

**TOWN OF NEW HARTFORD  
CONNECTICUT**

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Comprehensive Annual Financial Report

For the Fiscal Year Ended

June 30, 2015

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Prepared By  
Finance Department  
New Hartford  
New Hartford, Connecticut 06057

# TOWN OF NEW HARTFORD

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# **Introductory Section**

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# **TOWN OF NEW HARTFORD**

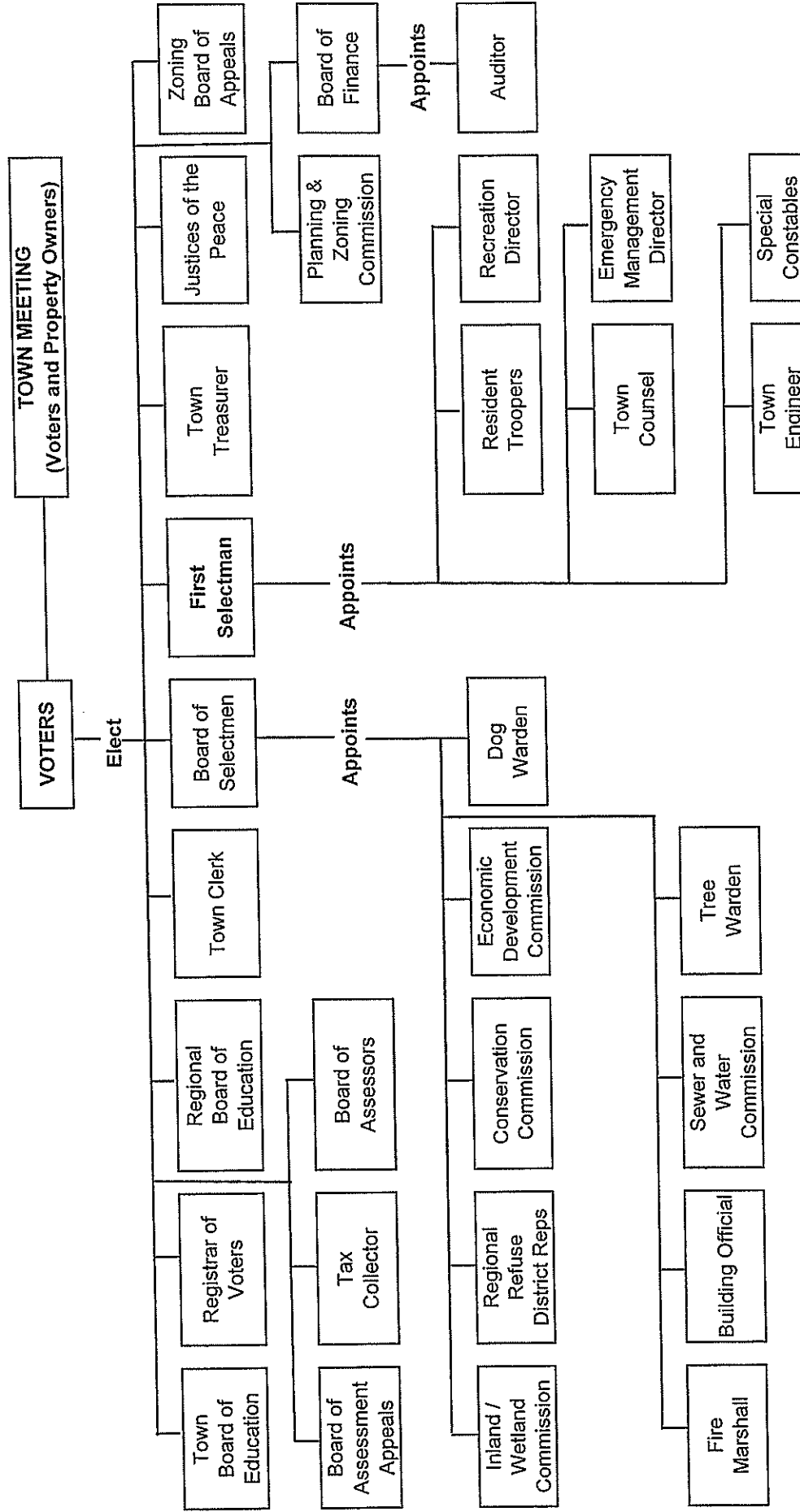
Principal Officials

June 30, 2015

| <b><u>Office</u></b>       | <b><u>Name</u></b>  | <b><u>Manner of Selection</u></b> | <b><u>Term</u></b> |
|----------------------------|---------------------|-----------------------------------|--------------------|
| First Selectman            | Daniel V. Jerram    | Elected                           | 2 years            |
| Selectman                  | Jack Casey          | Elected                           | 2 years            |
| Selectman                  | Alesia Kennerson    | Elected                           | 2 years            |
| Town Clerk                 | Donna N. LaPlante   | Elected                           | 4 years            |
| Tax Collector              | Linda M. Sheffield  | Elected                           | 2 years            |
| Treasurer                  | Gordon Ross         | Elected                           | 2 years            |
| Assessor                   | Beth Paul           | Appointed                         | Indefinite         |
| Board of Finance - Chair   | James Fitzgerald    | Elected                           | 6 years            |
| Board of Education - Chair | Joshua Adams        | Elected                           | 6 years            |
| Superintendent of Schools  | Brian Murphy        | Appointed                         | Indefinite         |
| Judge of Probate           | Michael Magistralli | Elected                           | 4 years            |

# TOWN OF NEW HARTFORD

## Organizational Chart





Government Finance Officers Association

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

Presented to

**Town of New Hartford  
Connecticut**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2014**

Executive Director/CEO





Grades seven through twelve attend Northwestern Regional School District No. 7 in Winsted, whose member towns include New Hartford, Barkhamsted, Colebrook, and Norfolk. The school buildings were renovated in 1999, financed primarily through state construction grants and long-term bonds that are being repaid through assessments to the member Towns. All schools attended by the residents are widely accepted to maintain high levels of scholastic achievement.

Many of New Hartford's residents commute to the Hartford area to white collar and management positions. Land use is characterized by many large, limited purpose sites such as the Nepaug State Forest (1,017.4 acres), Metropolitan District Commission water shed lands (2,481.62 acres), sizable agricultural areas, land acquired as open space, and vacant land. The few developments in Town are consistently moderate to low density single family residences. The Town has experienced steady population growth in the last 40 years growing from a population of 3,993 in 1970 to 6,970 according to 2010 Census. The Census reports that the town's population has since declined to 6,886 in 2013. Student population in local schools has dropped significantly in recent years. Grand list growth, primarily attributable to new home construction, has stagnated in recent years. Supporting new initiatives to foster new economic development remains a priority of the Town.

The Town's principal industries are manufacture of plumbing supplies, aircraft parts, electronic components, springs, industrial adhesives, motion control products, agriculture and plastics. The world famous Ovation Guitar Company ceased production in New Hartford in 2014, but maintains a repair facility in town. Home Depot provides large scale retail of home improvement products. Recreational sites, such as the Farmington River for fishing, canoeing and kayaking and Ski Sundown for skiing, attract visitors year round.

New Hartford is governed by the Board of Selectmen/Board of Finance/Town Meeting form of government. A three-member Board of Selectmen, elected biennially, serves as the executive body, and a full-time First Selectman acts as the Town's Chief Executive. The six-member Board of Finance, in conjunction with the First Selectman and the elected part-time Treasurer, is responsible for finances and for preparing and presenting the annual budget of the Town.

The Town Meeting is the legislative body that must approve the annual budget, all special appropriations or expenditures over \$20,000, and all bond and note authorizations. Local elections are held every odd-numbered year in November. There are two voting districts, but all elected officials serve at-large. The Board of Selectmen assumes office four weeks after election and appoints members of various Town boards, commissions, and committees. The Board of Education appoints the Superintendent of Schools who is responsible for administering the Town's educational system.

The Town provides a full range of services, including police and fire protection; emergency medical services; highway, parks and recreation; solid waste disposal; water and sewer; elementary education; library services; utilities; and services to the elderly.

The annual budget serves as the foundation for the Town's financial planning and control. The Board of Selectmen hold public review sessions before approving a proposed budget and submitting it to the Board of Finance each year. The Board of Finance reviews the budget with the Board of Selectmen and holds a public hearing in April each year. The Board of Finance adjusts the proposed budget before recommending the budget to the annual town budget meeting each year, where the budget may be discussed and then adjourned to referendum. It is noted that while statute allows the Town to approve the budget at the "budget meeting", the Board of Selectmen have historically under CGS 7-7 voluntarily removed the item from the call of the Budget Meeting and have taken the budget to referendum every year for the past 20+ years.

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the Town of New Hartford operates.

Local economic indicators have slowed considerably and remain at record low levels. Unemployment remains very high in New Hartford (local unemployment for the 2014/2015 fiscal year was 5.3%). Residential construction, the primary source of Grand List growth remains at record low levels. Only three (3) permits were issued for new homes in 2014/2015 fiscal year, near a 10 year low. The lack of new construction continues to place pressure on residential real estate taxes. The Town is anticipating a reduction in some state grants. Over the past year the town has utilized state and federal grants to complete several large infrastructure projects, but grant funding continues to get harder to find.

In November of 2014 the town approved a referendum for \$5.4 million to improve Ann Antolini School and repair the Carpenter Road Bridge. Based on final project costs and State reimbursement rates, the Town is eligible to receive up to \$895,399 in grant funding from the State of Connecticut for the school project. In July of 2014, The Town was awarded \$367,655 from the Conn DOT - Local Bridge Program for the bridge project. A significant portion of the school project (the roof) is complete while the bridge is scheduled for construction in fall of 2016. The Town applied for a \$150,000 STEAP Grant for a downtown pavilion to enhance economic development, but was rejected by state officials. However, a \$3.7 Million grant was awarded through the DEEP Clean Water Priority List funding for sewer extensions; for which planning continues to date.

While the State projects population growth, the Town is not anticipating any significant increase to the tax base by way of new residents or businesses, as the current declining economic times has people being cautious relative to spending. The First Selectman is committed to continued budget restraint combined with pursuit of grant funds (when available) to help maintain affordable real estate taxes. The First Selectman has taken action to limit long term budget growth by minimizing growth in labor costs through reasonable contractual salary increases balanced with increased co-funding of health care costs by employees. The town also replaced Anthem Blue Cross/Blue Shield with ConnectiCare as the town's new health insurance provider to reduce costs. The Town and Municipal Employee unions have also agreed to "sunset" the Town's pension program in favor of a new Defined Contribution Plan which will show significant savings to the Town in the future.

The Municipal Reserve fund provides financial resources for the acquisition of major equipment or the construction of capital facilities. The Town periodically maintains individual capital projects funds for special grant funded projects, such as school renovation projects. Municipal debt service remains low and no new bonded initiatives have been undertaken in the fiscal year. The Town's largest municipal debt consists of the USDA loan for construction of the now completed Wastewater Treatment Plant (WWTP). This \$8,950,000 project was funded through a \$3,650,000 USDA Loan. Debt service on the loan will cost residents and taxpayers roughly \$195,000 per year with 61 percent of the debt paid for by Sewer users and 39 percent paid for by the general taxpayers, although a compromise agreement has reduced the WPCA portion for the next few years. Appropriations are made on an annual basis by the Board of Selectmen, Board of Finance and Board of Education within the respective operating budgets for infrastructure and facility improvements and vehicle and equipment acquisition.

All cash during the year was maintained in demand accounts. The Town restricts its investment activities to instruments that provide, in order of priority, the greatest safety, liquidity and yield.

The Town is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees, or acts of God. The Town purchases commercial insurance to cover most potential risks of loss. Neither the Town nor its insurers have settled any claim within the past year, which have exceeded the Town's insurance coverage.

There were no significant changes in coverage from the prior year, and no settlements have exceeded insurance coverage in the last three years. Additional information of the Town of New Hartford's risk management activity can be found in Note 7 of the notes to the financial statements.

The Town has a Pension Trust Fund for Town employees hired on or before July 1, 2011, which is a single employer, defined benefit, noncontributory plan that is administered by the Town. Board of Education employees that are excluded from this plan are participants in the State Teachers Retirement System. Teacher pension contributions provided and managed by the State of Connecticut on behalf of the Town are disclosed in the Town's financial statements but are not a part of the Town's Pension Trust Funds. Newer employees (hired after July 1, 2011) are offered a co-funded Municipal 457 plan administered through ING.

The Town's pension assets are invested in Cash Equivalents (Money Funds) and various Mutual Funds. These accounts are managed by investment professionals, who are responsible for coordinating and monitoring the management of the investments within guidelines contained in an approved investment plan. A five-member Pension Committee is appointed by the Board of Selectmen and meets quarterly to review investment performance and asset allocation decisions. The investment policy and allocation guidelines are adjusted on a periodic basis by the Board of Selectmen upon recommendation by the Pension Committee. Over the past two fiscal years, the economy has had a significant impact on the value of the assets of the pension fund. The pension fund balance has grown significantly over this time, regaining prior losses with a current balance of \$2,957,824 as of June 30, 2015 (balance was \$2,803,627 as of June 30, 2014 and \$2,331,750 on June 30, 2013 and \$2,034,773 on June 30, 2012). Annual pension contributions currently exceed \$230,000.

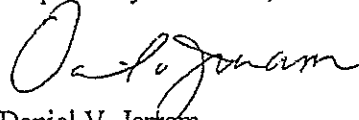
Connecticut General Statutes require that all municipalities have their accounts audited annually by an independent public accountant as required under Connecticut General Statutes Section 7-392. The Board of Finance appointed King, King & Associates, CPAs to conduct the 2014-2015 Town audit. The independent auditor's report is included in this report.

This report has been prepared following the guidelines of the Government Finance Officers Association (GFOA) of the United States and Canada and the Governmental Accounting Standards Board (GASB). The GFOA awards a Certificate of Achievement for Excellence in Financial Reporting to governmental units that publish an easily readable and efficiently organized Comprehensive Annual Financial Report whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. The GFOA awarded the certificate to the Town of New Hartford for the fiscal years ending 2009, 2010, 2011, 2012 & 2013. 2009 was the first year that the Town ever received an award of this type.

A Certificate of Achievement, which is valid for one year only, is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment for a government unit and its management. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and are submitting it to the GFOA to determine eligibility for another certificate.

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the Board of Selectmen, Board of Finance, and the Finance Department. I would like to express my appreciation to them and other town departments who assisted in compiling this report. My office aims to provide support and advice necessary to carry out the policies of the New Hartford Board of Selectmen and Board of Finance, along with the many challenging issues confronting New Hartford in the years ahead.

Respectfully submitted,



Daniel V. Jeram  
First Selectman

Financial  
Section

## Independent Auditor's Report

To the Board of Finance  
Town of New Hartford, CT

### Report on the Financial Statements

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 New Hartford, CT, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Town of New Hartford, CT's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

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

### *Auditor's Responsibility*

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

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

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of New Hartford, CT, as of June 30, 2015, and the respective changes in financial position, and where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 11–17, the budgetary comparison information on page 24 and the supplementary pension plan information on pages 55–59 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Other Information***

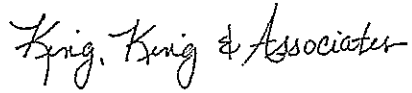
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of New Hartford, CT's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section, are presented for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

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2015, on our consideration of the Town of New Hartford, CT's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of New Hartford, CT's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "King, King & Associates".

King, King & Associates, CPAs  
Winsted, CT  
November 30, 2015



**TOWN OF NEW HARTFORD, CT**  
**Management's Discussion and Analysis**  
**June 30, 2015**

As management of the Town of New Hartford, CT, we offer readers of the Town of New Hartford, CT's financial statements this narrative overview and analysis of the financial activities of the Town of New Hartford, CT for the fiscal year ended June 30, 2015.

