash equivalents	\$ 42,831	\$ 2	\$ 42,833	\$ 14
Investments	14,499		14,499	
Receivables, net	12,088	2	12,090	12
Inventories	276		276	
Prepaid asset	1,876	451	2,327	
Capital assets:				
Assets not being depreciated	108,094	1,636	109,730	
Assets being depreciated, net	204,247	11,264	215,511	
Total assets	<u>383,911</u>	<u>13,355</u>	<u>397,266</u>	<u>26</u>
Liabilities:				
Accounts and other payables	8,871	131	9,002	6
Payroll liabilities	2,746	137	2,883	
Other current liabilities	2,157	30	2,187	
Internal balances	(1,622)	1,622	-	
Unearned revenue	2,529	493	3,022	20
Unamortized premium on bonds	2,657		2,657	
Noncurrent liabilities:				
Due within one year	24,562	133	24,695	
Due in more than one year	162,905	231	163,136	
Total liabilities	<u>204,805</u>	<u>2,777</u>	<u>207,582</u>	<u>26</u>
Net Assets:				
Invested in capital assets, net of related debt	152,050	12,900	164,950	
Restricted for:				
Perpetual care:				
Expendable	2,186		2,186	
Nonexpendable	82		82	
Unrestricted	<u>24,788</u>	<u>(2,322)</u>	<u>22,466</u>	
Total Net Assets	<u>\$ 179,106</u>	<u>\$ 10,578</u>	<u>\$ 189,684</u>	<u>\$ -</u>

The accompanying notes are an integral part of the financial statements

TOWN OF WEST HARTFORD, CONNECTICUT

EXHIBIT II

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2008

(In Thousands)

					Net (Expense) Revenue and Changes in Net Assets			
Program Revenues					Primary Government			Component Unit
								West Hartford
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	Special Service District
Primary Government:								
Governmental activities:								
General government	\$ 11,563	\$ 1,541	\$ 45	\$ 450	\$ (9,527)	\$ (9,527)	\$ (9,527)	\$
Public safety	31,605	1,781	155		(29,669)		(29,669)	
Community maintenance	29,826	4,114	341	2,769	(22,602)		(22,602)	
Human and cultural	7,030	659	2,230		(4,141)		(4,141)	
Education	178,399	3,199	67,121	3,506	(104,573)		(104,573)	
Interest on long-term debt	6,784		146		(6,638)		(6,638)	
Total governmental activities	265,207	11,294	70,038	6,725	(177,150)	-	(177,150)	-
Business-type activities:								
Leisure services	5,505	3,809				(1,696)	(1,696)	
Total Primary Government	\$ 270,712	\$ 15,103	\$ 70,038	\$ 6,725	(177,150)	(1,696)	(178,846)	-
Component Unit:								
West Hartford Special Service District	\$ 262	\$ 1,121						859
General revenues:								
Property taxes					174,771		174,771	1,310
Grants and contributions not restricted to specific programs					3,297		3,297	
Unrestricted investment earnings					3,135		3,135	27
Miscellaneous					1,114		1,114	
Transfers					183	2,013	2,196	(2,196)
Total general revenues and transfers					182,500	2,013	184,513	(859)
Change in net assets					5,350	317	5,667	-
Net Assets at Beginning of Year					173,756	10,261	184,017	-
Net Assets at End of Year					\$ 179,106	10,578	189,684	\$ -

The accompanying notes are an integral part of the financial statements

TOWN OF WEST HARTFORD, CONNECTICUT

BALANCE SHEET - GOVERNMENTAL FUNDS

JUNE 30, 2008

(In Thousands)

	<u>General</u>	<u>Capital Projects</u>	<u>CDBG Housing Rehabilitation Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and cash equivalents	\$ 22,246	\$ 9,883	\$	\$ 9,365	\$ 41,494
Receivables, net	5,263	1,650	2,307	1,522	10,742
Due from other funds	2,801				2,801
Inventories	203			73	276
Prepaid items	20				20
	<u>20</u>	<u></u>	<u></u>	<u></u>	<u>20</u>
Total Assets	<u>\$ 30,533</u>	<u>\$ 11,533</u>	<u>\$ 2,307</u>	<u>\$ 10,960</u>	<u>\$ 55,333</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts and other payables	\$ 2,626	\$ 1,946	\$ 82	\$ 376	\$ 5,030
Payroll liabilities	2,628	2		108	2,738
Due to other funds			96	658	754
Other liabilities	2,137	3		17	2,157
Deferred revenue	5,941		2,162	1,407	9,510
Total liabilities	<u>13,332</u>	<u>1,951</u>	<u>2,340</u>	<u>2,566</u>	<u>20,189</u>
Fund balances:					
Reserved	367	10,188	28	2,340	12,923
Unreserved, reported in:					
General Fund	16,834				16,834
Special Revenue Funds			(61)	6,054	5,993
Capital Project Funds		(606)			(606)
Total fund balances	<u>17,201</u>	<u>9,582</u>	<u>(33)</u>	<u>8,394</u>	<u>35,144</u>
Total Liabilities and Fund Balances	<u>\$ 30,533</u>	<u>\$ 11,533</u>	<u>\$ 2,307</u>	<u>\$ 10,960</u>	<u>\$ 55,333</u>

(Continued on next page)

TOWN OF WEST HARTFORD, CONNECTICUT

BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)

JUNE 30, 2008

(In Thousands)

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

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

Fund balances - total governmental funds	\$	35,144
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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	\$	452,651	
Less accumulated depreciation		(140,310)	
Net capital assets			312,341

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

Net pension asset	1,474
Property tax receivables greater than 60 days	1,693
Interest receivable on property taxes	993
Housing loans receivable	2,344
Interest receivable on housing loans	281
Deferred charges	90
Receivable from the state for school construction projects	2,944

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

4,917

Long-term liabilities, including bonds payable, are not due and payable
in the current period and, therefore, are not reported in the funds:

Bonds and notes payable	(160,995)
Interest payable on bonds and notes	(2,563)
Compensated absences	(16,102)
Other postemployment obligations	(798)
Bond premium	(2,657)

Net Assets of Governmental Activities (Exhibit I)	\$	<u>179,106</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, 2008

(In Thousands)