***Financial Highlights***

- The assets of the Town of New Hartford, CT exceeded its liabilities at the close of the most recent fiscal year by \$23,235,038 (*net position*). Restricted net position is \$640,194 of which \$42,396 is restricted for Community Investment, \$487,626 is restricted for Community Development, \$103,355 is restricted for Town Hill Cemetery, \$3,751 is restricted for Historical Documents and \$3,066 is restricted for New Hartford Day.
- The Town of New Hartford, CT's, total net position decreased by \$572,965. This decrease is attributable primarily to a decrease in grant revenues.
- As of the close of the current fiscal year, the Town of New Hartford, CT's governmental funds reported combined ending fund balances of \$4,025,411, a decrease of \$804,393 in comparison with the prior year. The decrease was attributable to the budgeted use of fund balance, additional appropriations for snow removal, sewer infrastructure upgrades, and special education cost overruns partially offset by favorable cost savings in most departments. Of this amount, \$1,871,868 is available for spending at the government's discretion (*unassigned fund balance*).
- At the end of the current fiscal year, assigned and unassigned fund balance for the General Fund was \$2,988,634 or 12.6% percent of total General Fund expenditures.

***Overview of the Financial Statements***

This discussion and analysis is intended to serve as an introduction to the Town of New Hartford, CT's basic financial statements. The Town of New Hartford, CT's basic financial statements comprise 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 in addition to the basic financial statements themselves.

**Government-Wide Financial Statements:** The *government-wide financial statements* are designed to provide readers with a broad overview of the Town of New Hartford, CT's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Town of New Hartford, CT's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator whether the financial position of the Town of New Hartford, CT is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position is changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in future cash inflows (revenues) and outflows (expenditures).

**TOWN OF NEW HARTFORD, CT**  
**Management's Discussion and Analysis**  
**June 30, 2015**

Both of the government-wide financial statements distinguish functions of the Town of New Hartford, CT that are principally supported by grants and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Town of New Hartford, CT include education, public safety, general government and highway.

The government-wide financial statements can be found on pages 18-19 of this report.

**Fund Financial Statements:** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town of New Hartford, CT, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town of New Hartford, CT can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental Funds:** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *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 near-term financing requirements.

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 near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Town of New Hartford, CT maintains thirteen (13) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund.

The Town of New Hartford, CT adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 20-24 of this report.

**Proprietary Funds:** The Town maintains one proprietary fund. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water Pollution Control Authority.

The basic proprietary fund financial statements can be found on pages 25-27 of this report.

**TOWN OF NEW HARTFORD, CT**  
**Management's Discussion and Analysis**  
**June 30, 2015**

**Fiduciary Funds:** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Town of New Hartford, CT's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 28-29 of this report.

**Notes to the financial statements:** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 30-54 of this report.

**Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Town of New Hartford, CT, assets exceeded liabilities by \$23,235,038 at the close of the most recent fiscal year.

|                                   | Governmental Activities |               | Business-Type Activities |              | Totals        |               |
|-----------------------------------|-------------------------|---------------|--------------------------|--------------|---------------|---------------|
|                                   | 2015                    | 2014          | 2015                     | 2014         | 2015          | 2014          |
| Current and Other Assets          | \$ 5,219,859            | \$ 6,022,827  | \$ 252,148               | \$ 266,177   | \$ 5,472,007  | \$ 6,289,004  |
| Capital Assets                    | 16,208,582              | 15,741,855    | 11,141,985               | 11,497,860   | 27,350,567    | 27,239,715    |
| Total Assets                      | 21,428,441              | 21,764,682    | 11,394,133               | 11,764,037   | 32,822,574    | 33,528,719    |
| Deferred Outflows<br>of Resources | 230,597                 | -             | -                        | -            | 230,597       | -             |
| Long-term Liabilities             | 5,712,593               | 5,903,638     | 2,853,904                | 2,886,586    | 8,566,497     | 8,790,224     |
| Other Liabilities                 | 1,114,029               | 1,120,562     | 138,385                  | 102,735      | 1,252,414     | 1,223,297     |
| Total Liabilities                 | 6,826,622               | 7,024,200     | 2,992,289                | 2,989,321    | 9,818,911     | 10,013,521    |
| Deferred Inflows<br>of Resources  | -                       | -             | -                        | -            | -             | -             |
| Net Position:                     |                         |               |                          |              |               |               |
| Net Investment in                 |                         |               |                          |              |               |               |
| Capital Assets                    | 13,359,082              | 12,513,900    | 10,446,135               | 10,779,381   | 20,385,138    | 19,779,931    |
| Restricted                        | 640,194                 | 636,139       | -                        | -            | 640,194       | 636,139       |
| Unrestricted                      | 833,140                 | 1,590,443     | (2,044,291)              | (2,004,665)  | 2,209,706     | 3,099,128     |
| Total Net Position                | \$ 14,832,416           | \$ 14,740,482 | \$ 8,401,844             | \$ 8,774,716 | \$ 23,235,038 | \$ 23,515,198 |

The restricted portion of the Town of New Hartford, CT's net position represents net position restricted for Community Investments (\$42,396), Community Development (\$487,626), Town Hill Cemetery (\$103,355) and other purposes (\$6,817). The balance of *unrestricted net position* (\$833,918) may be used to meet the government's ongoing obligations to citizen and creditors.

At the end of the current fiscal year, the Town of New Hartford, CT's Governmental Activities is able to report positive balances in all categories of net position, for the government as a whole.

**TOWN OF NEW HARTFORD, CT**  
**Management's Discussion and Analysis**  
**June 30, 2015**

Net position of governmental activities decreased by \$200,871 during this fiscal year. This decrease is primarily attributable a change in pension liability assumptions.

Net position of business-type activities decreased by \$372,872 during this fiscal year. This decrease is primarily attributable to the discontinuing of the outside septage contract and increased repairs and maintenance costs.

|   | Governmental Activities |                      | Business-Type Activities |                     | Totals               |                      |
|---|-------------------------|----------------------|--------------------------|---------------------|----------------------|----------------------|
|   | 2015                    | 2014                 | 2015                     | 2014                | 2015                 | 2014                 |
| <b>REVENUES</b>   |                         |                      |                          |                     |                      |                      |
| <i>General Revenues:</i>                                  |                         |                      |                          |                     |                      |                      |
| Property Taxes  | \$ 18,237,621           | \$ 18,065,221        | \$ -                     | \$ -                | \$ 18,237,621        | \$ 18,065,221        |
| Unrestricted Grants                                       | 97,629                  | 96,757               | -                        | -                   | 97,629               | 96,757               |
| Investment Income   | 12,159                  | 29,189               | -                        | -                   | 12,159               | 29,189               |
| Other Income  | 67,740                  | 86,293               | -                        | 150                 | 67,740               | 86,443               |
| <i>Program Revenues:</i>                                  |                         |                      |                          |                     |                      |                      |
| Charges for Services                                      | 544,081                 | 546,988              | 702,157                  | 741,148             | 1,246,238            | 1,288,136            |
| Operating Grants and Contributions                        | 4,748,459               | 4,947,624            | -                        | -                   | 4,748,459            | 4,947,624            |
| Capital Grants and Contributions                          | 294,645                 | 146,071              | -                        | 455,891             | 294,645              | 601,962              |
| Total Revenues  | <u>24,002,334</u>       | <u>23,918,143</u>    | <u>702,157</u>           | <u>1,197,189</u>    | <u>24,704,491</u>    | <u>25,115,332</u>    |
| <b>EXPENSES</b>   |                         |                      |                          |                     |                      |                      |
| <i>Governmental Activities:</i>                           |                         |                      |                          |                     |                      |                      |
| General Government  | 2,272,452               | 1,692,211            | -                        | -                   | 2,272,452            | 1,692,211            |
| Public Safety   | 655,616                 | 611,487              | -                        | -                   | 655,616              | 611,487              |
| Highway   | 1,804,175               | 1,701,028            | -                        | -                   | 1,804,175            | 1,701,028            |
| Planning and Development                                  | 161,557                 | 146,313              | -                        | -                   | 161,557              | 146,313              |
| Health and Welfare  | 204,070                 | 220,060              | -                        | -                   | 204,070              | 220,060              |
| Libraries   | 280,000                 | 272,000              | -                        | -                   | 280,000              | 272,000              |
| Parks and Recreation                                      | 301,555                 | 284,804              | -                        | -                   | 301,555              | 284,804              |
| Commissions and Agencies                                  | 76,250                  | 83,391               | -                        | -                   | 76,250               | 83,391               |
| Education   | 18,270,620              | 18,094,896           | -                        | -                   | 18,270,620           | 18,094,896           |
| Interest Expense  | 176,910                 | 195,733              | 101,465                  | 104,460             | 278,375              | 300,193              |
| <i>Business-Type Activities:</i>                          |                         |                      |                          |                     |                      |                      |
| Water and Sewer System                                    | -                       | -                    | 973,564                  | 988,942             | 973,564              | 988,942              |
| Total Expenses  | <u>24,203,205</u>       | <u>23,301,923</u>    | <u>1,075,029</u>         | <u>1,093,402</u>    | <u>25,278,234</u>    | <u>24,395,325</u>    |
| Change in Net Position Before Special Items and Transfers | (200,871)               | 616,220              | (372,872)                | 103,787             | (573,743)            | 720,007              |
| Transfers   | -                       | 201                  | -                        | (201)               | -                    | -                    |
| Change in Net Position                                    | (200,871)               | 616,421              | (372,872)                | 103,586             | (573,743)            | 720,007              |
| Beginning Net Position - restated                         | 15,033,287              | 14,124,061           | 8,774,716                | 8,671,130           | 23,808,003           | 22,795,191           |
| Ending Net Position                                       | <u>\$ 14,832,416</u>    | <u>\$ 14,740,482</u> | <u>\$ 8,401,844</u>      | <u>\$ 8,774,716</u> | <u>\$ 23,234,260</u> | <u>\$ 23,515,198</u> |

**TOWN OF NEW HARTFORD, CT**  
**Management's Discussion and Analysis**  
**June 30, 2015**

**Governmental Activities:** Governmental activities decreased the Town of New Hartford, CT's net position by \$200,093. Seventy-six percent (76%) of the revenues of the Town were derived from property taxes, followed by twenty-one percent (21%) from grants and contributions, then two percent (2%) from charges for services, then one percent (1%) from other general revenues and investment earnings.

**Major revenue factors include:**

- Better than anticipated Property Tax Collections
- Increase in Building and Zoning Fees collected
- Increased Special Education Grant funds
- Unanticipated Shared Services revenues

For Governmental Activities, 75% of the Town's expenses relate to education, 4% relate to public safety and health and welfare, 7% relate to public works/capital outlay, and the remaining 14% relates to government and community services, administration, and other areas.

**Major expense factors include:**

- Increase in Education Expenses Region 7 assessments
- Increase in Pension costs
- Appropriation of \$72,000 to cover local Special Education Costs including cost overruns identified from prior years

**Other significant grant/projects included in governmental activities include:**

- Completion of the School Security and Maple Hollow Bridge Projects
- Inception of several projects including Carpenter Road Bridge, Antolini School Roof and ADA Renovation

**Business-Type Activities:** Business-type activities decreased the Town of New Hartford, CT's net position by \$372,872. One-hundred percent (100%) of the revenues of the business-type activities were derived from charges for services.

***Financial Analysis of the Government's Funds***

As noted earlier, the Town of New Hartford, CT uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds:** The focus of the Town of New Hartford, CT's governmental funds is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Town of New Hartford, CT's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Town of New Hartford, CT's governmental funds reported combined ending fund balances of \$4,025,411, a decrease of \$804,393 in comparison with the prior year. 47% of this total amount constitutes *unassigned fund balance*, which is available for spending at the government's discretion.

**TOWN OF NEW HARTFORD, CT**  
**Management's Discussion and Analysis**  
**June 30, 2015**

The General Fund is the chief operating fund of the Town of New Hartford, CT. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$1,919,270. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 8 percent of total General Fund expenditures. GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, has further classified unreserved fund balance into two categories: Assigned and Unassigned. Assigned Fund Balance is also available for use in the General Fund at the direction of the Boards of Finance and Selectmen. The total Unassigned and Assigned Fund Balance in the General Fund is \$2,988,634. The remaining fund balance of \$17,883 represents monies restricted for the Waste Water Treatment Plant.

The fund balance of the Town of New Hartford, CT's General Fund decreased by \$453,148 during the current fiscal year. As previously discussed, there were additional appropriation of fund balance for the snow removal and special education cost overruns.

***General Fund Budgetary Highlights***

- Projected Revenues exceeded expectations in most categories. A use of surplus of \$130,500 was appropriated for the special education costs overruns \$72,000 and snow removal costs \$58,500. This was partially offset by unanticipated grant funds that were received and cost savings in departments.

***Capital Asset and Debt Administration***

**Capital Assets:** The Town of New Hartford, CT's investment in capital assets for its governmental and business-type activities as of June 30, 2015, amounts to \$27,350,567 (net of accumulated depreciation). This investment in capital assets includes land and buildings, vehicles, machinery and equipment. Major capital asset events during the current fiscal year included the following:

- Completion of the School Security and Maple Hollow Bridge Projects started in prior years
- Purchase of Apple Computers for the Computer Lab
- New Police Car
- School Furniture
- Fire Alarm System
- Completion of the Sand & Salt Shed at Ann Antolini Road DPW facility
- Projects in progress for the Antolini School Roof and Carpenter Road Bridge

| <i>Governmental Activities:</i> | <u>2015</u>          | <u>2014</u>          |
|---------------------------------|----------------------|----------------------|
| Land & Infrastructure           | \$ 7,394,011         | \$ 7,315,056         |
| Construction in Progress        | 221,056              | 154,788              |
| Building & Improvements         | 8,018,992            | 7,612,044            |
| Vehicles                        | 196,674              | 223,288              |
| Machinery & Equipment           | 377,849              | 436,679              |
| Total                           | <u>\$ 16,208,582</u> | <u>\$ 15,741,855</u> |

**TOWN OF NEW HARTFORD, CT**  
**Management's Discussion and Analysis**  
**June 30, 2015**

|                                  |                      |                      |
|----------------------------------|----------------------|----------------------|
| <i>Business-type activities:</i> | <u>2015</u>          | <u>2014</u>          |
| Land and Infrastructure          | \$ 11,507            | \$ 11,507            |
| Buildings and Improvements       | 10,924,931           | 11,271,913           |
| Waterlines                       | 182,889              | 189,602              |
| Machinery & Equipment            | 22,658               | 24,838               |
|                                  | <u>\$ 11,141,985</u> | <u>\$ 11,497,860</u> |

Additional information on the Town of New Hartford, CT's capital assets can be found in Note 3 on pages 40-41 of this report.

**Long-Term Debt:** The Town of New Hartford, CT has the following obligations:

|                       |                     |                     |
|-----------------------|---------------------|---------------------|
|                       | <u>2015</u>         | <u>2014</u>         |
| Compensated absences  | \$ 302,878          | \$ 329,577          |
| Net Pension Liability | 1,839,558           | 1,540,734           |
| USDA Loan             | 3,430,079           | 3,513,350           |
| G.O. Bonds            | 2,891,730           | 3,271,730           |
| Capital Lease         | 19,500              | 37,955              |
| Loans                 | 634,120             | 636,749             |
| Total                 | <u>\$ 9,117,865</u> | <u>\$ 9,330,095</u> |

The Town of New Hartford, CT's total debt decreased by \$212,230 due to the debt repayments. Additional information on the Town of New Hartford, CT's long-term debt can be found in Note 3 on pages 42-44 of this report.

***Economic Factors and Next Year's Budgets and Rates***

- The Town will use \$518,070 of fund balance to finance the subsequent year's budget.
- The Town has budgeted to use \$39,803 from the Community Investment Fund restricted funds and \$64,559 from the Capital Reserve committed funds
- State grants are expected to fluctuate due to lack of revenue sources.
- Current recession still has people cautious relative to spending.
- Nominal growth in the Grand List will continue to place upward pressure on real estate taxes.

***Request for Information***

This financial report is designed to provide a general overview of the Town of New Hartford, CT's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Board, Town of New Hartford, 530 Main Street, P.O. Box 316, New Hartford, CT 06057.