	General	Capital Projects	CDBG Housing Rehabilitation Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:					
Property taxes	\$ 173,318	\$ 842	\$	\$	\$ 174,160
Intergovernmental	66,234	6,644	371	6,658	79,907
Charges for services	4,262	120	2	6,599	10,983
Income on investments	2,536	461	13	538	3,548
Miscellaneous	1,170	272	65	274	1,781
Total revenues	<u>247,520</u>	<u>8,339</u>	<u>451</u>	<u>14,069</u>	<u>270,379</u>
Expenditures:					
Current:					
General government	8,715			27	8,742
Public safety	30,254			1,006	31,260
Community maintenance	16,160			1,703	17,863
Human and cultural	4,935		452	1,816	7,203
Education	163,032			10,348	173,380
Debt and sundry	22,693	2,331			25,024
Capital outlay		48,190		574	48,764
Total expenditures	<u>245,789</u>	<u>50,521</u>	<u>452</u>	<u>15,474</u>	<u>312,236</u>
Excess (Deficiency) of Revenues over Expenditures	<u>1,731</u>	<u>(42,182)</u>	<u>(1)</u>	<u>(1,405)</u>	<u>(41,857)</u>
Other Financing Sources (Uses):					
Bonds issued		15,000			15,000
Transfers in	970	1,910		2,160	5,040
Transfers out	(2,481)	(762)		(486)	(3,729)
Total other financing sources (uses)	<u>(1,511)</u>	<u>16,148</u>	<u>-</u>	<u>1,674</u>	<u>16,311</u>
Net Change in Fund Balances	220	(26,034)	(1)	269	(25,546)
Fund Balances at Beginning of Year	<u>16,981</u>	<u>35,616</u>	<u>(32)</u>	<u>8,125</u>	<u>60,690</u>
Fund Balances at End of Year	<u>\$ 17,201</u>	<u>\$ 9,582</u>	<u>\$ (33)</u>	<u>\$ 8,394</u>	<u>\$ 35,144</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, 2008
(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)	\$	(25,546)
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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	47,519
Depreciation expense	(8,590)

In the statement of activities, only the gain on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus the change in net assets differs from the change in fund balance by the cost of the assets sold.

(61)

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	(771)
Property tax receivable - accrual basis change	501
Property tax interest and lien revenue - accrual basis change	109
Housing loans accrued interest	38
Housing loans receivable	264
Net pension asset	129
Other postemployment obligations	(798)

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 assets. 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 principal payments	10,060
Issuance of bonds and notes	(15,000)

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	(800)
Accrued interest	(56)
Amortization of deferred charge on refunding	(21)
Amortization of bond premiums	247

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.

(1,874)

Change in Net Assets of Governmental Activities (Exhibit II)

\$ 5,350

The accompanying notes are an integral part of the financial statements

TOWN OF WEST HARTFORD, CONNECTICUT

STATEMENT OF NET ASSETS - PROPRIETARY FUNDS

JUNE 30, 2008
(In Thousands)

	<u>Business-Type Activities Leisure Services Fund</u>	<u>Governmental Activities Internal Service Funds</u>
Assets:		
Current:		
Cash and cash equivalents	\$ 2	\$ 1,337
Investments		14,499
Receivables, net	2	72
Prepaid items	451	382
Total current assets	<u>455</u>	<u>16,290</u>
Noncurrent:		
Capital assets:		
Assets not being depreciated	1,636	
Assets being depreciated, net	11,264	
Total noncurrent assets	<u>12,900</u>	<u>-</u>
Total assets	<u>13,355</u>	<u>16,290</u>
Liabilities:		
Current:		
Accounts and other payables	131	1,279
Payroll liabilities	137	8
Other liabilities	30	
Due to other funds	1,622	425
Risk management claims		5,857
Unearned revenue	493	
Compensated absences	133	
Total current liabilities	<u>2,546</u>	<u>7,569</u>
Noncurrent:		
Compensated absences	231	
Risk management claims		3,804
Total noncurrent liabilities	<u>231</u>	<u>3,804</u>
Total liabilities	<u>2,777</u>	<u>11,373</u>
Net Assets:		
Invested in capital assets	12,900	
Unrestricted	<u>(2,322)</u>	<u>4,917</u>
Total Net Assets	<u>\$ 10,578</u>	<u>\$ 4,917</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 ASSETS - PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2008
(In Thousands)

	Business-Type Activities Leisure Services Fund	Governmental Activities Internal Service Funds
Operating Revenues:		
Fund premiums	\$	\$ 31,878
Charges for services	3,761	
Employee contributions		5,734
Other	48	412
Total operating revenues	<u>3,809</u>	<u>38,024</u>
Operating expenses:		
Administrative expense		151
Personal services	2,206	
Employee benefits		27,881
Insurance and program services		5,510
Utilities	342	6,137
Other operating expense	2,239	
Depreciation	718	
Total operating expenses	<u>5,505</u>	<u>39,679</u>
Operating Loss	(1,696)	(1,655)
Nonoperating Revenue:		
Income on investments		<u>(146)</u>
Loss Before Contributions and Transfers	(1,696)	(1,801)
Capital Contributions	1,055	
Transfers In	958	
Transfers Out		<u>(73)</u>
Change in Net Assets	317	(1,874)
Net Assets at Beginning of Year	<u>10,261</u>	<u>6,791</u>
Net Assets at End of Year	<u>\$ 10,578</u>	<u>\$ 4,917</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, 2008

(In Thousands)

	Business-Type Activities Leisure Services Fund	Governmental Activities Internal Service Funds
Cash Flows from Operating Activities:		
Cash received from employees	\$	\$ 5,734
Cash received from operating funds		31,890
Cash received from customers	3,876	(27,987)
Cash payments to employees for services	(2,153)	(10,760)
Cash payments to suppliers for goods and services	(2,661)	
Other operating receipts		346
Net cash used in operating activities	<u>(938)</u>	<u>(777)</u>
Cash Flows from Noncapital Financing Activities:		
Transfers from other funds	958	
Transfers to other funds		(73)
Net cash flow from noncapital financing activities	<u>958</u>	<u>(73)</u>
Cash Flows from Capital and Related Financing Activities:		
Acquisition of capital assets	<u>(20)</u>	
Cash Flows from Investing Activities:		
Loss on investments		(146)
Sale of investments		46
Net cash used in investing activities	<u>-</u>	<u>(100)</u>
Net Decrease in Cash and Cash Equivalents	-	(950)
Cash and Cash Equivalents at Beginning of Year	<u>2</u>	<u>2,287</u>
Cash and Cash Equivalents at End of Year	<u>\$ 2</u>	<u>\$ 1,337</u>
Reconciliation of Operating Loss to Net Cash Used in Operating Activities:		
Operating loss	\$ (1,696)	\$ (1,655)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation	718	
Change in assets and liabilities:		
Increase in receivables		17
Decrease in prepaid items	67	(71)
Increase (decrease) in accounts and other payables	(65)	614
Increase (decrease) in payroll liabilities	53	(1)
Decrease in risk management claim liability		(106)
Increase in due to other funds	94	425
Decrease in unearned revenue	<u>(109)</u>	
Net Cash Used in Operating Activities	<u>\$ (938)</u>	<u>\$ (777)</u>
Noncash Investing and Capital Financing Activities:		
Net increase in fair value of investments	<u>\$</u>	<u>\$ 590</u>
Contribution of Capital Assets from Town	<u>\$ 315</u>	<u>\$</u>

The accompanying notes are an integral part of the financial statements

TOWN OF WEST HARTFORD, CONNECTICUT

STATEMENT OF FIDUCIARY NET ASSETS - FIDUCIARY FUNDS

JUNE 30, 2008

(In Thousands)

	<u>Pension Trust Fund</u>	<u>Student Activity Fund</u>
Assets:		
Cash and cash equivalents	\$ 1,868	\$ 822
Investments:		
Mutual funds	129,307	
Common stock	23,249	
Receivables:		
Accounts and other receivables	139	
Interest and dividends	<u>17</u>	
Total assets	<u>154,580</u>	<u>\$ 822</u>
Liabilities:		
Accounts and other payables	92	\$ 822
Securities purchased not yet settled	<u>756</u>	
Total liabilities	<u>848</u>	<u>\$ 822</u>
Net Assets:		
Held in Trust for Pension Benefits	<u>\$ 153,732</u>	

The accompanying notes are an integral part of the financial statements

TOWN OF WEST HARTFORD, CONNECTICUT

STATEMENT OF CHANGES IN PLAN NET ASSETS - FIDUCIARY FUNDS
PENSION TRUST FUNDFOR THE YEAR ENDED JUNE 30, 2008
(In Thousands)

Additions:

Contributions:

Employer	\$ 6,100
Plan members	1,863
Total contributions	<u>7,963</u>

Investment income (loss):

Net depreciation in fair value of investments	(20,825)
Interest	103
Dividends	<u>5,444</u>
Total investment loss	(15,278)
Less investment expense	<u>(713)</u>
Net investment loss	<u>(15,991)</u>

Total reductions	<u>(8,028)</u>
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Deductions:

Benefits	17,468
Administration	<u>239</u>
Total deductions	<u>17,707</u>

Net Decrease	(25,735)
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Net Assets Held in Trust for Pension Benefits at Beginning of Year	<u>179,467</u>
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Net Assets Held in Trust for Pension Benefits at End of Year	<u>\$ 153,732</u>
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The accompanying notes are an integral part of the financial statements

TOWN OF WEST HARTFORD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS

(amounts expressed 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 Units

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.

B. Government-Wide and Fund Financial Statements

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

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

The various funds included in the financial statements are described below:

Governmental Funds

Governmental funds are those through which most governmental functions typically are financed.

The *General Fund* is the primary operating fund of the Town. This fund is used to account for all financial transactions and resources except those required to be accounted for in another fund. Revenues are derived primarily from property taxes, state and federal grants, licenses, permits, charges for service and interest income.

Special Revenue Funds account for revenue derived from specific sources (other than major capital projects) that are restricted by legal and regulatory provisions to finance specific activities.

Capital Project Funds account for all financial resources used for the acquisition or construction of major capital facilities not being financed by proprietary funds.

Permanent Funds are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the Town's programs.

Proprietary Funds

Proprietary funds are used to account for activities that are similar to those often found in the private sector. These funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. The following are the Town's proprietary funds:

Enterprise Funds account for operations that are financed in a manner similar to private business enterprises, where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The Leisure Services Fund is the Town's only enterprise fund.

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

Fiduciary Funds

Fiduciary funds are used to account for assets held by the Town in a trustee capacity or as an agent for individuals, private organizations and other governments. Fiduciary funds are not included in the government-wide statements. The fiduciary funds are as follows:

Pension Trust Fund accounts for the West Hartford Retirement System.

Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operation. The school system Student Activity Fund is the Town's only agency fund.

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

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

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

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

The Town reports the following major governmental funds:

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

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

The CDBG Housing Rehabilitation Fund accounts for housing loan activity under the federal grant program.

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 Trust Fund accounts for the activities of the West Hartford Retirement System, which accumulates resources for pension benefit payments to qualified Town employees.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989 generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The Town has elected not to follow subsequent private-sector guidance.

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 and of the Town's Risk Management Fund are charges to customers for sales and services. Operating expenses for the enterprise fund and internal service fund 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.

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, and the State of Connecticut's Short-Term Investment Fund (STIF) which has legislative approval for municipal use. The Town uses a pooled investment account for all funds except the Pension Trust Fund to maximize cash management opportunities. Section 18-41 of the Town code requires apportionment of interest income, which is done on a monthly basis, based on the average daily cash balance of all funds in the pooled cash account.

Investments are reported at fair value.

E. Receivables and Payables

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

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

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

Real estate, motor vehicle and personal property accounts are no longer collectible 15 years after due date in accordance with state statutes. An amount of \$469 has been established as an allowance for uncollectible taxes. At June 30, 2008, this represents 17% 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 1 year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

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

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

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

H. 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 for all unused vacation and a maximum of 75 days unused sick leave upon retirement.

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.

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 assets. Bond premiums and discounts, as well as issuance costs, 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 are reported as deferred charges and amortized over the term of the related debt.

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. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

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 for 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 different characters of expenditure must be approved by the Town Council, and transfers between departments may be made by the Town Council only during the last three months of the fiscal year. Any revisions which alter the total revenues or expenditures must be approved by the Town Council.

Legally adopted operating budgets were employed during the year for the General Fund and all special revenue funds, except the following: Cafeteria Fund, Drug Enforcement Fund, School Grants Fund, School Special Programs Fund, Police Home Ownership Program Fund, C.F. Morway Fund, The Town That Cares Fund, School Donations Trust, Affordable Housing Trust, Library Expendable 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 Blue Back Square Fund.

For financial statement comparisons, budgetary results have been reconciled to generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as amended by the Town Council. Supplemental budget amendments totaling \$989 were made to the adopted fiscal year 2008 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 three percent 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 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 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 Council.

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

B. Deficit Fund Equity

	<u>Amount</u>
Special Revenue Funds:	
CDBG Housing Rehabilitation Fund	\$ 33

The special revenue fund deficit balance will be eliminated by program income.

3. CASH, CASH EQUIVALENTS AND INVESTMENTS

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

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

The Statutes (Sections 3-24f and 3-27f) also provide for investment in shares of the State Short-Term Investment Fund (STIF) and the State Tax Exempt Proceeds Fund (TEPF). 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.

A. Cash and Cash Equivalents

The following is a summary of the Town's cash and cash equivalents at June 30, 2008:

Deposits:	
Demand accounts (including interest bearing accounts)	\$ 25,051
Petty cash	7
Cash equivalents:	
State Short-Term Investment Fund (STIF)	18,601
Pooled and mutual funds	<u>1,864</u>
Total Cash and Cash Equivalents	\$ <u>45,523</u>

The following is a summary of West Hartford Special Service District's cash and cash equivalents at June 30, 2008:

Deposits:	
Demand accounts	\$ <u>14</u>

Deposits

At June 30, 2008, the carrying amount of the Town and District's deposits was \$25,065 and the bank balance was \$26,452.

Custodial Credit Risk - Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The Town does not have a deposit policy for custodial credit risk. Of the June 30, 2008 bank balance, \$306 was covered by federal depository insurance. 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. A minimum of \$2,615, based on June 30, 2008 deposits, was collateralized (collateral held by the pledging bank's trust department is not in the Town's name). The balance of deposits of \$23,531 was uninsured and uncollateralized.

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, 2008 the Town's cash equivalents amounted to \$20,465. The following table provides a summary of the Town's cash equivalents (excluding U.S. government guaranteed obligations) as rated by nationally recognized statistical rating organizations.