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# Basic Financial Statements

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# TOWN OF NEW HARTFORD

## Statement of Net Position

June 30, 2015

|   | Primary Government          |                            |                             |
|---|-----------------------------|----------------------------|-----------------------------|
|   | Governmental                | Business-type              |                             |
|   | Activities                  | Activities                 | Total                       |
| <b>Assets</b>                                     |                             |                            |                             |
| Current Assets                                    |                             |                            |                             |
| Cash and Cash Equivalents                         | \$ 3,623,067                | \$ 44,686                  | \$ 3,667,753                |
| State and Federal Grants Receivable               | 349,545                     | -                          | 349,545                     |
| Taxes and Assessments Receivable                  | 518,453                     | 207,462                    | 725,915                     |
| Interest Receivable                               | 165,348                     | -                          | 165,348                     |
| Inventories                                       | 2,760                       | -                          | 2,760                       |
| Total Current Assets                              | <u>4,659,173</u>            | <u>252,148</u>             | <u>4,911,321</u>            |
| Noncurrent Assets:                                |                             |                            |                             |
| Restricted for Wastewater Treatment Plant Project |                             |                            |                             |
| Cash and Cash Equivalents                         | 17,883                      | -                          | 17,883                      |
| Deferred Loans Receivable                         | 443,475                     | -                          | 443,475                     |
| Investments                                       | 99,328                      | -                          | 99,328                      |
| Capital Assets:                                   |                             |                            |                             |
| Nondepreciable Assets                             | 5,662,536                   | 11,507                     | 5,674,043                   |
| Depreciable Buildings and Equipment, net          | 10,546,046                  | 11,130,478                 | 21,676,524                  |
| Total Noncurrent Assets                           | <u>16,769,268</u>           | <u>11,141,985</u>          | <u>27,911,253</u>           |
| <b>Total Assets</b>                               | <b>\$ 21,428,441</b>        | <b>\$ 11,394,133</b>       | <b>\$ 32,822,574</b>        |
| <b>Deferred Outflows of Resources</b>             |                             |                            |                             |
| Deferred Pension Costs                            | <u>230,597</u>              | <u>-</u>                   | <u>230,597</u>              |
|   | <u>230,597</u>              | <u>-</u>                   | <u>230,597</u>              |
| <b>Liabilities</b>                                |                             |                            |                             |
| Current Liabilities                               |                             |                            |                             |
| Accounts Payable                                  | \$ 593,054                  | \$ 36,040                  | \$ 629,094                  |
| Accrued Expenses                                  | 24,342                      | -                          | 24,342                      |
| Refundable Advance                                | 40,482                      | -                          | 40,482                      |
| Other Payables                                    | 7,128                       | -                          | 7,128                       |
| Current Portion of Interfund Advances             | (66,147)                    | 66,147                     | -                           |
| Current Portion of Notes, Bonds and Leases        | 515,170                     | 36,660                     | 551,830                     |
| Total Current Liabilities                         | <u>1,114,029</u>            | <u>138,847</u>             | <u>1,252,876</u>            |
| Non-Current Liabilities                           |                             |                            |                             |
| Internal Balances                                 | (2,194,252)                 | 2,194,252                  | -                           |
| Noncurrent Portion of Loans, Bonds and Leases     | 6,067,287                   | 659,190                    | 6,726,477                   |
| Net Pension Liability                             | 1,839,558                   | -                          | 1,839,558                   |
| Total Noncurrent Liabilities                      | <u>5,712,593</u>            | <u>2,853,442</u>           | <u>8,566,035</u>            |
| <b>Total Liabilities</b>                          | <b><u>6,826,622</u></b>     | <b><u>2,992,289</u></b>    | <b><u>9,818,911</u></b>     |
| <b>Deferred Inflows of Resources</b>              | <u>-</u>                    | <u>-</u>                   | <u>-</u>                    |
| <b>Net Position</b>                               |                             |                            |                             |
| Net Investment in Capital Assets                  | 13,359,082                  | 10,446,135                 | 20,385,138                  |
| Restricted for Community Investment               | 42,396                      | -                          | 42,396                      |
| Restricted for Community Development              | 487,626                     | -                          | 487,626                     |
| Restricted for Town Hill Cemetery                 | 103,355                     | -                          | 103,355                     |
| Restricted for Other Purposes                     | 6,817                       | -                          | 6,817                       |
| Unrestricted                                      | 833,140                     | (2,044,291)                | 2,208,928                   |
| <b>Total Net Position</b>                         | <b><u>\$ 14,832,416</u></b> | <b><u>\$ 8,401,844</u></b> | <b><u>\$ 23,234,260</u></b> |

The notes to the financial statements are an integral part of this statement

# TOWN OF NEW HARTFORD

## Statement of Activities

For the Year Ended June 30, 2015

| Functions/programs                         | Program revenues |                      |                                    |            |                                  | Net (expense) revenue and changes in net position |                          |                |
|--|------------------|----------------------|------------------------------------|------------|----------------------------------|---|--------------------------|----------------|
|  | Expenses         | Charges for Services | Operating Grants and Contributions |            | Capital Grants and Contributions | Primary government                                |                          |                |
|  |                  |                      | Operating Grants and Contributions |            |                                  | Governmental Activities                           | Business-type Activities | Total          |
| Primary government:                        |                  |                      |                                    |            |                                  |   |                          |                |
| Governmental activities                    |                  |                      |                                    |            |                                  |   |                          |                |
| General Government                         | \$ 2,272,452     | \$ 111,026           | \$ 5,550                           | \$ -       | -                                | \$ (2,155,876)                                    | \$ -                     | \$ (2,155,876) |
| Public Safety                              | 655,616          | 13,481               | -                                  | -          | -                                | (642,135)   | -                        | (642,135)      |
| Highway                                    | 1,804,175        | -                    | 463,764                            | 279,267    | 279,267                          | (1,061,144)                                       | -                        | (1,061,144)    |
| Planning and Development                   | 161,557          | 81,769               | -                                  | 15,378     | 15,378                           | (64,410)  | -                        | (64,410)       |
| Health and Welfare                         | 204,070          | -                    | -                                  | -          | -                                | (204,070)   | -                        | (204,070)      |
| Libraries                                  | 280,000          | -                    | -                                  | -          | -                                | (280,000)   | -                        | (280,000)      |
| Parks and Recreation                       | 301,555          | 189,482              | -                                  | -          | -                                | (112,073)   | -                        | (112,073)      |
| Commissions/Agencies                       | 76,250           | -                    | -                                  | -          | -                                | (76,250)  | -                        | (76,250)       |
| Education                                  | 18,270,620       | 148,323              | 4,279,145                          | -          | -                                | (13,843,152)                                      | -                        | (13,843,152)   |
| Interest Expense                           | 176,910          | -                    | -                                  | -          | -                                | (176,910)   | -                        | (176,910)      |
| Total governmental activities              | 24,203,205       | 544,081              | 4,748,459                          | 294,645    | 294,645                          | (18,616,020)                                      | -                        | (18,616,020)   |
| Business-type activities                   |                  |                      |                                    |            |                                  |   |                          |                |
| Water and sewer system                     | 1,075,029        | 702,157              | -                                  | -          | -                                | -   | (372,872)                | (372,872)      |
| Total business-type activities             | 1,075,029        | 702,157              | -                                  | -          | -                                | -   | (372,872)                | (372,872)      |
| Total primary government                   | \$ 25,278,234    | \$ 1,246,238         | \$ 4,748,459                       | \$ 294,645 | \$ 294,645                       | (18,616,020)                                      | (372,872)                | (18,988,892)   |
| General revenues:                          |                  |                      |                                    |            |                                  |   |                          |                |
| Property taxes levied for general purposes |                  |                      |                                    |            |                                  | 18,237,621  | -                        | 18,237,621     |
| Grants not restricted to specific purpose  |                  |                      |                                    |            |                                  | 97,629  | -                        | 97,629         |
| Unrestricted Investment income             |                  |                      |                                    |            |                                  | 12,159  | -                        | 12,159         |
| Other Income                               |                  |                      |                                    |            |                                  | 67,740  | -                        | 67,740         |
| Total general revenues                     |                  |                      |                                    |            |                                  | 18,415,149  | -                        | 18,415,149     |
| Transfers                                  |                  |                      |                                    |            |                                  | -   | -                        | -              |
| Total general revenues and transfers       |                  |                      |                                    |            |                                  | 18,415,149  | -                        | 18,415,149     |
| Change in net position                     |                  |                      |                                    |            |                                  | (200,871)   | (372,872)                | (573,743)      |
| Net position - beginning as restated       |                  |                      |                                    |            |                                  | 15,033,287  | 8,774,716                | 23,808,003     |
| Net position - ending                      |                  |                      |                                    |            |                                  | \$ 14,832,416                                     | \$ 8,401,844             | \$ 23,234,260  |

The notes to the financial statements are an integral part of this statement

# TOWN OF NEW HARTFORD

Balance Sheet  
Governmental Funds  
June 30, 2015

|   | <u>General</u>      | Nonmajor<br>Governmental<br><u>Funds</u> | <u>Total</u>        |
|---|---------------------|--|---------------------|
| <b>Assets</b>   |                     |  |                     |
| Cash and Cash Equivalents   | \$ 3,090,710        | \$ 532,357                               | \$ 3,623,067        |
| Investments   | -                   | 99,328                                   | 99,328              |
| State and Federal Grants Receivable                                       | 349,545             | -  | 349,545             |
| Property Taxes Receivable, Net  | 518,453             | -  | 518,453             |
| Interfund Receivables   | 89,218              | 54,000                                   | 143,218             |
| Internal Loans - WPCA   | 113,750             | -  | 113,750             |
| Inventories   | -                   | 2,760                                    | 2,760               |
| Restricted for Wastewater Treatment Plant Project                         |                     |  |                     |
| Cash and Cash Equivalents   | 17,883              | -  | 17,883              |
| Deferred Loans Receivable   | -                   | 443,475                                  | 443,475             |
| <b>Total Assets</b>   | <u>\$ 4,179,559</u> | <u>\$ 1,131,920</u>                      | <u>\$ 5,311,479</u> |
| <b>Liabilities and Fund Balances</b>                                      |                     |  |                     |
| Liabilities:  |                     |  |                     |
| Accounts Payable  | \$ 575,596          | \$ 17,458                                | \$ 593,054          |
| Accrued Expenses  | 24,342              | -  | 24,342              |
| Deferred Revenue  | 40,482              | -  | 40,482              |
| Interfund Payables  | 54,000              | 89,218                                   | 143,218             |
| Due to State of CT  | -                   | 7,128                                    | 7,128               |
| <b>Total Liabilities</b>  | <u>694,420</u>      | <u>113,804</u>                           | <u>808,224</u>      |
| <b>Deferred Inflows of Resources</b>                                      |                     |  |                     |
| Deferred Taxes  | 478,622             | -  | 478,622             |
| <b>Total Deferred Inflows of Resources</b>                                | <u>478,622</u>      | <u>-</u>                                 | <u>478,622</u>      |
| Fund balances:  |                     |  |                     |
| Nonspendable:   |                     |  |                     |
| Inventories   | -                   | 2,760                                    | 2,760               |
| Small Cities Housing Rehabilitation                                       | -                   | 443,475                                  | 443,475             |
| Restricted for:   |                     |  |                     |
| Capital Projects  | 17,883              | -  | 17,883              |
| New Hartford Day  | -                   | 3,066                                    | 3,066               |
| Historical Documents  | -                   | 3,751                                    | 3,751               |
| Town Hill Cemetery  | -                   | 103,355                                  | 103,355             |
| Small Cities Housing Rehabilitation                                       | -                   | 44,151                                   | 44,151              |
| Community Investment  | -                   | 42,396                                   | 42,396              |
| Committed to:   |                     |  |                     |
| Capital Projects  | -                   | 288,713                                  | 288,713             |
| Debt Service  | -                   | 46,882                                   | 46,882              |
| Cafeteria   | -                   | 1,000                                    | 1,000               |
| Recreation & Senior Center  | -                   | 86,747                                   | 86,747              |
| Assigned (See Note 8)   | 1,069,364           | -  | 1,069,364           |
| Unassigned  | 1,919,270           | (48,180)                                 | 1,871,090           |
| <b>Total Fund Balances</b>  | <u>3,006,517</u>    | <u>1,018,116</u>                         | <u>4,024,633</u>    |
| <b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b> | <u>\$ 4,179,559</u> | <u>\$ 1,131,920</u>                      | <u>\$ 5,311,479</u> |

The notes to the financial statements are an integral part of this statement

## TOWN OF NEW HARTFORD

### Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position June 30, 2015

Fund balances reported in governmental funds Balance Sheet \$ 4,024,633

**Amounts reported for governmental activities in the government- wide  
Statement of Net Position are different because:**

The governmental fund Balance Sheet includes revenues that will only be available to pay current period liabilities. Adjustments are necessary to accrue receivables for all earned revenues.

|                                     |           |
|-------------------------------------|-----------|
| <i>Interest on taxes</i>            | 165,348   |
| <i>Long-term Interfund Advances</i> | 2,146,649 |

|   |         |
|---|---------|
| Certain Changes related to the pension are deferred and amortized over time | 230,597 |
|---|---------|

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

|                                 |              |
|---------------------------------|--------------|
| <i>Capital Assets</i>           | 39,123,585   |
| <i>Accumulated Depreciation</i> | (22,915,003) |

Deferred revenue for property taxes and grants are reported in the funds but accrued as revenue in the government-wide statements and added to net position.

|                       |         |
|-----------------------|---------|
| <i>Property taxes</i> | 478,622 |
|-----------------------|---------|

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the fund statements.

|   |                    |
|---|--------------------|
| <i>Capital Lease</i>                              | (19,500)           |
| <i>General obligation bonds and notes payable</i> | (6,260,079)        |
| <i>Compensated absences</i>                       | (302,878)          |
| <i>Pension liability</i>                          | <u>(1,839,558)</u> |

|  |                             |
|--|-----------------------------|
| <b>Net position of governmental activities</b> | <b><u>\$ 14,832,416</u></b> |
|--|-----------------------------|

**TOWN OF NEW HARTFORD**  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2015

|  | <u>General</u>      | Nonmajor<br>Governmental<br><u>Funds</u> | <u>Total</u>        |
|--|---------------------|--|---------------------|
| <b>Revenues</b>                                      |                     |  |                     |
| Property Taxes                                       | \$ 18,230,946       | \$ -                                     | \$ 18,230,946       |
| Unrestricted Grants and Contributions                | 97,629              | -  | 97,629              |
| Operating Grants and Contributions                   | 4,859,501           | 35,539                                   | 4,895,040           |
| Capital Grants and Contributions                     | 279,267             | 15,378                                   | 294,645             |
| Charges for Services                                 | 251,829             | 292,252                                  | 544,081             |
| Other Income   | 67,740              | -  | 67,740              |
| Investment Earnings                                  | 7,797               | 4,362                                    | 12,159              |
| <b>Total Revenues</b>                                | <u>23,794,709</u>   | <u>347,531</u>                           | <u>24,142,240</u>   |
| <b>Expenditures</b>                                  |                     |  |                     |
| <b>Current</b>                                       |                     |  |                     |
| General Government                                   | 1,714,213           | 10,138                                   | 1,724,351           |
| Public Safety  | 618,803             | 15,472                                   | 634,275             |
| Highway  | 1,670,141           | -  | 1,670,141           |
| Planning and Development                             | 147,345             | -  | 147,345             |
| Health and Welfare                                   | 190,352             | -  | 190,352             |
| Libraries  | 280,000             | -  | 280,000             |
| Parks and Recreation                                 | 81,534              | 182,268                                  | 263,802             |
| Commissions/Agencies                                 | 69,739              | 6,511                                    | 76,250              |
| Education  | 18,139,405          | 125,303                                  | 18,264,708          |
| Debt Service   | 623,686             | -  | 623,686             |
| Capital Expenditures                                 | 204,448             | 868,053                                  | 1,072,501           |
| <b>Total Expenditures</b>                            | <u>23,739,666</u>   | <u>1,207,745</u>                         | <u>24,947,411</u>   |
| Excess/(deficiency) of revenues<br>over expenditures | 55,043              | (860,214)                                | (805,171)           |
| <b>Other Financing Sources/(Uses)</b>                |                     |  |                     |
| Transfers In   | -                   | 508,191                                  | 508,191             |
| Transfers Out  | (508,191)           | -  | (508,191)           |
| <b>Total Other Financing Sources/(Uses)</b>          | <u>(508,191)</u>    | <u>508,191</u>                           | <u>-</u>            |
| Net Change in Fund Balances                          | (453,148)           | (352,023)                                | (805,171)           |
| <b>Fund Balances - Beginning</b>                     | 3,459,665           | 1,370,139                                | 4,829,804           |
| <b>Fund Balances - Ending</b>                        | <u>\$ 3,006,517</u> | <u>\$ 1,018,116</u>                      | <u>\$ 4,024,633</u> |

The notes to financial statements are an integral part of this statement

## TOWN OF NEW HARTFORD

### Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities For the Year Ended June 30, 2015

**Net Change in Fund Balances - Total Governmental Funds.** \$ (805,171)

**Amounts reported for governmental activities in the Statement of Activities are different because:**

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

|                             |           |
|-----------------------------|-----------|
| <i>Capital expenditures</i> | 1,058,376 |
| <i>Depreciation Expense</i> | (591,649) |

Revenues in the Statement of Activities that do not provide current financial resources are reported as deferred revenues in the funds. Accordingly, an adjustment is necessary to reconcile amounts reported as interest receivable in the government-wide Statement of Net Position and as deferred revenue in the fund Balance Sheet.