	<u>Standard and Poor's</u>	<u>Not Rated</u>
State Short-Term Investment Fund (STIF)	AAAm	
Pooled and mutual funds		X

B. Investments

Investments as of June 30, 2008 in all funds are as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>
Interest-bearing investments:		
U.S. government obligations	\$ 9,329	6.25
Other investments:		
Common stock	23,249	
Pooled open-end mutual fund accounts:		
Pension Trust Funds	129,307	
Internal Service Fund	5,170	
Total	\$ <u>167,055</u>	
Portfolio weighted average maturity for interest-bearing Investments		6.25

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

Credit Risk - Investments - As indicated above, State Statutes limit the investment options of cities and towns. The Town has no investment policy that would further limit its investment choices. The Town's interest bearing investments are in U.S. government guaranteed obligations and therefore are not subject to credit risk.

Concentration of Credit Risk - The Town's investment policy does not allow for an investment in any one issuer that is in excess of 5% of the Town's total investments.

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, 2008, 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.

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>Nonmajor and Other Funds</u>	<u>Total</u>
Receivables:					
Taxes	\$ 2,714	\$	\$	\$	\$ 2,714
Interest*				89	89
Accounts and other	54	1		538	593
Housing loans			2,162	175	2,337
Intergovernmental	<u>2,964</u>	<u>1,649</u>	<u>145</u>	<u>950</u>	<u>5,708</u>
Gross receivables	5,732	1,650	2,307	1,752	11,441
Less allowance for uncollectibles	<u>469</u>				<u>469</u>
Net Total Receivables	<u>\$ 5,263</u>	<u>\$ 1,650</u>	<u>\$ 2,307</u>	<u>\$ 1,752</u>	<u>\$ 10,972</u>

* Accrued interest on property taxes and long-term housing loans in the amount of \$1,274 are not included in the fund financial statements.

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Delinquent property taxes receivable	\$ 1,693	\$
Grant drawdowns prior to meeting all eligibility requirements		218
Property taxes collected in advance		409
School building grants	2,944	
Housing loans	2,344	3
Bond premium		192
Other		<u>1,707</u>
Total Deferred/Unearned Revenue for Governmental Funds	<u>\$ 6,981</u>	<u>\$ 2,529</u>

Business-type activities unearned revenue of \$493 represents program charges and other revenue that is considered unearned.

5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2008 was as follows:

Primary Government

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 8,570	\$	\$	\$ 8,570
Construction in progress	<u>66,283</u>	<u>46,965</u>	<u>(13,724)</u>	<u>99,524</u>
Total capital assets not being depreciated	<u>74,853</u>	<u>46,965</u>	<u>(13,724)</u>	<u>108,094</u>
Capital assets being depreciated:				
Buildings	169,262	5,158		174,420
Land improvements	2,847	218		3,065
Vehicles	8,398	1,017	(964)	8,451
Furniture and equipment	9,178	235	(824)	8,589
Infrastructure	<u>142,382</u>	<u>7,650</u>		<u>150,032</u>
Total capital assets being depreciated	<u>332,067</u>	<u>14,278</u>	<u>(1,788)</u>	<u>344,557</u>
Less accumulated depreciation for:				
Buildings	(46,040)	(4,272)		(50,312)
Land improvements	(436)	(148)		(584)
Vehicles	(5,869)	(763)	903	(5,729)
Furniture and equipment	(7,500)	(416)	824	(7,092)
Infrastructure	<u>(73,602)</u>	<u>(2,991)</u>		<u>(76,593)</u>
Total accumulated depreciation	<u>(133,447)</u>	<u>(8,590)</u>	<u>1,727</u>	<u>(140,310)</u>
Total capital assets being depreciated, net	<u>198,620</u>	<u>5,688</u>	<u>(61)</u>	<u>204,247</u>
Governmental Activities Capital Assets, Net	<u>\$ 273,473</u>	<u>\$ 52,653</u>	<u>\$ (13,785)</u>	<u>\$ 312,341</u>

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities:				
Capital assets not being depreciated:				
Construction in progress	\$ <u>1,020</u>	\$ <u>666</u>	\$ <u>(50)</u>	\$ <u>1,636</u>
Capital assets being depreciated:				
Buildings and systems	18,287	315		18,602
Land improvements	2,973	50		3,023
Furniture and equipment	<u>1,434</u>	<u>87</u>	<u>(42)</u>	<u>1,479</u>
Total capital assets being depreciated	<u>22,694</u>	<u>452</u>	<u>(42)</u>	<u>23,104</u>
Less accumulated depreciation for:				
Buildings and systems	(9,499)	(505)		(10,004)
Land improvements	(413)	(150)		(563)
Furniture and equipment	<u>(1,259)</u>	<u>(56)</u>	<u>42</u>	<u>(1,273)</u>
Total accumulated depreciation	<u>(11,171)</u>	<u>(711)</u>	<u>42</u>	<u>(11,840)</u>
Total capital assets being depreciated, net	<u>11,523</u>	<u>(259)</u>	<u>-</u>	<u>11,264</u>
Business-Type Activities Capital Assets, Net	\$ <u><u>12,543</u></u>	\$ <u><u>407</u></u>	\$ <u><u>(50)</u></u>	\$ <u><u>12,900</u></u>

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

Governmental activities:	
General government	\$ 258
Public safety	679
Community maintenance	3,488
Human and cultural	224
Education	<u>3,941</u>
Total Depreciation Expense - Governmental Activities	\$ <u><u>8,590</u></u>
Business-type activities:	
Leisure Services Fund	\$ <u><u>711</u></u>

Construction Commitments

The Town has several active construction projects as of June 30, 2008. The following is a summary of capital projects as of June 30, 2008:

	<u>Project Authorization</u>	<u>Cumulative Expenditures</u>
Public buildings	\$ 17,881	\$ 15,021
Blue Back Square	47,686	46,021
Parks and recreation	2,967	1,796
Infrastructure	31,161	20,175
Schools	37,081	33,585
Miscellaneous	<u>2,491</u>	<u>1,505</u>
Total	\$ <u><u>139,267</u></u>	\$ <u><u>118,103</u></u>

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

6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund receivable and payable balances at June 30, 2008 are as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 2,801	\$
CDBG Housing Rehabilitation Fund		96
Other governmental funds		658
Risk Management Fund		425
Leisure Services Enterprise Fund		<u>1,622</u>
Total	\$ <u>2,801</u>	\$ <u>2,801</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 to</u>	<u>Transfers From</u>				<u>Total Transfers</u>
	<u>General</u>	<u>Capital Projects</u>	<u>Other Governmental</u>	<u>Internal Service</u>	
General	\$	\$ 756	\$ 141	\$ 73	\$ 970
Capital Projects			325		325
Other Governmental	1,543	6			1,549
Enterprise	<u>938</u>		<u>20</u>		<u>958</u>
Total	\$ <u>2,481</u>	\$ <u>762</u>	\$ <u>486</u>	\$ <u>73</u>	3,802

Transfer of general capital assets:

To Leisure Services Enterprise Fund from existing general capital assets 315

Transfer from component unit:

To Capital Project Fund and Nonmajor Funds 2,196

Total Transfers In \$ 6,313

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

In the fund financial statements, total transfers in of \$6,313 are greater than total transfers out of \$3,802 because of the treatment of transfers of capital assets to the Enterprise Fund and the treatment of operating transfers from component unit. During the year, existing capital assets related to governmental funds with a book value of \$315 were transferred to the Leisure Services Enterprise Fund. No amounts were reported in the governmental funds as the amount did not involve the transfer of financial resources. However, the Enterprise Fund did report a transfer in for the capital resources received.

7. LONG-TERM DEBT

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2008 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	\$ 156,055	\$ 15,000	\$ 10,060	\$ 160,995	\$ 12,845
Less deferred amounts on refunding	<u>(111)</u>	<u></u>	<u>(21)</u>	<u>(90)</u>	<u></u>
Total bonds payable	155,944	15,000	10,039	160,905	12,845
Compensated absences	15,302	6,365	5,565	16,102	5,860
Net OPEB obligation		798		798	
Risk management liability	<u>9,767</u>	<u></u>	<u>105</u>	<u>9,662</u>	<u>5,857</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 181,013</u>	<u>\$ 22,163</u>	<u>\$ 15,709</u>	<u>\$ 187,467</u>	<u>\$ 24,562</u>
Business-Type Activities:					
Compensated absences	<u>\$ 353</u>	<u>\$ 142</u>	<u>\$ 131</u>	<u>\$ 364</u>	<u>\$ 133</u>

All general long-term bonds are secured by the general revenue raising powers of the Town and payment will be provided by General Fund revenues. No sinking funds have been established as of June 30, 2008. 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.

The annual requirements to amortize bonds payable as of June 30, 2008 are as follows:

<u>General Obligations</u>			
<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2009	\$ 12,845	\$ 6,843	\$ 19,688
2010	12,895	6,352	19,247
2011	12,945	5,828	18,773
2012	13,015	5,280	18,295
2013	11,090	4,779	15,869
2014-2018	46,860	17,424	64,284
2019-2023	38,765	7,507	46,272
2024-2026	<u>12,580</u>	<u>925</u>	<u>13,505</u>
Total	<u>\$ 160,995</u>	<u>\$ 54,938</u>	<u>\$ 215,933</u>

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	\$ 6,663	2021
1/15/2001	Schools	4.10-4.50	4,750	3,087	2021
1/15/2002	General Purpose	3.50-4.75	6,415	4,491	2022
1/15/2002	Schools	3.50-4.75	7,085	4,959	2022
11/19/2002	General Purpose	2.50-4.00	3,847	1,923	2013
11/19/2002	Schools	2.50-4.00	3,653	1,827	2013
1/15/2003	Refunding - General Purpose	2.00-5.00	7,767	6,526	2015
1/15/2003	Refunding - Schools	2.00-5.00	11,803	9,919	2015
2/4/2004	General Purpose	3.00-5.00	7,233	5,786	2024
2/4/2004	Schools	3.00-5.00	16,767	13,414	2024
3/1/2005	General Purpose	3.25-5.00	9,816	7,858	2020
3/1/2005	Schools	3.25-5.00	7,184	5,752	2020
6/9/2005	Refunding - Schools	3.00-5.00	11,105	10,970	2018
10/12/2005	General Purpose	3.50-5.00	48,820	48,820	2026
2/1/2007	General Purpose	4.00-5.50	12,547	11,710	2022
2/1/2007	Schools	4.00-5.50	2,453	2,290	2022
1/15/2008	General Purpose	3.00-5.00	10,722	10,722	2023
1/15/2008	Schools	3.00-5.00	4,278	4,278	2023
			\$ <u>186,495</u>	\$ <u>160,995</u>	

The following is schedule of direct and overlapping debt as of June 30, 2008:

<u>Jurisdiction</u>	<u>Outstanding Debt</u>	<u>Percentage Applicable to West Hartford</u>	<u>Outstanding Debt Applicable to Town</u>
West Hartford	\$ 160,995	100.00	\$ 160,995
Metropolitan District Commission	107,074	21.44	<u>22,957</u>
Total			\$ <u>183,952</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:

<u>Category</u>	<u>Debt Limit</u>	<u>Net Indebtedness</u>	<u>Balance</u>
General purpose	\$ 391,615	\$ 105,114	\$ 286,501
Schools	783,230	56,942	726,288
Sewers	652,691	22,957	629,734
Urban renewal	565,666		565,666
Pension deficit	522,153		522,153

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation or \$1.22 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 in addition to the amount of bonds authorized and unissued against which bonds have been issued to partially finance the project or bond anticipation notes are issued and outstanding. There was \$4.0 million of bonds authorized and unissued, for debt limitation purposes, at June 30, 2008. Additionally, school indebtedness is net of school building grants amounting to \$2.9 million.

As of June 30, 2008 the Town had, in addition to amounts referred to above, a total of \$28.6 million authorized but unissued debt, consisting of \$20.3 million for general public improvements and \$8.3 million for school purposes.

8. FUND BALANCES/NET ASSETS

The following is a description of the various reserve accounts used to indicate that a portion of equity is legally segregated for a specific purpose and is unavailable for appropriation:

A. Fund Balance and Net Assets Reserved

Reserved for Encumbrances - represents outstanding purchase orders at year end on contracts which the Town intends to honor.

Reserved for Inventory - the balance of inventory accounts has been reserved to indicate that the portion of fund balance represented is not available for appropriation or expenditure.

Reserved for Capital Projects - the balance of the Capital Reserve Account in the Capital and Non-Recurring Expenditure Fund has been reserved to indicate that a portion of fund balance represented is available for appropriation only for capital projects.

Reserved for Permanent Trust - represents amounts in all Special Revenue and Permanent Funds which are reserved to indicate that they are not available for appropriation or expenditure.

Reserved for Employees' Pension Benefits - represents the amount of funds accumulated in the Pension Trust Fund to pay for pension benefits.

Fund balance/net asset reserves are as follows:

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Permanent</u>	<u>Internal Service</u>	<u>Fiduciary</u>
Encumbrances	\$ 164	\$ 325	\$ 10,188	\$	\$	\$
Inventory and prepaid	203	73				
Capital projects		202				
Trust purposes		1,686		82		153,732
Pension benefits						
Self-insurance					4,197	
Total	<u>\$ 367</u>	<u>\$ 2,286</u>	<u>\$ 10,188</u>	<u>\$ 82</u>	<u>\$ 4,197</u>	<u>\$ 153,732</u>

B. Fund Balance - Designations

General Fund - The Town Council designated \$781 for the subsequent year's budget.

Special Revenue Funds - The School Special Programs has designated \$898 of fund balance to be used for future purposes.

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 officials liability, and health claims. Stop-loss or excess coverage is purchased when available.