6,675

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

|  |          |
|--|----------|
| <i>General obligation bond principal payments</i>        | 461,726  |
| <i>WPCA contribution made for debt repayment</i>         | (50,795) |
| <i>WPCA adjusted contribution due for debt repayment</i> | 54,300   |

Amortization of deferred outflows related to pension benefits (62,208)

Compensated absences and pension contributions are expended in the funds when resources are used, but are expensed in the Statement of Activities when the liability is incurred. This is the amount by which the accrued liability exceeded the resources expended.

(272,125)

**Change in Net Position of Governmental Activities:** \$ (200,871)



# TOWN OF NEW HARTFORD

## Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual General Fund For the Year Ended June 30, 2015

|  | <u>Budgeted Amounts</u> |                   | <u>Actual Amounts</u>  | <u>Over</u>    |
|--|-------------------------|-------------------|------------------------|----------------|
|  | <u>Original</u>         | <u>Amended</u>    | <u>Budgetary Basis</u> | <u>(Under)</u> |
| <b>Revenues</b>  |                         |                   |                        |                |
| Taxes  | \$ 18,026,344           | \$18,026,344      | \$ 18,230,946          | \$ 204,602     |
| Intergovernmental Revenue                                    | 4,034,745               | 4,034,745         | 4,114,358              | 79,613         |
| Fees, Fines, and Permits                                     | 157,400                 | 157,400           | 182,980                | 25,580         |
| Rental Income  | 52,419                  | 52,419            | 52,419                 | -              |
| Other Revenue  | 195,015                 | 195,015           | 119,678                | (75,337)       |
| Investment Earnings  | 10,000                  | 10,000            | 7,797                  | (2,203)        |
| Surplus to Finance Budget                                    | 607,589                 | 738,089           | 546,285                | (191,804)      |
| Total Revenues   | <u>23,083,512</u>       | <u>23,214,012</u> | <u>23,254,463</u>      | <u>40,451</u>  |
| <b>Expenditures</b>  |                         |                   |                        |                |
| Current  |                         |                   |                        |                |
| General Government   | 1,759,707               | 1,724,635         | 1,698,841              | (25,794)       |
| Public Safety  | 658,325                 | 616,215           | 614,738                | (1,477)        |
| Highways   | 1,515,171               | 1,670,141         | 1,670,141              | -              |
| Planning and Development                                     | 159,733                 | 145,734           | 147,345                | 1,611          |
| Health and Welfare   | 180,496                 | 190,352           | 190,352                | -              |
| Libraries  | 280,000                 | 280,000           | 280,000                | -              |
| Parks and Recreation   | 77,135                  | 81,535            | 81,534                 | (1)            |
| Commissions/Agencies   | 107,438                 | 89,362            | 86,239                 | (3,123)        |
| Education  | 17,170,575              | 17,241,602        | 17,310,840             | 69,238         |
| Debt Service   |                         |                   |                        |                |
| Principal  | 443,770                 | 443,274           | 443,271                | (3)            |
| Interest   | 246,562                 | 246,562           | 246,562                | -              |
| Capital Expenditures   |                         |                   |                        |                |
| Total Capital Expenditures                                   | <u>484,600</u>          | <u>484,600</u>    | <u>484,600</u>         | <u>-</u>       |
| Total Expenditures   | <u>23,083,512</u>       | <u>23,214,012</u> | <u>23,254,463</u>      | <u>40,451</u>  |
| <b>Excess/(Deficiency) of Revenues<br/>Over Expenditures</b> | <u>\$ -</u>             | <u>\$ -</u>       | <u>\$ -</u>            | <u>\$ -</u>    |
| Fund Balances, beginning                                     |                         |                   | \$ 3,272,362           |                |
| Less: Use of Fund Balance to Finance Budget                  |                         |                   | <u>(546,285)</u>       |                |
| Fund Balances, ending  |                         |                   | <u>\$ 2,726,077</u>    |                |

The notes to the financial statements are an integral part of this statement

**TOWN OF NEW HARTFORD**

## Statement of Net Position

## Proprietary Funds

June 30, 2015

**Enterprise Fund**  
**Water Pollution Control Authority****Assets**

## Current assets:

|                          |                |
|--------------------------|----------------|
| Cash                     | \$ 44,686      |
| Accounts receivable, net | <u>207,462</u> |
| Total current assets     | <u>252,148</u> |

## Noncurrent assets:

|   |                   |
|---|-------------------|
| Land  | 11,507            |
| Property, plant, and equipment, net of depreciation | <u>11,130,478</u> |
| Total noncurrent assets                             | <u>11,141,985</u> |

|                     |                   |
|---------------------|-------------------|
| <b>Total Assets</b> | <u>11,394,133</u> |
|---------------------|-------------------|

|                                       |          |
|---------------------------------------|----------|
| <b>Deferred Outflows of Resources</b> | <u>-</u> |
|---------------------------------------|----------|

**Liabilities**

## Current liabilities:

|                                       |                |
|---------------------------------------|----------------|
| Accounts payable & Accrued interest   | 36,040         |
| Current portion of interfund advances | 66,147         |
| Current portion of long-term debt     | <u>36,660</u>  |
| Total current liabilities             | <u>138,847</u> |

## Noncurrent liabilities:

|                              |                  |
|------------------------------|------------------|
| Interfund Advances           | 2,194,252        |
| Long-term notes payable      | <u>659,190</u>   |
| Total noncurrent liabilities | <u>2,853,442</u> |

|                          |                  |
|--------------------------|------------------|
| <b>Total Liabilities</b> | <u>2,992,289</u> |
|--------------------------|------------------|

|                                      |          |
|--------------------------------------|----------|
| <b>Deferred Inflows of Resources</b> | <u>-</u> |
|--------------------------------------|----------|

**Net Position**

|                                  |                     |
|----------------------------------|---------------------|
| Net Investment in Capital Assets | 10,446,135          |
| Unrestricted                     | <u>(2,044,291)</u>  |
| <b>Total Net Position</b>        | <u>\$ 8,401,844</u> |

The notes to the financial statements are an integral part of the financial statements

**TOWN OF NEW HARTFORD**  
**Statement of Revenues, Expenses, and Change in Fund Net Position**  
**Proprietary Funds**  
**For the Year Ended June 30, 2015**

**Enterprise Fund**  
**Water Pollution Control Authority**

**OPERATING REVENUES**

|                          |                |
|--------------------------|----------------|
| Charges for services:    |                |
| Usage assessments        | \$ 677,658     |
| Other Operating Income   | 11,059         |
| Septage received         | <u>13,440</u>  |
| Total Operating Revenues | <u>702,157</u> |

**OPERATING EXPENSES**

|                          |                |
|--------------------------|----------------|
| General operations       | 171,184        |
| Plant management fees    | 266,353        |
| Capital improvement      | -              |
| Repairs and maintenance  | 180,152        |
| Depreciation             | <u>355,875</u> |
| Total operating expenses | <u>973,564</u> |
| Operating income/(loss)  | (271,407)      |

**NONOPERATING REVENUES/(EXPENSES)**

|                                       |                  |
|---------------------------------------|------------------|
| Interest expense                      | <u>(101,465)</u> |
| Total nonoperating revenue/(expenses) | <u>(101,465)</u> |

|                        |                  |
|------------------------|------------------|
| Change in net position | <u>(372,872)</u> |
|------------------------|------------------|

|                                |                  |
|--------------------------------|------------------|
| Total net position - beginning | <u>8,774,716</u> |
|--------------------------------|------------------|

|                             |                     |
|-----------------------------|---------------------|
| Total net position - ending | <u>\$ 8,401,844</u> |
|-----------------------------|---------------------|

The notes to the financial statements are an integral part of the financial statements

**TOWN OF NEW HARTFORD**  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended June 30, 2015

**Enterprise Fund**  
**Water Pollution Control Authority**

**Cash flows from operating activities:**

|   |                  |
|---|------------------|
| Receipts from customers                   | \$ 706,377       |
| Receipts for interfund services           | 3,699            |
| Septage Received                          | 13,440           |
| Payments to suppliers                     | <u>(582,597)</u> |
| Net cash provided by operating activities | <u>140,919</u>   |

**Cash flows from noncapital financing activities:**

-

**Cash flows from capital and related financing activities:**

|   |                  |
|---|------------------|
| Principal paid on capital debt                            | (32,124)         |
| Interest paid on capital debt                             | <u>(101,465)</u> |
| Net cash used by capital and related financing activities | <u>(133,589)</u> |

**Cash flows from investing activities:**

-

|   |                  |
|---|------------------|
| Net decrease in cash and cash equivalents | 7,330            |
| Balances - beginning of the year          | <u>37,356</u>    |
| Balances - end of the year                | <u>\$ 44,686</u> |
| Displayed as: Cash                        | <u>\$ 44,686</u> |

**Reconciliation of operating income/(loss) to net cash provided by operating activities:**

|  |                   |
|--|-------------------|
| Operating income/(loss)  | \$ (271,407)      |
| Adjustments to reconcile income to net cash provided (used) by operating activities: |                   |
| Depreciation expense   | 355,875           |
| Change in assets and liabilities:  |                   |
| Accounts Receivable, net   | 21,359            |
| Accounts Payable & Accrued Interest  | <u>35,092</u>     |
| Net cash provided by operating activities  | <u>\$ 140,919</u> |

**Noncash Capital Financing Activities:**

|   |           |
|---|-----------|
| The Amount payable to the General Fund in connection with facilities construction increased by: | \$ 22,900 |
|---|-----------|

The notes to the financial statements are an integral part of the financial statements

**TOWN OF NEW HARTFORD**  
Statement of Fiduciary Net Position  
June 30, 2015

|                                       | Pension             | Private Purpose     |               |
|---------------------------------------|---------------------|---------------------|---------------|
|                                       | <u>Trust Fund</u>   | <u>Trust Fund -</u> | <u>Agency</u> |
|                                       |                     | <u>Neighbors</u>    | <u>Funds</u>  |
| <b>Assets</b>                         |                     |                     |               |
| Cash and Cash Equivalents             | \$ 59,971           | \$ 13,789           | \$ 54,145     |
| Investments:                          |                     |                     |               |
| Fixed Income                          | 1,138,875           | -                   | -             |
| Stocks                                | 1,697,902           | -                   | -             |
| Alternative Investments               | 61,076              | -                   | -             |
| <b>Total Assets</b>                   | <u>2,957,824</u>    | <u>13,789</u>       | <u>54,145</u> |
| <b>Deferred Outflows of Resources</b> | <u>-</u>            | <u>-</u>            | <u>-</u>      |
| <b>Liabilities and Net Position</b>   |                     |                     |               |
| Liabilities:                          |                     |                     |               |
| Fiduciary Deposits                    | -                   | -                   | 54,145        |
| <b>Total Liabilities</b>              | <u>-</u>            | <u>-</u>            | <u>54,145</u> |
| <b>Deferred Inflows of Resources</b>  | <u>-</u>            | <u>-</u>            | <u>-</u>      |
| <b>Net Position</b>                   |                     |                     |               |
| Held in Trust for Others              | -                   | 13,789              | -             |
| Restricted for Pension Benefits       | 2,957,824           | -                   | -             |
| <b>Total Net Position</b>             | <u>\$ 2,957,824</u> | <u>\$ 13,789</u>    | <u>\$ -</u>   |

The notes to the financial statements are an integral part of the financial statements

**TOWN OF NEW HARTFORD**  
Statement of Changes in Fiduciary Net Position  
For the Year Ended June 30, 2015

|   | <u>Pension Trust Fund</u> | <u>Private Purpose<br/>Trust Fund -<br/>Neighbors</u> |
|---|---------------------------|---|
| <b>Additions</b>  |                           |   |
| Contributions   | \$ -                      | \$ 8,956  |
| Employer Contributions  | 263,543                   | -   |
| Total Contributions   | <u>263,543</u>            | <u>8,956</u>  |
| Investment Income:  |                           |   |
| Net Appreciation in Fair Value of Investments                 | (99,201)                  | -   |
| Interest and Dividends  | 158,556                   | -   |
| Less Investment expense, other than from securities lending   | <u>(10,000)</u>           | <u>-</u>  |
| Net Income from investing, other than from securities lending | <u>49,355</u>             | <u>-</u>  |
| Other Income  | <u>5,796</u>              | <u>-</u>  |
| Total Additions   | 318,694                   | 8,956   |
| <b>Deductions</b>   |                           |   |
| Assistance to Individuals                                     | -                         | 11,770  |
| Benefit payments, including refunds of member contributions   | 158,991                   | -   |
| Administrative Expenses                                       | <u>5,506</u>              | <u>-</u>  |
| Total Deductions  | 164,497                   | 11,770  |
| Net Increase in Fiduciary Net Position                        | 154,197                   | (2,814)   |
| <b>Net Position - Beginning</b>                               | <u>2,803,627</u>          | <u>16,603</u>   |
| <b>Net Position - Ending</b>                                  | <u>\$ 2,957,824</u>       | <u>\$ 13,789</u>                                      |

The notes to the financial statements are an integral part of the financial statements

**TOWN OF NEW HARTFORD**  
**Notes to the Financial Statements**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Reporting Entity***

The Town of New Hartford, CT was incorporated in 1738 under the provisions of the Connecticut General Statutes. The Town operates under the Board of Selectmen, Town Meeting, and Board of Finance form of government. The Town provides a wide range of services, including the following: public safety, public works, public health and welfare, parks and recreation, education, and water sewer utilities. Education services are provided by Regional School District #7, of which the towns of Barkhamsted, New Hartford, Norfolk, and Colebrook are members. Town appropriations to the school district are determined by a separate taxpayer approved budget and the percentage of New Hartford residents attending the District's schools.

The Legislative authority of the Town is vested in the Town Meeting. The First Selectman is the chief executive, chief administrative officer and budget-making authority of the Town. The Board of Finance is responsible for revising the proposed budget and submitting the final budget to the Town Meeting. The Board of Finance is also responsible for establishing the annual tax rate. The Town has the power to incur indebtedness by issuing bonds or notes as provided by the Connecticut General Statutes.

The accounting and reporting policies of the Town relating to the funds included in the accompanying combined financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. The more significant accounting policies of the Town are described below.