B. Insurance Coverage

The following is a summary of major coverage:

Coverage	Retention	Limits
Excess workers' compensation	\$ 500	Statutory
General liability	250	\$ 5,000
Law enforcement liability	250	5,000
Public officials liability	250	5,000
Automobile liability	250	5,000
Auto physical damage-comprehensive	5	Actual Cash Value
Property	50	\$ 400,000
School leaders liability	250	5,000
Umbrella liability	10	15,000

Excess liability insurance is maintained with Genesis for \$5 million excess of \$250 thousand self insurance retention and with Great American for \$15 million excess of \$5 million. Claims are self-administered for the Self-Insured Risk Program. Webster Insurance administers the Self-Insured Workers' Compensation Program. 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 all other funds to finance its cost of risk allocations based on both exposure and experience factors, depending on the risk. In the case of the self-insured, workers' compensation and heart and hypertension programs, actuarial estimates are used to determine ultimate losses. Claims and loss expenses are accrued at their present value utilizing actuarially developed factors and discount rates. The discount rate used is 7.5%. The estimate of incurred but not reported (IBNR) health claims is based on two months average claims. Total claims liabilities of \$9.7 million at June 30, 2008 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.

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

<u>Fiscal Year</u>	<u>Beginning of Fiscal Year Liability</u>	<u>Paid Claims and Changes in Estimates</u>	<u>End of Fiscal Year Liability</u>
2006-07	\$ 8,815	\$ 952	\$ 9,767
2007-08	9,767	(105)	9,662

10. POSTEMPLOYMENT BENEFITS

A. Plan Description

The Town, in accordance with various collective bargaining agreements, provides retiree medical benefits for the lifetime of the retired member and covered dependents. The plan covers Town, Board of Education, Police and Fire employees as further defined in collective bargaining agreements and other written materials. Eligibility and premium sharing information is detailed in the various collective bargaining agreements. The Town does not issue separate stand alone financial statements for the plan.

At July 1, 2007 plan membership consisted of the following:

Number of members:	
Active	1,564
Retired members	963
Spouses of retired members	<u>554</u>
Total participants	<u><u>3,081</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 reserve fund had a fund balance of \$7,100 on June 30, 2008. State law allows the fund to invest up to a maximum of 50% in equity securities and the assumed rate of return is 7.5%. The Town is currently analyzing the establishment of a trust fund for the liabilities associated with new employees hired after the retirement provisions for eligibility for pension benefits were extended.

As of June 30, 2008 the Town had not established a trust fund to irrevocably segregate assets to fund the liability associated with the post employment benefits, which would require 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. 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 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 & Administrators: Employee pays 100% of the premium for employee and dependent;

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

Custodial & 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;

Cafeteria: Board pays 100% of the premium for employee.

Police and Fire

Date of hire prior to July 1, 1986:

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

C. Annual OPEB Cost and Net OPEB Obligations

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

Annual required contribution	\$ 6,274
Interest on net pension obligation	-
Adjustment to annual required contribution	-
Annual pension cost	6,274
Contributions made	(5,476)
Increase in net OPEB obligation	798
Net OPEB obligation (asset), beginning of year	-
Net OPEB Obligation (Asset), End of Year	\$ <u>798</u>

The Town's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation (asset) for the fiscal year ending June 30, 2008 is presented below. Data is only presented for the fiscal year ending June 30, 2008 due to this being the year of implementation.

Fiscal Year Ended		Annual OPEB Cost (AOC)	Actual Contribution	Percentage of AOC Contributed	Net OPEB Obligation (Asset)
6/30/2008	\$	6,274	\$ 5,476	8.73%	\$ 798

As of July, 2007, the most recent actuarial valuation date, the plan was 0% funded. The actuarial accrued liability for benefits was approximately \$85,496, and the actuarial value of the assets was \$-0-, resulting in an unfunded actuarial accrued liability (UAAL) of approximately \$85,496.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about the future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as accrual results are compared with past expectations and new estimates are made about the future. The following schedule of funding progress presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Schedule of Funding Progress

Actuarial Valuation Date		Actuarial Value of Assets (a)	Actuarial Accrued Liability(AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
7/1/2007	\$	-	\$ 85,496	\$ 85,496	0.0%	\$ N/A	N/A

Projections for benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit cost between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2007 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions include a 7.5% rate of return, which is the rate of the expected long-term investment returns of plan assets calculated based on the funding policy of the plan at the valuation date. The annual healthcare cost trend rate is 9% initially, reduced by decrements to an ultimate rate of 5% after four years. The general inflation assumption is 2.5%. Projected salary increases were 4%. The actuarial value of assets was determined using the level percent method. The remaining amortization period at July 1, 2007 was 30 years.

11. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS

Town of West Hartford Retirement System

A. Plan Description

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 issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to The Pension Board, 50 South Main Street, West Hartford, Connecticut 06107.

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 non-employer contributor.

Membership in the Plan as of the last valuation date of July 1, 2007 was as follows:

Inactive participants:	
Retirees and beneficiaries currently receiving benefits	983
Terminated vested employees	67
Total inactive participant	<u>1,050</u>
Current employees:	
Fully vested	460
Nonvested	425
Total active participants	<u>885</u>
Total	<u><u>1,935</u></u>

B. Summary of Significant Accounting Policies and Plan Asset Matters

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

Method Used to Value Investments: Investments are reported at fair value. Investment income is recognized when earned and gains and losses on sales or exchanges of investments are recognized on the transaction date. Unrealized gains and losses due to appreciation and depreciation of Plan assets are also recognized at fiscal year end.

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 (0% to 9%) 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 29-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, 2008 and 2007 were \$6,001 and 5,942, respectively, and were in accordance with actuarially determined requirements.

D. Annual Pension Cost and Net Pension Obligations

The Town's annual pension cost and net pension obligation to the Plan for the current year were as follows:

Annual required contribution	\$ 6,001
Interest on net pension obligation	(115)
Adjustment to annual required contribution	<u>85</u>
Annual pension cost	5,971
Contributions made	<u>6,100</u>
Increase in net pension obligation	(129)
Net pension obligation (asset), July 1, 2007	<u>(1,345)</u>
Net Pension Obligation (Asset), June 30, 2008	\$ <u><u>(1,474)</u></u>

* Represents cumulative net over contribution of the annual required contribution. Amount is included in prepaid items on Exhibit I

The following is a summary of certain significant actuarial assumptions and other Plan information:

Valuation Date	July 1, 2007
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level percent closed
Amortization Period	29 years
Asset Valuation Method	4-year smoothed
Investment Rate of Return	8.5%
Projected Salary Increases	4.0%

E. Trend Information

<u>Fiscal Year</u>		<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation (Asset)</u>
6/30/08	\$	5,971	102.2%	\$ (1,474)
6/30/07		5,914	100.5	(1,345)
6/30/06		5,612	100.5	(1,317)

F. Pension Plan Required Supplementary Information

Schedule of Funding Progress

<u>Actuarial Valuation Date</u>		<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Liability (AAL) Projected Unit Credit Cost (b)</u>	<u>Overfunded AAL (OAAL) (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll (c)</u>	<u>OAAL as a Percentage of Covered Payroll ((b-a)/c)</u>
7-1-07	\$	179,479	\$ 237,380	\$ 57,901	75.6	\$ 48,107	120.4
1-1-06		166,423	221,165	54,742	75.2	40,074	136.6
1-1-05		171,644	215,631	43,987	79.6	38,533	114.2
1-1-04		168,758	191,885	23,127	87.9	38,800	59.6
1-1-03		168,594	186,062	17,468	90.6	37,670	46.4
1-1-02		201,862	179,333	(22,529)	112.6	37,545	(60.0)

Schedule of Employer Contributions

<u>Fiscal Year Ended</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
6-30-08	\$ 6,001	101.6%
6-30-07	5,942	100.0
6-30-06	5,641	100.0
6-30-05	5,120	106.6
6-30-04	5,333	100.1
6-30-03	1,165	99.4

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation is presented in Section D above.

State of Connecticut Teachers' Retirement System

Certified teachers employed by the West Hartford Board of Education are eligible to participate in the State of Connecticut Teachers' Retirement System. This system is a cost-sharing multi-employer defined benefit PERS with the State acting as a non-employer contributor, which is administered under the provisions of Chapter 167a of the Connecticut General Statutes (CGS). The State of Connecticut Teachers' Retirement System is considered to be a part of the State of Connecticut financial reporting entity and is included in the State's financial reports as a pension trust fund. Those reports may be obtained by writing to the State of Connecticut, Office of the State Comptroller, 55 Elm Street, Hartford, Connecticut 06106.

Full-time certified staff who are employed for an average of at least one-half of a school day are required to participate. A member who completes 10 years of service in Connecticut public schools is eligible for a vested benefit commencing at age 60. Members are required to contribute 7.25% of their annual salary while the contributions by the State are determined on an actuarial reserve basis described in CGS Sections 10-183i and 10-183z.

The retirement system for teachers is funded by the State based upon the recommendation of the Teachers' Retirement Board. Such contribution includes amortization of the actuarially computed unfunded liability. The Town does not contribute to the Connecticut Teachers' Retirement System nor has any legal obligation for benefits. For the year ended June 30, 2008 the Town has recorded, in the General Fund, intergovernmental revenue and education expenditures in the amount of \$45.8 million as payments made by the State of Connecticut on behalf of the Town and is reflected in the government-wide financial statements. The Town does not have any liability for teacher pensions. The contribution by the State has increased significantly as a result of state issued pension obligation bonds that partially fund the plan.

13. 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 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 Commission, through the Connecticut Resource Recovery Authority (CRRA) and 33 municipalities, including West Hartford, operates a solid waste disposal and energy recovery facility in the City of Hartford. The Town has a service agreement with CRRA pursuant to which the Town has agreed to deliver or cause to be delivered all of the solid waste under the legal control of the municipality.

The CRRA is required to impose service payments at a uniform rate per ton for all municipalities. If the Town delivers less than its minimum commitment (33,000 tons per year as defined in the service contract) such rates shall be applied to its minimum commitment amount. The service fee, per the agreement, is \$69.00 per ton. The Service Agreement provides that the obligation of the Town to pay the service fee is a general obligation of the Town and the full faith and credit of the Town has been pledged to the payments thereof.

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

GENERAL FUND

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED JUNE 30, 2008

(In Thousands)

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Property taxes:				
Current year levy	\$ 168,693	\$ 169,393	\$ 170,074	\$ 681
Prior year's collections	800	800	948	148
Interest and liens fees	500	500	549	49
Motor vehicle supplement	2,059	2,059	1,715	(344)
Suspense			32	32
Total property taxes	<u>172,052</u>	<u>172,752</u>	<u>173,318</u>	<u>566</u>
Intergovernmental revenue:				
Federal:				
Dial-A-Ride reimbursement		94	94	-
Justice Assistance grant		26	26	-
Traffic Enforcement grant		31	31	-
Total federal assistance	<u>-</u>	<u>151</u>	<u>151</u>	<u>-</u>
State:				
Education cost sharing	15,399	15,399	15,480	81
Elementary school transportation	244	244	234	(10)
School building grants	743	743	714	(29)
Payments in lieu of taxes	1,810	1,810	1,819	9
Machinery exemption	362	362	372	10
Elderly tax exemption - circuit breaker	19	13	10	(3)
Elderly tax relief - homeowner tax credit	254	254	266	12
Veterans exemptions	79	79	67	(12)
Disabled tax relief		6	6	-
Youth services grant	35	42	43	1
Local prevention council grant	6	6	6	-
Highway town aid	342	342	341	(1)
Mashantucket Pequot fund	449	434	423	(11)
Boating safety grant	13	13	13	-
Library grants	4	4	4	-
EMS grants	100	137	110	(27)
Miscellaneous State grants		72	80	8
Telephone access grant	335	335	322	(13)
Total state assistance	<u>20,194</u>	<u>20,295</u>	<u>20,310</u>	<u>15</u>
Total intergovernmental revenues	<u>20,194</u>	<u>20,446</u>	<u>20,461</u>	<u>15</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, 2008

(In Thousands)

	<u>Budgeted Amounts</u>			<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Positive (Negative)</u>
Charges for services:				
Town Clerk	\$ 1,406	\$ 1,406	\$ 1,511	\$ 105
Assessment	5	5	4	(1)
Financial service	15	15	6	(9)
Employee services	1	1	4	3
Fire Department	3	3		(3)
Police Department	463	487	547	60
Community services	1,734	1,734	1,873	139
Public works	207	207	242	35
Library	98	98	65	(33)
Human services	5	5	10	5
Total charges for services	<u>3,937</u>	<u>3,961</u>	<u>4,262</u>	<u>301</u>
Miscellaneous local revenues:				
Town-owned property rentals	23	23	28	5
Workers' compensation reimbursement	200	200	260	60
Miscellaneous	1,599	1,612	882	(730)
Total miscellaneous revenues	<u>1,822</u>	<u>1,835</u>	<u>1,170</u>	<u>(665)</u>
Income on investments	<u>2,675</u>	<u>2,675</u>	<u>2,536</u>	<u>(139)</u>
Total revenues	<u>200,680</u>	<u>201,669</u>	<u>201,747</u>	<u>78</u>
Other financing sources:				
Transfers in	<u>988</u>	<u>988</u>	<u>970</u>	<u>(18)</u>
Total	\$ <u>201,668</u>	\$ <u>202,657</u>	202,717	\$ <u>60</u>
Budgetary revenues are different than GAAP revenues because:				
State of Connecticut on-behalf contributions to the Connecticut State				
Teachers' Retirement System for Town teachers are not budgeted			<u>45,773</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>248,490</u>	

TOWN OF WEST HARTFORD, CONNECTICUT

RSI-2

GENERAL FUND

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED JUNE 30, 2008

(In Thousands)