The Town's combined financial statements include the accounts of all Town controlled operations. As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the Town of New Hartford, CT (the primary government) and its component units. Component units include all organizations for which the government is considered financially accountable and other organizations which by their nature and significance of their relationship with the primary government would cause the financial statements to be incomplete or misleading if excluded. Currently, there are no entities considered component units of the Town. The Town includes all funds, agencies, boards, commissions, and authorities that are controlled by or dependent on the Town's executive and legislative branches.

The financial statements presented herein do not include agencies which have been formed under applicable State laws or separate and distinct units of government apart from the Town of New Hartford, CT.

Based upon the foregoing criteria, the following organization is not considered part of the Town and is excluded from the accompanying financial statements:

Regional School District #7

**Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

## TOWN OF NEW HARTFORD

### Notes to the Financial Statements

The statement of activities demonstrates the degree to which the revenues of a given function or segment offset direct program expenses. 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 are reported as separate columns in the fund financial statements.

#### **Measurement Focus, Basis of Accounting, and Financial Statements Presentation**

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting* as are the proprietary fund and fiduciary fund financial statements (except for Agency funds). Agency funds have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. 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*. Their revenues are recognized when they become measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Exceptions to this general rule include: voluntary non-exchange transactions when all eligibility requirements have been met. Expenditures are generally recorded when a liability is incurred. Exceptions to this general rule include: compensated absences, debt service, and claims and judgments, which are recorded only when payment is due.

Property taxes when levied, expenditure reimbursement-type grants, charges for services, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government, or specifically identified.

The government reports the following major governmental funds:

The *General Fund* is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another manner.

The government reports the following major proprietary funds:

The *New Hartford Water Pollution Control Authority* accounts for the activity of the Authority. The Authority operates the water distribution system and sewage treatment systems for a portion of the Town's residents.

Additionally, the government reports the following fiduciary fund types:

The *Pension Trust Fund* is used to account for the accumulation of resources to be used for pension benefit payments to qualified employees.

*Private Purpose Trust Funds* are used to account for private donations made anonymously for the benefit of New Hartford residents in need of assistance.



## TOWN OF NEW HARTFORD

### Notes to the Financial Statements

*Agency Funds* account for taxpayer deposits and monies held as a custodian, including the Student Activities Fund and building department bonds.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule include charges between certain Town functions because the elimination of these charges would distort the direct costs and program revenues reported.

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 *New Hartford Water Pollution Control Authority* are charges to customers for services. The fund also recognizes as operating revenue the hookup fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

#### *Estimates*

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

#### ***Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity***

***Cash and Cash Equivalents:*** The deposit of public funds is controlled by the Connecticut General Statutes. The Town maintains separate accounts with depositories where necessary. Cash applicable to a particular fund is readily identifiable. Cash in excess of current requirements is invested in various interest-bearing accounts, certificates of deposit, and pooled investment funds which may be deemed to be cash equivalents based on maturity date or availability of conversion to cash. Cash and cash equivalents are stated at cost, which approximates fair value and have maturities of three months or less. The above definition of cash applies to the proprietary funds statement of cash flows.

***Receivables and Payables:*** All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. The Town has established an allowance for estimated uncollectible property taxes in the amount of \$10,000. Property taxes are assessed of October 1 and billed the following July. Real and personal property bills are payable in two installments, July 1 and January 1. Motor vehicle taxes are payable in one installment on July 1, with the Motor vehicle supplemental bills payable on January 1. Outstanding real estate tax accounts are lienied each year prior to June 30. Assessments for real and personal property, including motor vehicles, are computed at seventy percent of the market value.

## TOWN OF NEW HARTFORD

### Notes to the Financial Statements

*Investments:* In general, State of Connecticut Statutes allow the Town to invest in obligations of the United States of America or United States government sponsored corporations, in shares or other interests in any custodial arrangement, pool, or no-load, open-end management type investment company or investment trust, in obligations of any state or political subdivision rated within the top two rating categories of any nationally recognized rating service, or in obligations of the State of Connecticut or political subdivision rated within the top three rating categories of any nationally recognized rating service. The trust funds may also invest in certain real estate mortgages, in certain savings banks or savings and loan associations, or in stocks or bonds or other securities selected by the trustee.

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Investments that do not have an established market are reported at estimated fair values.

*Inventories:* Inventories in the School Cafeteria Fund are reported at cost using the first-in, first-out method, and are recorded as expenditures when consumed, rather than when purchased.

*Advances to and from Other Funds:* Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed.

*Capital Assets:* Capital assets, which include equipment, fixtures, and other long-lived assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. 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 included as part of the capitalized value of the assets constructed.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

| <u>Assets</u>            | <u>Years</u> |
|--------------------------|--------------|
| Buildings & Improvements | 7-40         |
| Land Improvements        | 10-39        |
| Infrastructure           | 18-39        |
| Vehicles                 | 3-10         |
| Machinery & Equipment    | 3-10         |
| Furniture & Fixtures     | 7-10         |

*Compensated Absences:* Employees accrue vacation and sick leave based upon a prescribed formula. For all Town employees, vacation and sick time may be accumulated and paid upon death, retirement, or termination. The Town has a limit on the accumulation of 121 days. Employees hired after July 2011 are not subject to pay-outs for accrued sick time. All compensated absences are accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

## TOWN OF NEW HARTFORD

### Notes to the Financial Statements

*Long-Term Obligations:* In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, 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 the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

*Long-Term Debt:* Is recognized as a liability of a governmental fund when it is due or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund.

*Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance:* In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/ expenditure) until then. The government has no items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, Deferred Taxes, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenue from property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

*Fund equity and net position—* In the government-wide financial statements, net position is classified in the following categories:

*Net Investment in Capital Assets* – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce this category.

*Restricted Net Position* – This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations or other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

*Unrestricted Net Position* – This category represents the net position of the Town, which is not restricted for any project or other purpose.

When both restricted and unrestricted resources are available for certain expenses, the Town expends restricted resources first and uses unrestricted resources when the restricted funds are depleted.

## TOWN OF NEW HARTFORD

### Notes to the Financial Statements

In the fund financial statements, fund balances of governmental funds are classified in the following five separate categories:

*Nonspendable Fund Balance* – Indicates amounts that cannot be spent because they are either not in spendable form, or are legally or contractually required to be maintained intact. Examples are items that are not expected to be converted to cash including prepaid expenditures and permanent fund principal.

*Restricted Fund Balance* – Indicates amounts that are restricted to specific purposes. The spending constraints placed on the use of fund balance amounts are externally imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

*Committed Fund Balance* – Indicates amounts that can be used only for specific purposes pursuant to constraints imposed by formal legislative action at Town Meetings in accordance with provisions of the Connecticut General Statutes.

*Assigned Fund Balance* – Indicates amounts that are constrained by the Town's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by formal action of the Board of Selectman or Board of Finance through an adopted motion.

*Unassigned Fund Balance* – Represents the remaining fund balance after amounts are set aside for all other classifications.

The Town has not established a formal policy for its use of restricted and unrestricted (committed, assigned, unassigned) fund balance; however, the Town generally used restricted fund balance first if the expenditure meets the restricted purpose, followed by committed, assigned and unassigned amounts.

The Town has not formally enacted legislation or Board policies establishing stabilization funds or requiring it to maintain a minimum fund balance.

#### **Review for Subsequent Events**

In preparing these financial statements, management has evaluated subsequent events subsequent events through November 30, 2015, which represents the date that these statements were available to be issued.

#### **NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

##### *Budgetary Information and Accounting*

The Town of New Hartford, CT follows these procedures in establishing the budgetary data reflected in the financial statements:

- A proposed operating budget is submitted for the fiscal year. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted in the Town to obtain taxpayer comments.
- The budget is legally enacted through passage at a Town Meeting.

**TOWN OF NEW HARTFORD**  
**Notes to the Financial Statements**

- The Board of Finance is authorized to transfer budgeted amounts between departments within any fund; however, any additional appropriations exceeding \$20,000 to any one department must be approved at a Town meeting.
- Formal budgetary integration is employed as a management control device during the year for the General Fund.
- All noncontinuing appropriations lapse at year-end. Capital appropriations do not lapse until completion of the applicable projects.
- Encumbrance accounting is not used.

Budgeted amounts are presented, or as amended by the Board of Finance and the Board of Education during the course of the year. Annual budgets are adopted only for the General Fund. Program budgets are established for certain funds not budgeted annually. All appropriations lapse at year-end, except for capital appropriations.

The Statement of Revenue and Expenditures-Budget (non-GAAP Budgetary Basis) and Actual-General Fund represents comparisons of the legally adopted budget with actual data on a budgetary basis. Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with generally accepted accounting principles, a reconciliation of differences in excess of revenues and expenditures and other sources of financial resources with expenditures for the year ended June 30, 2015 is presented as follows:

|                              | <u>Revenues</u>      | <u>Expenditures</u>  | <u>Other<br/>Financing<br/>Sources/<br/>(Uses)</u> | <u>Net<br/>Change</u> |
|------------------------------|----------------------|----------------------|--|-----------------------|
| Balance, Budgetary Basis     | \$ 23,254,463        | \$ 23,254,463        | \$ -   | \$ -                  |
| Revenue Adjustments for:     |                      |                      |  |                       |
| Timing Differences:          |                      |                      |  |                       |
| Grant Revenue                | 280,428              | -                    | -  | 280,428               |
| Other Income                 | (35,508)             | -                    | -  | (35,508)              |
| Basis Differences:           |                      |                      |  |                       |
| CT Teacher's Retirement      | 841,611              | -                    | -  | 841,611               |
| Budgeted Use of Fund Balance | (546,285)            | -                    | -  | (546,285)             |
| Expenditure Adjustments for: |                      |                      |  |                       |
| Basis Differences:           |                      |                      |  |                       |
| CT Teacher's Retirement      | -                    | 841,611              | -  | (841,611)             |
| Transfers Out                | -                    | (508,191)            | (508,191)  | -                     |
| Entity Differences:          |                      |                      |  |                       |
| Grant Expenditures           | -                    | 204,448              | -  | (204,448)             |
| Other Expenditures           | -                    | (52,665)             | -  | 52,665                |
| Balance, GAAP Basis          | <u>\$ 23,794,709</u> | <u>\$ 23,739,666</u> | <u>\$ (508,191)</u>                                | <u>\$ (453,148)</u>   |

**TOWN OF NEW HARTFORD**  
**Notes to the Financial Statements**

**NOTE 3 – DETAILED NOTES ON ALL FUNDS**

The deposits of public funds are controlled by the Connecticut General Statutes. The following is a summary of cash and cash equivalents at June 30, 2015.

**Detailed Cash Notes on all Funds**

|                 | Governmental<br>Funds | Fiduciary<br>Funds | Proprietary<br>Funds | Total               |
|-----------------|-----------------------|--------------------|----------------------|---------------------|
| Demand Accounts | \$ 3,640,950          | \$ 70,748          | \$ 44,686            | \$ 3,756,384        |
| Total           | <u>\$ 3,640,950</u>   | <u>\$ 70,748</u>   | <u>\$ 44,686</u>     | <u>\$ 3,756,384</u> |

**Deposits and Investments**

*Custodial Credit Risk - Deposits:* 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. At year-end, the Town's carrying amount of deposits was \$3,756,384 and the bank balance was \$3,800,385. Of the bank balance, Federal Depository Insurance Corporation covered \$538,270. As of June 30, 2015, \$3,262,115 of the Town's bank balance of \$3,800,385 was exposed to custodial credit risk as follows:

|  |                     |
|--|---------------------|
| Uninsured and uncollateralized   | \$ 2,885,903        |
| Uninsured and collateral held by<br>pledging bank's Trust department<br>not in the Town's name | <u>376,212</u>      |
|  | <u>\$ 3,262,115</u> |

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

*Credit Risk:* The Town has no investment policy that limits the investment choices further than the State Statutes. As of June 30, 2015, the Town's special revenue and fiduciary funds held \$ 3,057,152 in mutual funds for which ratings were not available at the end of the current fiscal year.

*Custodial Credit Risk – Investments:* This is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The Town's investments are held in various trustee accounts in the Town's name. The Town's mutual funds are not subject to custodial credit risk, as the Town's investment is not directly exposed to custodial credit risk.

As of June 30, 2015, the Town had the following investments:

|                   | Fair Value          | Investment Maturities |             |
|-------------------|---------------------|-----------------------|-------------|
|                   |                     | Less Than 1 yr.       | 1-5 yrs.    |
| Short-term Funds  | \$ 60,271           | \$ 60,271             | \$ -        |
| Mutual Funds      | 2,996,881           | N/A                   | N/A         |
| Total Investments | <u>\$ 3,057,152</u> | <u>\$ 60,271</u>      | <u>\$ -</u> |

**TOWN OF NEW HARTFORD**  
**Notes to the Financial Statements**

*Receivables*

Receivables as of year-end for the town's governmental and business-type activities, including applicable allowances for uncollectible accounts, are as follows:

|                                     | Governmental<br>Activities | Business-Type<br>Activities | Total               |
|-------------------------------------|----------------------------|-----------------------------|---------------------|
| Property Taxes*                     | \$ 528,453                 | \$ -                        | \$ 528,453          |
| Water Assessments                   | -                          | 212,462                     | 212,462             |
| Deferred Loans Receivable           | 443,475                    | -                           | 443,475             |
| State & Federal Grants              | 349,545                    | -                           | 349,545             |
| Total Receivables                   | <u>1,321,473</u>           | <u>212,462</u>              | <u>1,533,935</u>    |
| Allowance for Tax Collection Losses | <u>(10,000)</u>            | <u>(5,000)</u>              | <u>(15,000)</u>     |
| Totals                              | <u>\$ 1,311,473</u>        | <u>\$ 207,462</u>           | <u>\$ 1,518,935</u> |

\* a significant portion of these receivables are not expected to be collected within one year

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 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 (General Fund) | \$478,622          | \$ -             |
| Deferred grant revenue                              | -                  | 40,482           |
|   | <u>\$478,622</u>   | <u>\$ 40,482</u> |

**Inventories**

Inventories are valued at cost using the first-in/first-out (FIFO) method. Governmental and proprietary funds record costs of inventories as expenditures and expenses when consumed rather than when purchased.

Inventories at year-end consisted of:

|                | <u>Governmental<br/>Activities<br/>Nonmajor<br/>Funds</u> |
|----------------|---|
| Food inventory | \$ 2,760  |
| Total          | <u>\$ 2,760</u>   |

**TOWN OF NEW HARTFORD**  
**Notes to the Financial Statements**

**Interfund Transfers, Receivables and Payables**

| <u>Transfers From</u> | <u>Transfer to</u>         |                         | <u>Total</u>      |
|-----------------------|----------------------------|-------------------------|-------------------|
|                       | <u>Non-Major<br/>Funds</u> | <u>General<br/>Fund</u> |                   |
| General Fund          | \$ 508,191                 | \$ -                    | \$ 508,191        |
|                       | <u>\$ 508,191</u>          | <u>\$ -</u>             | <u>\$ 508,191</u> |

The transfer to nonmajor funds from the General Fund reflects \$484,600 for budgeted capital expenditures transferred to the Capital Projects Fund, \$13,391 for the Cafeteria Fund \$8,400 to the Senior Center Fund and \$1,800 to the New Hartford Day Fund.

Interfund balances represent amounts recognized but not yet received by the appropriate funds. The composition of interfund balances as of June 30, 2015 is as follows:

| <u>Due From:</u> | <u>Due To:</u>          |                           | <u>Total</u>      |
|------------------|-------------------------|---------------------------|-------------------|
|                  | <u>General<br/>Fund</u> | <u>Nonmajor<br/>Funds</u> |                   |
| General Fund     | \$ -                    | \$ 54,000                 | \$ 54,000         |
| Nonmajor Funds   | 89,218                  | -                         | 89,218            |
| WPCA             | 113,750                 | -                         | 113,750           |
|                  | <u>\$ 202,968</u>       | <u>\$ 54,000</u>          | <u>\$ 256,968</u> |

Interfund receivable balances represent amounts held in the General Fund for the Capital Projects, Community Investment and Historic Preservation. Interfund payable balances represent balances owed to the General Fund from the Open Space Fund and School Cafeteria Fund for reimbursement for payroll costs, and from the WPCA from a long-term working capital loan.



**TOWN OF NEW HARTFORD**  
**Notes to the Financial Statements**

**Capital Assets**

Capital asset activity for the year ended June 30, 2015, was as follows:

|  | <u>Beginning<br/>Balances</u> | <u>Increases</u>    | <u>Decreases</u>    | <u>Ending<br/>Balances</u> |
|--|-------------------------------|---------------------|---------------------|----------------------------|
| <i>Governmental Activities:</i>                    |                               |                     |                     |                            |
| Capital assets, not being depreciated              |                               |                     |                     |                            |
| Land   | \$ 5,441,480                  | \$ -                | \$ -                | \$ 5,441,480               |
| Construction in Progress                           | <u>154,788</u>                | <u>204,448</u>      | <u>(138,180)</u>    | <u>221,056</u>             |
| Total capital assets, not being depreciated        | <u>5,596,268</u>              | <u>204,448</u>      | <u>(138,180)</u>    | <u>5,662,536</u>           |
| Capital assets, being depreciated                  |                               |                     |                     |                            |
| Buildings & Improvements                           | 19,911,458                    | 704,617             | -                   | 20,616,075                 |
| Land Improvements                                  | 761,125                       | -                   | -                   | 761,125                    |
| Infrastructure                                     | 8,542,289                     | 220,234             | -                   | 8,762,523                  |
| Vehicles   | 1,651,890                     | 36,404              | -                   | 1,688,294                  |
| Machinery & Equipment                              | 1,528,460                     | 18,299              | (168,565)           | 1,378,194                  |
| Furniture & Fixtures                               | <u>242,290</u>                | <u>12,554</u>       | <u>-</u>            | <u>254,844</u>             |
| Total capital assets, being depreciated            | <u>32,637,512</u>             | <u>992,108</u>      | <u>(168,565)</u>    | <u>33,461,055</u>          |
| Less accumulated depreciation for:                 |                               |                     |                     |                            |
| Buildings & Improvements                           | 12,867,578                    | 256,943             | -                   | 13,124,521                 |
| Land Improvements                                  | 192,961                       | 40,726              | -                   | 233,687                    |
| Infrastructure                                     | 6,668,713                     | 141,279             | -                   | 6,809,992                  |
| Vehicles   | 1,428,602                     | 63,018              | -                   | 1,491,620                  |
| Machinery & Equipment                              | 1,196,486                     | 66,538              | (168,565)           | 1,094,459                  |
| Furniture & Fixtures                               | <u>137,585</u>                | <u>23,145</u>       | <u>-</u>            | <u>160,730</u>             |
| Total accumulated depreciation                     | <u>22,491,925</u>             | <u>591,649</u>      | <u>(168,565)</u>    | <u>22,915,009</u>          |
| Total capital assets, being depreciated            | <u>10,145,587</u>             | <u>400,459</u>      | <u>-</u>            | <u>10,546,046</u>          |
| <i>Governmental Activities capital assets, net</i> | <u>\$ 15,741,855</u>          | <u>\$ 604,907</u>   | <u>\$ (138,180)</u> | <u>\$ 16,208,582</u>       |
| <i>Business-Type Activities:</i>                   |                               |                     |                     |                            |
| Capital assets not being depreciated               |                               |                     |                     |                            |
| Land   | <u>11,507</u>                 | <u>-</u>            | <u>-</u>            | <u>11,507</u>              |
| Total capital assets, not being depreciated        | <u>11,507</u>                 | <u>-</u>            | <u>-</u>            | <u>11,507</u>              |
| Capital assets, being depreciated                  |                               |                     |                     |                            |
| Building & Improvements                            | 14,051,230                    | -                   | -                   | 14,051,230                 |
| Water Lines  | 288,068                       | -                   | -                   | 288,068                    |
| Machinery & Equipment                              | <u>121,730</u>                | <u>-</u>            | <u>-</u>            | <u>121,730</u>             |
| Total capital assets, being depreciated            | <u>14,461,028</u>             | <u>-</u>            | <u>-</u>            | <u>14,461,028</u>          |
| Less accumulated depreciation for:                 |                               |                     |                     |                            |
| Building & Improvements                            | 2,779,318                     | 346,984             | -                   | 3,126,302                  |
| Water Lines  | 98,465                        | 6,713               | -                   | 105,178                    |
| Machinery & Equipment                              | <u>96,892</u>                 | <u>2,178</u>        | <u>-</u>            | <u>99,070</u>              |
| Total accumulated depreciation                     | <u>2,974,675</u>              | <u>355,875</u>      | <u>-</u>            | <u>3,330,550</u>           |
| Total capital assets, being depreciated, net       | <u>11,486,353</u>             | <u>(355,875)</u>    | <u>-</u>            | <u>11,130,478</u>          |
| <i>Business Activities capital assets, net</i>     | <u>\$ 11,497,860</u>          | <u>\$ (355,875)</u> | <u>\$ -</u>         | <u>\$ 11,141,985</u>       |

**TOWN OF NEW HARTFORD**  
**Notes to the Financial Statements**

Depreciation expense was charged to functions/programs of the primary government as follows:

|                          |                   |
|--------------------------|-------------------|
| Governmental activities: |                   |
| General Government       | \$ 201,955        |
| Public Safety            | 17,808            |
| Highway                  | 96,176            |
| Planning & Development   | 13,558            |
| Health & Welfare         | 13,718            |
| Recreation               | 37,753            |
| Education                | <u>210,681</u>    |
| Total                    | <u>\$ 591,649</u> |
| Business-type activities |                   |
| Water & Sewer            | <u>\$ 355,875</u> |

The Town has active construction projects as of June 30, 2015. The year-end total accumulated construction costs were:

|                                 | <u>2014</u>       | <u>Additions</u>  | <u>Reductions</u>   | <u>2015</u>       |
|---------------------------------|-------------------|-------------------|---------------------|-------------------|
| Carpenter Road Bridge           | \$ 16,608         | \$ 65,207         | \$ -                | \$ 81,815         |
| Maple Hollow Bridge             | 30,465            | -                 | (30,465)            | -                 |
| Antolini Salt Shed              | 20,946            | -                 | (20,946)            | -                 |
| Antolini School Renovations     | -                 | 139,241           | -                   | 139,241           |
| Security Upgrade Assessment     | 63,594            | -                 | (63,594)            | -                 |
| Design Services Antolini School | <u>23,175</u>     | <u>-</u>          | <u>(23,175)</u>     | <u>-</u>          |
|                                 | <u>\$ 154,788</u> | <u>\$ 204,448</u> | <u>\$ (138,180)</u> | <u>\$ 221,056</u> |

The Carpenter Road Bridge preliminary engineering work was started with a commitment from the state to fund 47.3% of the project. The total cost is estimated to be \$735,000 with a reimbursement of \$348,978. The Antolini School Project involves the replacement of the roof and windows, and renovations for ADA compliance. The state will reimburse 43.57% of the project costs. The town has approved funding these projects with the issuance of bonds up to \$4,751,000. Bond anticipation notes were issued in connection with these projects after year-end.

**Long-Term Obligations**

General Obligation Bonds are direct obligations and pledge the full faith and credit of the town. These bonds generally are issued as 10 and 20-year serial bonds with equal amounts of principal maturing each year. The funds were used for the acquisition and construction of major capital facilities. BANs and bonds have been issued for both governmental and business-type activities. The General Fund has historically been used to liquidate other long-term liabilities related to governmental activities. The WPCA liquidates the long-term liabilities related to business-type activities.

**TOWN OF NEW HARTFORD**  
**Notes to the Financial Statements**

|                                   | Interest<br>Rate | Date of<br>Issue | Date of<br>Maturity | Original<br>Amount at<br>Issuance | Annual<br>Principal | Principal<br>Outstanding<br>June 30, 2015 |
|-----------------------------------|------------------|------------------|---------------------|-----------------------------------|---------------------|---|
| <b>Governmental Activities:</b>   |                  |                  |                     |                                   |                     |   |
| Bond - Town Hall/Refunding        | 4.0 to 4.875     | 04/15/99         | 04/15/18            | 4,275,000                         | 200,000-220,000     | 880,000                                   |
| Bond - Open Space/N.H. Elementary | 4.0 to 6.0       | 02/01/07         | 03/01/27            | 3,187,000                         | 150,000-170,000     | 1,950,000                                 |
| Capital Lease - MacBook Lab       | 5.66             | 07/01/13         | 08/31/15            | 58,558                            | 18,455-20,603       | 19,500                                    |
| USDA WPCA Note                    | 3.25             | 09/15/10         | 09/15/40            | 3,594,000                         | 31,454-74,277       | 3,430,079                                 |
| Total Governmental Bonds & Notes  |                  |                  |                     | <u>\$ 11,114,558</u>              |                     | <u>\$ 6,279,579</u>                       |

|                                   | Interest<br>Rate | Date of<br>Issue | Date of<br>Maturity | Original<br>Amount at<br>Issuance | Annual<br>Principal | Principal<br>Outstanding<br>at June 30, 2015 |
|-----------------------------------|------------------|------------------|---------------------|-----------------------------------|---------------------|--|
| <b>Business-Type Activities:</b>  |                  |                  |                     |                                   |                     |  |
| Bond - Water System               | 4.9 to 7.5       | 11/15/95         | 11/15/15            | \$ 480,000                        | 20,000              | \$ 20,000                                    |
| Loan - Prospect Street Sewers     | 4.5              | 07/16/96         | 07/16/26            | 96,300                            | 3,210               | 41,730                                       |
| Loan - Water System Improvements  | 4.5              | 07/19/00         | 07/19/40            | 591,360                           | 8,974-29,896        | 495,560                                      |
| Loan - Water System Improvements  | 4.5              | 06/27/02         | 06/27/42            | 165,730                           | 2,408-8,249         | 138,560                                      |
| Total Business-Type Bonds & Loans |                  |                  |                     | <u>\$ 1,333,390</u>               |                     | <u>\$ 695,850</u>                            |

Changes in long-term obligations for the year ended June 30, 2015, are as follows:

|                                | July 1,<br>2014     | Additions         | Reductions          | June 30,<br>2015    | Due Within<br>One Year |
|--------------------------------|---------------------|-------------------|---------------------|---------------------|------------------------|
| <b>Governmental Activities</b> |                     |                   |                     |                     |                        |
| Compensated Absences           | \$ 329,577          | \$ 23,151         | \$ (49,850)         | \$ 302,878          | \$ 39,693              |
| Net Pension Liability          | 1,540,734           | 298,824           | -                   | 1,839,558           | -                      |
| G.O. Bonds                     | 3,190,000           | -                 | (360,000)           | 2,830,000           | 370,000                |
| Capital Lease - MacBook Lab    | 37,955              | -                 | (18,455)            | 19,500              | 19,500                 |
| USDA WPCA Note                 | 3,513,350           | -                 | (83,271)            | 3,430,079           | 85,977                 |
| Total                          | <u>\$ 8,611,616</u> | <u>\$ 321,975</u> | <u>\$ (511,576)</u> | <u>\$ 8,422,015</u> | <u>\$ 515,170</u>      |

|                                 | July 1,<br>2014   | Additions   | Reductions         | June 30,<br>2015  | Due Within<br>One Year |
|---------------------------------|-------------------|-------------|--------------------|-------------------|------------------------|
| <b>Business-type Activities</b> |                   |             |                    |                   |                        |
| Loans                           | \$ 678,479        | \$ -        | \$ (2,629)         | \$ 675,850        | \$ 16,660              |
| G.O. Bonds                      | 40,000            | -           | (20,000)           | 20,000            | 20,000                 |
| Total                           | <u>\$ 718,479</u> | <u>\$ -</u> | <u>\$ (22,629)</u> | <u>\$ 695,850</u> | <u>\$ 36,660</u>       |

**Interest Expense**

No interest was capitalized during the year. Interest expense charged to business-type activities was as follows:

|   |                   |
|---|-------------------|
| <b>Business-Type Activities:</b>                |                   |
| Water Pollution Control Authority               | <u>\$ 101,465</u> |
| Total interest expense Business-Type Activities | <u>\$ 101,465</u> |

**TOWN OF NEW HARTFORD**  
**Notes to the Financial Statements**

**Debt Service Requirements**

Debt service requirements on long-term debt at June 30, 2015, are as follows:

| Year<br>Ending | <u>Governmental activities</u> |                     | <u>Business-type activities</u> |                   |
|----------------|--------------------------------|---------------------|---------------------------------|-------------------|
|                | <u>Principal</u>               | <u>Interest</u>     | <u>Principal</u>                | <u>Interest</u>   |
| 2016           | 455,977                        | 227,695             | 36,660                          | 31,132            |
| 2017           | 458,772                        | 208,396             | 17,265                          | 29,200            |
| 2018           | 461,657                        | 188,708             | 17,898                          | 28,443            |
| 2019           | 464,636                        | 165,841             | 18,558                          | 27,656            |
| 2020           | 257,711                        | 154,594             | 19,249                          | 26,843            |
| 2021-2025      | 1,388,306                      | 623,007             | 107,744                         | 120,894           |
| 2026-2030      | 971,654                        | 376,661             | 120,683                         | 95,845            |
| 2031-2035      | 741,191                        | 246,086             | 142,393                         | 68,234            |
| 2036-2040      | 869,721                        | 117,555             | 167,622                         | 34,383            |
| 2041-2042      | 190,454                        | 6,190               | 34,765                          | 2,496             |
| Total          | <u>\$ 6,260,079</u>            | <u>\$ 2,314,733</u> | <u>\$ 682,837</u>               | <u>\$ 465,126</u> |

During a prior year, the Town received long-term financing from the U.S. Department of Agriculture for \$3,594,000. The Town had an arrangement with the New Hartford WPCA to repay the loan with a 61/39 split. The original agreement proposed that the NHWPCA repay 61% of the loan and the Town will repay 39%. This agreement was modified during the prior fiscal year to propose the NHWPCA repay in annual installments of \$13,000, paid in quarterly installments of \$3,250 beginning March 31, 2014. The note requires annual payments of \$197,455 due annually from September 15, 2013 through 2040. The final payment of \$196,645 is due September 15, 2040. The interest rate on the note is 3.25%.

**Overlapping Debt**

New Hartford is a member of the Regional School District No. 7, along with the Towns of Barkhamsted, Colebrook, and Norfolk. New Hartford's scheduled payment to the School District is a pro rata share of 51.10%, which is based upon student enrollment. The Town's portion of the bond principal for Regional School District No. 7 is as follows:

|                   | <u>Principal</u>   |
|-------------------|--------------------|
| Bonds Outstanding | \$3,436,386        |
| Town's Pro Rata % | <u>51.10%</u>      |
| Town's Share      | <u>\$1,755,993</u> |

**Capital Lease**

The Board of Education entered into a capital lease with Apple Inc. for a MacBook Learning Lab. The lease term is for three years at \$20,603 per year with an imputed interest rate of 5.66% commencing July 1, 2014. At the end of the lease, the Board of Education will purchase the computers at a cost of \$1. The following is an analysis of the computers under the capital lease.

|                                |                  |
|--------------------------------|------------------|
| Equipment                      | \$ 58,558        |
| Less: Accumulated Depreciation | <u>(23,423)</u>  |
| Total, net of depreciation     | <u>\$ 35,135</u> |

**TOWN OF NEW HARTFORD**  
**Notes to the Financial Statements**

The following is a schedule of the future minimum lease payments under the capital lease together with the present value of the net minimum lease payment as of June 30, 2015.

|  |                  |
|--|------------------|
| June 30, 2016                              | \$ 20,603        |
| Total Minimum Lease Payments               | 20,603           |
| Less Amounts Representing Interest         | <u>(1,103)</u>   |
| Present Value of Net Minimum Lease Payment | <u>\$ 19,500</u> |

**NOTE 4 – OPERATING LEASES**

The Town has entered into several lease agreements for equipment. These leases require monthly payments from \$106 to \$1,770. These leases expire ranging from September 2016 to August 2018. Total lease expense for 2015 was \$48,566. Future minimum lease payments under current agreements are as follows:

| <u>Year</u> | <u>Amount</u> |
|-------------|---------------|
| 2016        | \$ 46,544     |
| 2017        | 42,563        |
| 2018        | 30,397        |
| 2019        | 6,840         |
| 2020        | 6,204         |

**NOTE 5 – SEGMENT INFORMATION**

The Town issued bonds and notes to finance improvements to its water pollution control authority, which operates the government's water and sewage treatment plants, pumping stations, and collections systems. The New Hartford Water Pollution Control Authority is reported as the sole enterprise fund. Because both the water and sewer activity is recorded in the same fund and financial activity is blended, segment information for each activity is not presented. Summary financial information for the WPCA is presented in the proprietary fund statements on pages 25-27.