	Budgeted Amounts			Variance
	Original	Final	Actual	Positive (Negative)
General Government:				
Town Council:				
Personal services	\$ 273	\$ 307	\$ 307	\$ -
Nonpersonal expense	276	314	314	-
Debt and sundry	138	136	136	-
Total	<u>687</u>	<u>757</u>	<u>757</u>	<u>-</u>
Town Manager:				
Personal services	227	228	228	-
Non-personal expense	9	12	12	-
Debt and sundry	82	82	82	-
Total	<u>318</u>	<u>322</u>	<u>322</u>	<u>-</u>
Corporation Counsel:				
Personal services	269	278	278	-
Non-personal expense	151	124	124	-
Debt and sundry	165	166	166	-
Total	<u>585</u>	<u>568</u>	<u>568</u>	<u>-</u>
Registrar of Voters:				
Personal services	148	137	137	-
Non-personal expense	118	207	207	-
Debt and sundry	10	8	8	-
Total	<u>276</u>	<u>352</u>	<u>352</u>	<u>-</u>
Financial Services:				
Personal services	1,666	1,696	1,696	-
Non-personal expense	628	708	708	-
Debt and sundry	760	755	755	-
Total	<u>3,054</u>	<u>3,159</u>	<u>3,159</u>	<u>-</u>
Assessment:				
Personal services	489	499	499	-
Non-personal expense	55	34	34	-
Debt and sundry	229	229	229	-
Total	<u>773</u>	<u>762</u>	<u>762</u>	<u>-</u>
Employee Services:				
Personal services	304	319	319	-
Non-personal expense	75	58	58	-
Debt and sundry	151	150	150	-
Total	<u>530</u>	<u>527</u>	<u>527</u>	<u>-</u>
Total general government	<u>6,223</u>	<u>6,447</u>	<u>6,447</u>	<u>-</u>

(Continued on next page)

GENERAL FUND

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)FOR THE YEAR ENDED JUNE 30, 2008
(In Thousands)

	Budgeted Amounts			Variance
	Original	Final	Actual	Positive (Negative)
Public Safety:				
Fire Department:				
Personal services	\$ 8,166	\$ 8,520	\$ 8,520	\$ -
Non-personal expense	586	652	652	-
Capital outlay		8	8	-
Debt and sundry	3,215	3,216	3,216	-
Total	<u>11,967</u>	<u>12,396</u>	<u>12,396</u>	<u>-</u>
Police Department:				
Personal services	11,486	11,692	11,692	-
Non-personal expense	780	934	934	-
Capital outlay		29	29	-
Debt and sundry	5,230	5,232	5,232	-
Total	<u>17,496</u>	<u>17,887</u>	<u>17,887</u>	<u>-</u>
Total public safety	<u>29,463</u>	<u>30,283</u>	<u>30,283</u>	<u>-</u>
Community Maintenance:				
Community Services:				
Personal services	2,190	2,213	2,213	-
Non-personal expense	664	691	691	-
Debt and sundry	1,132	1,112	1,112	-
Total	<u>3,986</u>	<u>4,016</u>	<u>4,016</u>	<u>-</u>
Public Works:				
Personal services	3,153	3,266	3,266	-
Non-personal expense	7,195	7,136	7,136	-
Capital outlay				-
Debt and sundry	1,751	1,733	1,733	-
Total	<u>12,099</u>	<u>12,135</u>	<u>12,135</u>	<u>-</u>
Plant and Facility Services:				
Personal services	802	776	776	-
Non-personal expense	1,191	1,279	1,279	-
Debt and sundry	213	211	211	-
Total	<u>2,206</u>	<u>2,266</u>	<u>2,266</u>	<u>-</u>
Total community maintenance	<u>18,291</u>	<u>18,417</u>	<u>18,417</u>	<u>-</u>

(Continued on next page)

GENERAL FUND

**SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)**

**FOR THE YEAR ENDED JUNE 30, 2008
(In Thousands)**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Human and Cultural:				
Library:				
Personal services	\$ 2,186	\$ 2,202	\$ 2,202	\$ -
Non-personal expense	612	608	608	-
Debt and sundry	880	874	874	-
Total	<u>3,678</u>	<u>3,684</u>	<u>3,684</u>	<u>-</u>
Human Services:				
Personal services	431	407	407	-
Non-personal expense	568	641	641	-
Debt and sundry	197	201	201	-
Total	<u>1,196</u>	<u>1,249</u>	<u>1,249</u>	<u>-</u>
Total human and cultural	<u>4,874</u>	<u>4,933</u>	<u>4,933</u>	<u>-</u>
Education	<u>117,502</u>	<u>117,502</u>	<u>116,905</u>	<u>597</u>
Debt and sundry	<u>23,116</u>	<u>22,876</u>	<u>22,610</u>	<u>266</u>
Total expenditures	<u>199,469</u>	<u>200,458</u>	<u>199,595</u>	<u>863</u>
Other financing uses:				
Transfers out	<u>2,199</u>	<u>2,199</u>	<u>2,481</u>	<u>(282)</u>
Total	<u>\$ 201,668</u>	<u>\$ 202,657</u>	<u>202,076</u>	<u>\$ 581</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

45,773

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 reporting purposes

399

Inventory purchases are reported as expenditures for budgetary purposes

22

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

\$ 248,270

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, 2008
(In Thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Intergovernmental	\$ 718	\$ 371	\$ (347)
Charges for services		2	2
Interest		13	13
Miscellaneous		65	65
Total revenues	<u>718</u>	<u>451</u>	<u>(267)</u>
Expenditures:			
Current:			
Human and cultural:			
Human services:			
Non-personal expense	<u>718</u>	<u>472</u>	<u>246</u>
Deficiency of revenues over expenditures	\$ <u>-</u>	\$ (21)	\$ <u>(21)</u>
Fund Balance, Beginning of Year		<u>(40)</u>	
Fund Balance, End of Year		\$ <u>(61)</u>	

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APPENDIX C

FORM OF CONTINUING DISCLOSURE AGREEMENT

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APPENDIX C - FORM OF CONTINUING DISCLOSURE AGREEMENT

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 notice of the occurrence of certain material 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 a specified date, all pursuant to a Continuing Disclosure Agreement for the Bonds substantially in the following form:

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the "Agreement") is made as of the 6th day of October, 2009 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 \$41,660,000 General Obligation Refunding Bonds, Series 2009B, dated October 6, 2009 (the "Bonds"), for the benefit of the beneficial owners from time to time of the Bonds.

Section 1. Definitions. For purposes of this Agreement, the following capitalized terms shall have the following meanings:

"Final Official Statement" means the official statement of the Town dated September 23, 2009, prepared in connection with the Bonds.

"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, 2009), 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, 2009. 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. Material Events.

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 the occurrence of any of the following events with respect to the Bonds, if material:

- (a) principal and interest payment delinquencies;
- (b) non-payment related defaults;
- (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 or events affecting the tax-exempt status of the Bonds;
- (g) modifications to rights of holders of the Bonds;
- (h) Bond calls;
- (i) Bond defeasances;
- (j) release, substitution, or sale of property securing repayment of the Bonds; and
- (k) rating changes.

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 Bonds, or (ii) such time as the Town ceases to be an obligated person with respect to the 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 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 30 days with respect to the undertakings set forth in Section 2 hereof or five business days with respect to undertakings set forth in Sections 3 and 4 hereof) from the time the Town's Director of Financial Services receives written notice from any beneficial owner of the 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 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 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 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 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 _____
Ronald F. Van Winkle
Town Manager

By _____
Chris Johnson
Director of Financial Services



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