**NOTE 6 – PENSION PLANS**

**Defined Benefit Pension Plan**

*Plan Description* - The Town of New Hartford, CT Retirement Plan (the Plan) is a single-employer, defined benefit, noncontributory pension plan administered by the Town of New Hartford, CT. The Plan provides retirement and death benefits to plan members and beneficiaries. The Town of New Hartford, CT retains the authority to establish and amend benefit provisions. The Plan is considered to be part of the Town of New Hartford, CT's financial reporting entity and is included in the Town's financial reports as a Pension Trust Fund. The Plan does not issue a separate stand-alone financial report. The pension board is comprised of 5 members who serve for a specified term length and are appointed by the Board of Selectmen. The Board of Selectmen seek residents who have expertise in the field of investments, pensions, or something similar to serve on this Board.

*Classes of Employees Covered and Current Membership* – All employees (except those covered by the State of Connecticut Teachers Retirement System) at least 25 years of age and having five years of credited service are eligible. Effective July 1, 2011, the plan is closed to new entrants. One year of credited service is earned for each calendar year during which 1,000 hours is worked. Current membership consists of the following:

# TOWN OF NEW HARTFORD

## Notes to the Financial Statements

|  |           |
|--|-----------|
| Active plan members  | 39        |
| Inactive plan members or beneficiaries receiving benefits        | 29        |
| Inactive plan members entitled to but not yet receiving benefits | <u>30</u> |
| Total plan participants  | <u>98</u> |

*Benefits Provided* - Under the Plan, employees who have attained 25 years of age are 100% vested after 5 years of credited service. For employees hired after January 1, 2002, normal retirement is the Social Security normal retirement age. Otherwise, normal retirement is at age 65. Retirees will receive a retirement benefit for life of 1.25% times credited service (max 40) of the final average compensation for the highest three consecutive years out of the final ten. A surviving spouse of a participant, who dies after five years of service, will receive a death benefit equal to 50% of the benefit, which the deceased employee was (or would have been) eligible for at early retirement (age 55 with ten years of service). Benefits and refunds are recognized when due and payable in accordance with terms of the plan.

*Contributions* - The contribution requirements of the Town are established and may be amended by the Board of Selectmen, as suggested by the actuarial valuations. The actuarial method used to develop the annual funding percentage for all benefits is the Projected Unit Credit Cost Method. The Town currently contributes at the actuarially determined rate, which at \$263,543 was 15.43% of annual covered payroll. Employees do not contribute to the Plan. Costs to administer the plan are paid by the Town out of the General Fund, and are not included in the actuarially determined contribution. Investment management fees are paid out of the pension trust.

### ***Significant Accounting Policies***

*Basis of Accounting* - Financial statements are prepared using the accrual basis of accounting. Employer contributions are recognized in the period that the contributions are due. Benefits are recognized in the period owed.

*Investment Policy* - The pension plan's policy in regard to the allocation of invested assets is established by and may be revised by the Pension Committee. The overall investment goal is to obtain a competitive rate-of-return on portfolio assets commensurate with prudent investment rules and the responsibility to provide retirement benefits for members, retirees and their beneficiaries. The committee regards prudent risk taking as justifiable and necessary to meet the plan liabilities and minimize long term contributions within reasonable and prudent levels of risk. The strategic allocation targets are:

| <u>Asset Class</u>                   | <u>Target Allocation</u> |
|--------------------------------------|--------------------------|
| Money Market                         | 5.00%                    |
| Core Fixed Income                    | 36.00%                   |
| Large Capitalization Domestic Equity | 30.00%                   |
| Mid/Small Cap Equity Domestic Equity | 12.00%                   |
| International Equity                 | 14.00%                   |
| Real Estate                          | 3.00%                    |

*Method Used to Value Investments* - The actuarial value of assets phases in recognition of the difference between the actuarial return on Market Value and the expected return of Market Value over a 4-year period at 25% per year. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have an established market are reported at estimated fair values.

# TOWN OF NEW HARTFORD

## Notes to the Financial Statements

Investments that represent 5% or more to total assets are:

|                                       |        |
|---------------------------------------|--------|
| Schwab S&P 500 Index                  | 11.90% |
| Vanguard Mid-Cap Index-Adm            | 6.00%  |
| Metropolitan West Total Return Bond I | 6.10%  |
| PIMCO Total Return D                  | 6.10%  |
| Russell Investment Grade Bond I       | 6.10%  |

*Money-weighted rate of return* – The annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 1.7344%. Money-weighted rate of return expresses investment performance, net of pension plan investment expense, adjusted for the changing amounts actually invested.

Currently there is no Deferred Retirement Option Plan.

### *Funded Status and Funding Progress*

The Town's annual pension cost and net pension obligation to the Plan for the current year as of July 1, 2013 (the most recent actuarial date) were as follows:

#### Schedule of Net Pension Liability

|  | <u>2015</u>      |
|--|------------------|
| Total Pension Liability *  | \$ 4,797,382     |
| Plan Fiduciary net position  | <u>2,957,824</u> |
| Net pension liability (asset)  | 1,839,558        |
| Plan fiduciary net position as a percentage of total pension liability | 61.65%           |
| <br>Covered-employee payroll   | <br>\$ 1,708,040 |
| <br>Net pension liability as a % of covered employee payroll           | <br>107.70%      |

\* Total pension liability calculated using the Entry Age Normal Cost Method

The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

*Actuarial Methods and Assumptions:* The annual required contribution for the current year was determined as part of the July 1, 2013 actuarial valuation using the Projected Unit Credit Method. The funding policy consists of two parts, normal cost plus an amortization of the plan's Unfunded Actuarial Liability. For the July 1, 2013 valuation, an open amortization period of 30 years was used. Significant actuarial assumptions used include (1) inflation of 3.0% (2) rate of return on investments of 7.0% per year, (3) projected salary increases of 4.0% per year, and (3) a retirement age of 65 or social security retirement age for hires after December 31, 2001. The unfunded actuarial accrued liability is being amortized over 30 years. Mortality was based on RP2000 Combined Mortality projected using Scale AA to the valuation date. A full actuarial experience study has not been completed.

**TOWN OF NEW HARTFORD**  
**Notes to the Financial Statements**

*Discount Rate* – The discount rate used to measure to total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that the Town contributions will be made at rate equal to the difference between actuarially determined the contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all prior periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the net pension liability to changes in the discount rate* – The following presents the net pension liability, calculated using the discount rate of 7.0% as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower 6.0% or 1-percentage-point higher 8.0% that the current rate:

|   | <u>Current</u><br><u>Discount Rate</u><br>7.0% | <u>1% Decrease</u><br><u>Discount Rate</u><br>6.0% | <u>1% Increase</u><br><u>Discount Rate</u><br>8.0% |
|---|--|--|--|
| Net pension liability as of June 30, 2015 | \$1,839,558                                    | \$2,331,478  | \$1,415,828  |

*Valuation Date and Roll Forward Process* – The plan used the July 1, 2013 valuation to calculate the Actuarially Determined Employer Contribution for fiscal years ending June 30, 2015 and June 30, 2016. The July 1, 2013 Valuation directly calculated the July 1, 2013 Total Pension Liability. The July 1, 2013 Total Pension Liability was increased by service cost and interest and decreased by benefit payments to estimate the total pension liability as of June 30, 2015. The Pension Liability was also adjusted to reflect any material plan changes after the valuation.



# TOWN OF NEW HARTFORD

## Notes to the Financial Statements

### Target Allocation and Expected Rate of Return June 30, 2015

| <u>Asset Class</u>                | <u>Target Allocation</u> | <u>Long-Term Expected Real Rate of Return *</u> | <u>Weighting</u> |
|-----------------------------------|--------------------------|---|------------------|
| U.S. Large Cap                    | 34.00%                   | 4.75%   | 1.62%            |
| U.S. Mid Cap                      | 6.00%                    | 5.50%   | 0.33%            |
| U.S. Small Cap                    | 5.00%                    | 5.50%   | 0.28%            |
| International                     | 10.00%                   | 5.25%   | 0.53%            |
| Emerging                          | 3.00%                    | 6.00%   | 0.18%            |
| Investment Bond                   | 12.00%                   | 2.25%   | 0.27%            |
| International Bond                | 14.00%                   | 2.00%   | 0.28%            |
| Income Fund                       | 8.00%                    | 2.00%   | 0.16%            |
| High Yield                        | 4.00%                    | 3.25%   | 0.13%            |
| Commodity                         | 2.00%                    | 5.00%   | 0.10%            |
| Cash                              | 2.00%                    | 0.00%   | 0.00%            |
|                                   | 100.00%                  |   | 3.88%            |
| Long-Term Inflation Expectation   |                          |   | 3.00%            |
| Long-Term Expected Nominal Return |                          |   | 6.88%            |

\* Long-term returns are provided by HHIA. The returns are geometric means.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return are developed. Best estimates of the real rates of return for each major asset class are included in the pension plan's target asset allocation.

The information is based on geometric means and does not reflect additional returns through investment selection, asset allocation and rebalancing. The results support a rate between 7.0% and 7.5%. An expected rate of return 7.0% was used in the calculation of the liability in this report. The July 1, 2013 valuation was based on a rate of 7.5%.

*Required Supplementary Information* - Historical trend information for the pension plan are presented as supplementary schedules following the notes to the financial statements, and, as information becomes available, will present multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

*Pension Expense and Deferred Outflows/Inflows of Resources Related to Pension* – For the year ended June 30, 2015 the Town recognized pension expense of \$491,675. At June 30, 2015, the Town reported deferred outflows of resources related to pensions from the following sources:

**TOWN OF NEW HARTFORD**  
**Notes to the Financial Statements**

|  |                          |
|--|--------------------------|
| Differences between expected and actual experience                               | \$ -                     |
| Changes of assumptions   | 103,341                  |
| Net difference between projected and actual earnings on pension plan investments | <u>127,256</u>           |
| Total  | <u><u>\$ 230,597</u></u> |

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

|               |                          |
|---------------|--------------------------|
| June 30, 2016 | \$ 62,208                |
| June 30, 2017 | 62,208                   |
| June 30, 2018 | 62,208                   |
| June 30, 2019 | <u>43,973</u>            |
| Total         | <u><u>\$ 230,597</u></u> |

**Defined Contribution Plan**

***Town Employees***

The Town adopted and administers a single-employer defined contribution pension plan (Town of New Hartford 457(b) Plan) to provide benefits at retirement to employees of the Town. Union and non-union town employees hired after 7/1/11, who are not covered by CT Teacher's Retirement Board, are required to contribute 1% of their salary and are eligible for a required 5% employer contribution. Employer contributions are 100% invested. Benefit terms may be amended by the Town. At June 30, 2014, there were 6 plan members. A provision has been included to allow pre-tax employee contributions up to 100% of compensation, subject to IRS dollar limits. Income accumulates tax-free until distribution from the plan.

The Town's required 5% contribution was \$15,253. The Board of Education's required 5% contribution was \$414. Participant contributions were \$21,061 for the year. Contributions are placed into individual participant accounts, where the funds are invested in mutual funds at the employees' discretion. Each participant has ownership of his or her respective accounts. Plan provisions and contribution requirements are established and may be amended by the Town.

**Other Post-Employment Benefits**

The Town does not offer any postemployment benefits other than the pension, and has been advised it has no OPEB liability.

**Teacher's Retirement System**

Certified teachers in the Town of New Hartford, CT are eligible to participate in the State of Connecticut's Teacher's Retirement System, a multiple-employer, public employee's retirement system. The Town does not contribute to the system nor does it have any legal obligation for benefits. A member who completes 10 years of Connecticut public school service is eligible for a vested benefit commencing at age 60. Members are required to contribute 7.25% of their annual salary to the system as required by section 10-183b(7) C.G.S. The State contributes amounts based on actuarial estimates.

## TOWN OF NEW HARTFORD

### Notes to the Financial Statements

The State's aggregate contribution to the plan for the fiscal year ended June 30, 2015 for all participating local governments was \$984,100,000. The amount of the contribution allocable to the Town was estimated to be \$841,611 and the "on-behalf" payment has been recognized as a government grant and an education expenditure in the General Fund. For the year ended June 30, 2015, teachers for the Town of New Hartford, CT contributed \$238,341 to the plan. The funding level was determined based on an actuarial valuation of the plan as a whole, which does not provide actuarial information on an individual Town basis.

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

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

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

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

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

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

#### Employer (School Districts)

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

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

#### Employees:

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

# TOWN OF NEW HARTFORD

## Notes to the Financial Statements

*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions* - At June 30, 2015, the Town reports no amounts for its proportionate share of the net pension liability, and related deferred outflows and inflows due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the Town were as follows:

|   |                     |
|---|---------------------|
| Town's proportionate share of the net pension liability                           | \$ -                |
| State's proportionate share of the net pension liability associated with the Town | \$ 9,263,541        |
| Total   | <u>\$ 9,263,541</u> |

The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. At June 30, 2015 the Town has no proportionate share of the net pension liability. For the year ended June 30, 2015, the Town recognized benefits expense and contribution revenue of \$841,611 in the governmental funds for on-behalf amounts for the benefits provided by the state. In the Government-wide financial statements, the town recognized \$695,030 for pension expense related to actuarial liabilities for on-behalf amounts for the benefits provided by the State.

*Actuarial Assumptions* - The total pension liability was determined by an actuarial valuation as of June 30, 2014, using the following actuarial assumptions, applied to all periods included in the measurement.

|                           |  |
|---------------------------|--|
| Inflation                 | 3.00%  |
| Salary increase           | 3.75-7.00%, including inflation                                    |
| Investment rate of return | 8.50%, net of pension plan investment expense, including inflation |

Mortality rates were based on the RP-2000 Combined Mortality Table projected 19 years using scale AA, with a two year setback for males and females for the period after service retirement and for dependent beneficiaries.

The actuarial assumptions used in the June 30, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2005 – June 30, 2010.

Future Cost-of-Living increases for members who retire on or after September 1, 1992 are assumed to receive an annual cost-of-living adjustment of 2%.

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

**TOWN OF NEW HARTFORD**  
**Notes to the Financial Statements**

| <u>Asset Class</u>          | <u>Target<br/>Allocation</u> | <u>Long-Term Expected<br/>Real Rate of Return</u> |
|-----------------------------|------------------------------|---|
| Large cap U.S. Equities     | 21.00%                       | 7.3%  |
| Developed non-U.S. Equities | 18.00%                       | 7.5%  |
| Emerging Markets (non-U.S.) | 9.00%                        | 8.6%  |
| Core Fixed Income           | 7.00%                        | 1.7%  |
| Inflation linked Bond Funds | 3.00%                        | 1.3%  |
| Emerging Market Bond        | 5.00%                        | 4.8%  |
| High-yield Bonds            | 5.00%                        | 3.7%  |
| Real Estate                 | 7.00%                        | 5.9%  |
| Private Equity              | 11.00%                       | 10.9%   |
| Alternative Investments     | 8.00%                        | 0.7%  |
| Liquidity Fund              | <u>6.00%</u>                 | 0.4%  |
| <b>Total</b>                | <b><u>100%</u></b>           |   |

*Discount Rate* - The discount rate used to measure the total pension liability was 8.50%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that State contributions will be made at the actuarially determined contribution rates in the future years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

**NOTE 7 – OTHER MATTERS**

**Risk Management**

The Town is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees, or acts of God. The Town purchases commercial insurance to cover most potential risks of loss. Neither the Town nor its insurers have settled any claim within the past year, which have exceeded the Town's insurance coverage. There were no significant changes in coverage from the prior year, and no settlements have exceeded insurance coverage in the last three years.

**TOWN OF NEW HARTFORD**  
**Notes to the Financial Statements**

The Town belongs to the Connecticut Interlocal Risk Management Agency (CIRMA), a public entity risk pool currently operating as a common risk management and insurance program for a comprehensive workers' compensation insurance program through its workers' compensation pool. The Town pays an annual premium to the pool for its coverage. The agreement for the formation of CIRMA provides that the pool will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$1,000,000 for each insured event to an unlimited excess limit. The pooling agreement allows CIRMA to make additional assessments to make the pool self-sustaining. The Town cannot estimate the amount of such additional assessments and has not been notified that any assessments are forthcoming. CIRMA publishes its own financial report, which can be obtained from: CIRMA, 900 Chapel Street, New Haven, CT.

**Contingencies**

The Town participates in Regional Refuse District No. 1, a transfer station that was formally a landfill. The District has been informed that its landfill is on the Superfund list and has been named a potentially responsible party by the Environmental Protection Agency. The District has settled its liability for the Remedial Investigation/Feasibility Study, and the EPA has approved a long-term natural attenuation and monitoring program as the final remedy for the site. The annual financial obligation for this long-term work was funded by amounts obtained in grant funds and assessed to all PRP's and set aside in a trust fund for these activities. At this point, it is premature to estimate the final cost of the program, as the total cost of post closure care is an estimate and subject to changes resulting from inflation, deflation, technology, or changes in applicable laws and regulations. The towns served by the District are required to pay any shortfall in the District's budget. The Town of New Hartford, CT is responsible for approximately 32% of any such shortfall.

**NOTE 8 – FUND BALANCES**

The following balances were assigned at June 30, 2015:

General Fund:

|                            |                     |
|----------------------------|---------------------|
| Subsequent Year Budget     | \$ 518,070          |
| Return of Settlement Funds | 50,833              |
| Capital Improvements       | <u>500,461</u>      |
| Total                      | <u>\$ 1,069,364</u> |

The following funds had deficit balances at June 30, 2015:

|            |                  |
|------------|------------------|
| Dog Fund   | \$ 2,391         |
| Open Space | <u>45,011</u>    |
| Total      | <u>\$ 47,402</u> |

**NOTE 9 – RESTATEMENT OF FUND BALANCE**

*GASB 68 Accounting and Financial Reporting for Pensions*, requires the reporting of certain items as deferred outflows and inflows. These items will be amortized over a number of years. Changes to beginning net position were as follows:

**TOWN OF NEW HARTFORD**  
**Notes to the Financial Statements**

**Net Position at June 30, 2014**

|   |       |                      |
|---|-------|----------------------|
| Net Position at June 30, 2014           | \$    | 14,740,482           |
| Increase in Total Pension Liability     |       | 133,735              |
| Investment Earnings Less than Projected |       | 159,070              |
| Net Position at July 1, 2014            | Total | <u>\$ 15,033,287</u> |

**NOTE 10 – SUBSEQUENT EVENTS**

During the year, the town appropriated \$4,751,000 for renovations and improvements to Ann Antolini School and \$759,000 for the replacement of Carpenter Road Bridge. On November 19, 2015, the Town issued a Bond Anticipation Note (BAN) for \$2,000,000 in connection with these projects. The BAN is due November 17, 2016.





# Required Supplementary Information



**TOWN OF NEW HARTFORD**  
Schedule of Net Pension Liability and Related Ratios  
For the Last 2 Fiscal Years

|   | <u>2015</u>         | <u>2014</u>         |
|---|---------------------|---------------------|
| <b>Total Pension Liability *</b>  |                     |                     |
| Service Cost  | \$ 155,489          | \$ 149,509          |
| Interest  | 322,788             | 300,559             |
| Changes in benefit terms  | -                   | -                   |
| Differences between expected and actual experience                                | -                   | -                   |
| Changes of assumptions  | 133,735             | -                   |
| Benefit payments, including refunds of member contributions                       | (158,991)           | (144,348)           |
| <b>Net change in total pension liability</b>                                      | <b>453,021</b>      | <b>305,720</b>      |
| <b>Total pension liability - beginning</b>  | <b>4,344,361</b>    | <b>4,038,641</b>    |
| <b>Total pension liability - ending (a)</b>                                       | <b>\$ 4,797,382</b> | <b>\$ 4,344,361</b> |
| <b>Plan fiduciary net position</b>  |                     |                     |
| Contributions - employer  | \$ 263,543          | \$ 231,114          |
| Contributions - employee  | -                   | -                   |
| Net investment income   | 49,354              | 378,155             |
| Benefit payments, including refunds of member contributions                       | (158,991)           | (144,348)           |
| Administrative Expenses   | -                   | -                   |
| Other   | 291                 | 6,956               |
| <b>Net change in pension fiduciary net position</b>                               | <b>154,197</b>      | <b>471,877</b>      |
| <b>Plan fiduciary net position - beginning</b>                                    | <b>2,803,627</b>    | <b>2,331,750</b>    |
| <b>Plan fiduciary net position - ending (b)</b>                                   | <b>\$ 2,957,824</b> | <b>\$ 2,803,627</b> |
| <b>Net pension liability - ending: (a) - (b)</b>                                  | <b>\$ 1,839,558</b> | <b>\$ 1,540,734</b> |
| <b>Plan fiduciary net position as a percentage of the total pension liability</b> | <b>61.65%</b>       | <b>64.53%</b>       |
| <b>Covered employee payroll</b>   | <b>\$ 1,708,040</b> | <b>\$ 1,642,346</b> |
| <b>Net pension liability as a percentage of covered-employee payroll</b>          | <b>107.70%</b>      | <b>93.81%</b>       |

\* Total pension liability calculated using the Entry Age Normal Cost Method, as required by paragraph 46 of GASB Statement 67.

See accountant's report.

# TOWN OF NEW HARTFORD

Schedule of Contributions  
For the Last 2 Fiscal Years

|   | <u>2015</u>     | <u>2014</u>     |
|---|-----------------|-----------------|
| Actuarially determined contribution (ADEC)                | \$ 253,343      | \$ 208,104      |
| Contributions in relation to the ADEC                     | <u>263,543</u>  | <u>231,114</u>  |
| Contribution deficiency (excess)                          | <u>(10,200)</u> | <u>(23,010)</u> |
| Covered-employee payroll                                  | 1,708,040       | 1,642,346       |
| Contributions as a percentage of covered-employee payroll | 15.43%          | 14.07%          |

## Notes to Schedule

Valuation Date:

7/1/2013

Methods and assumptions used to determine contribution rates:

Actuarial cost method

Amortization method

Remaining amortization period

Asset valuation method

Projected Unit Credit

Open

30 yrs

Phases in recognition of the difference between actual return on Market Value and expected return of Market Value over a 4-year period at 25% per year

3.00%

Inflation

Salary increases

Investment rate of return

Retirement Age

4% increase per year for June 30, 2015; 4.5% increase for June 30, 2014  
7.5% for June 30, 2015; 8% for June 30, 2014

65 or Social Security Retirement Age for hires after December 31, 2001

Mortality

RP2000 Combined Mortality projected using scale AA to the valuation date

See accountant's report.

**TOWN OF NEW HARTFORD**  
Schedule of Investment Returns  
Last 2 Fiscal Years

|  | <u>2015</u> | <u>2014</u> |
|--|-------------|-------------|
| Annual money-weighted rate of return,<br>net of investment expense | 1.73%       | 16.45%      |

See accountant's report.

**TOWN OF NEW HARTFORD**  
State Teacher's Retirement System  
Proportionate Share of Net Pension Liability and Schedule of Contributions  
June 30, 2015

Schedule of Proportionate Share of Net Pension Liability

|   |                     |
|---|---------------------|
| Town's proportion of the net pension liability  | 0.00%               |
| Town's proportionate share of the net pension liability   | \$ -                |
| State of Connecticut's proportionate share of the net pension associated with Town                                | <u>9,263,541</u>    |
| Total   | <u>\$ 9,263,541</u> |
| Town's covered-employee payroll   | <u>\$ 3,287,462</u> |
| Town's proportionate share of the net pension liability (asset) as a percentage of its covered -employee payroll. | <u>0.00%</u>        |
| Plan fiduciary net position as a percentage of the total pension liability  | <u>0.00%</u>        |

Schedule of Contributions

|  |                     |
|--|---------------------|
| Contractually required contribution (1)                              | (1) \$ -            |
| Contributions in relation to the contractually required contribution | <u>-</u>            |
| Contribution deficiency (excess)                                     | <u>\$ -</u>         |
| Town's covered payroll   | <u>\$ 3,287,462</u> |
| Contributions as a percentage of covered-employee payroll            | <u>0.00%</u>        |
| (1) Local employees are not required to contribute to the plan       |                     |

**TOWN OF NEW HARTFORD**  
State Teacher's Retirement System  
Note to Required Supplementary Information  
Schedule of Proportionate Share of the Net Pension Liability  
Year-ended June 30, 2015

|                               |  |
|-------------------------------|--|
| Change of benefit terms       | None   |
| Changes of assumptions        | In 2011, rates of withdrawal, retirement and assumed rates of salary increase were adjusted more closely to reflect actual and anticipated experience. These assumptions were recommended as part of the Experience Study for the System for the five year period ended June 30, 2010. |
| Actuarial Cost Method         | Entry Age  |
| Amortization Period           | Level percent of salary, closed  |
| Remaining Amortization Period | 22.4 years   |
| Asset Valuation Method        | 4 year smoothed market   |
| Inflation                     | 3.00%  |
| Salary Increases              | 3.75%-7.00% average, including inflation   |
| Investment Rate of Return     | 8.50%, net of pension plan investment expense, including inflation   |





# **Supplemental, Combining, and Individual Fund Statements and Schedules**

## **General Fund**

The General Fund is the general operating fund of the Town. It is used to account for all financial resources, except those required to be accounted for in another fund. The General Fund budget is legally adopted at the Annual Town Meeting. The General Fund utilizes the modified accrual basis of accounting.

**TOWN OF NEW HARTFORD**  
Schedule of Revenues and Expenditures - Budget and Actual  
For the Year Ended June 30, 2015

Page 1 of 6

|                                    | Original<br><u>Budget</u> | Amended<br><u>Budget</u> | <u>Actual</u>     | Over<br><u>(Under)</u> |
|------------------------------------|---------------------------|--------------------------|-------------------|------------------------|
| <b>Revenues</b>                    |                           |                          |                   |                        |
| <b>Taxes</b>                       |                           |                          |                   |                        |
| Property Taxes                     | \$ 17,751,344             | \$ 17,751,344            | \$ 17,857,096     | \$ 105,752             |
| Property Taxes - Prior Years       | 175,000                   | 175,000                  | 226,826           | 51,826                 |
| Interest and Lien Fees             | 100,000                   | 100,000                  | 147,024           | 47,024                 |
| Total Taxes                        | <u>18,026,344</u>         | <u>18,026,344</u>        | <u>18,230,946</u> | <u>204,602</u>         |
| <b>Fees, Fines, and Permits</b>    |                           |                          |                   |                        |
| Licenses and Permits               | 1,000                     | 1,000                    | 4,955             | 3,955                  |
| Copy Machine Fees                  | 10,000                    | 10,000                   | 9,379             | (621)                  |
| Town Clerk Fees                    | 90,000                    | 90,000                   | 89,206            | (794)                  |
| Building Inspector Fees            | 50,000                    | 50,000                   | 64,650            | 14,650                 |
| Zoning & Wetlands Fees             | 5,000                     | 5,000                    | 12,290            | 7,290                  |
| Burning Official Fees              | 1,300                     | 1,300                    | 2,225             | 925                    |
| Parking Tickets Fees               | 100                       | 100                      | 275               | 175                    |
| Total Fees, Fines, and Permits     | <u>157,400</u>            | <u>157,400</u>           | <u>182,980</u>    | <u>25,580</u>          |
| <b>Intergovernmental Revenue</b>   |                           |                          |                   |                        |
| Telephone access line tax          | 19,750                    | 19,750                   | 19,720            | (30)                   |
| Town Aid for Roads                 | 269,963                   | 269,963                  | 269,858           | (105)                  |
| Lieu of taxes-State-Owned Property | 16,020                    | 16,020                   | 19,654            | 3,634                  |
| LOCIP Grant                        | 63,021                    | 63,021                   | 63,013            | (8)                    |
| Lieu of taxes-Veteran              | 2,500                     | 2,500                    | 3,207             | 707                    |
| Lieu of taxes-Elderly              | 30,000                    | 30,000                   | 33,781            | 3,781                  |
| Lieu of taxes-Disabled             | 450                       | 450                      | 472               | 22                     |
| Adult Education                    | 2,126                     | 2,126                    | 2,112             | (14)                   |
| Pequot Grant                       | 18,619                    | 18,619                   | 20,795            | 2,176                  |
| ECS Grant                          | 3,187,717                 | 3,187,717                | 3,186,353         | (1,364)                |
| Municipal Grant in Aid             | 130,893                   | 130,893                  | 130,893           | -                      |
| Education Pass-through Grants      | 193,945                   | 193,945                  | 195,859           | 1,914                  |
| School Transportation              | 28,957                    | 28,957                   | 24,814            | (4,143)                |
| Special Education                  | 70,784                    | 70,784                   | 143,827           | 73,043                 |
| Total Intergovernmental Revenues   | <u>4,034,745</u>          | <u>4,034,745</u>         | <u>4,114,358</u>  | <u>79,613</u>          |
| <b>Other Revenues</b>              |                           |                          |                   |                        |
| Rental Income                      | 52,419                    | 52,419                   | 52,419            | -                      |
| Shared Services                    | -                         | -                        | 16,430            | 16,430                 |
| Student Tuition                    | 14,568                    | 14,568                   | -                 | (14,568)               |
| WPCA split 61%                     | 120,447                   | 120,447                  | 66,147            | (54,300)               |
| Miscellaneous                      | 60,000                    | 60,000                   | 37,101            | (22,899)               |
| Total Other Revenues               | <u>\$ 247,434</u>         | <u>\$ 247,434</u>        | <u>\$ 172,097</u> | <u>\$ (75,337)</u>     |

See accountant's report.

**TOWN OF NEW HARTFORD**  
Schedule of Revenues and Expenditures - Budget and Actual  
For the Year Ended June 30, 2015

Page 2 of 6

|                                      | Original<br><u>Budget</u> | Amended<br><u>Budget</u> | <u>Actual</u>         | Over<br><u>(Under)</u> |
|--------------------------------------|---------------------------|--------------------------|-----------------------|------------------------|
| <b>Investment Earnings</b>           |                           |                          |                       |                        |
| Short-Term Interest                  | \$ 10,000                 | \$ 10,000                | \$ 7,797              | \$ (2,203)             |
| Total Investment Income              | <u>10,000</u>             | <u>10,000</u>            | <u>7,797</u>          | <u>(2,203)</u>         |
| <br><b>Surplus to Finance Budget</b> | <br><u>607,589</u>        | <br><u>738,089</u>       | <br><u>546,285</u>    | <br><u>(191,804)</u>   |
| <br>Total Revenues                   | <br><u>23,083,512</u>     | <br><u>23,214,012</u>    | <br><u>23,254,463</u> | <br><u>40,451</u>      |
| <br><b>Expenditures</b>              |                           |                          |                       |                        |
| <b>General Government</b>            |                           |                          |                       |                        |
| First Selectman                      | 69,989                    | 70,493                   | 70,493                | -                      |
| Senior Bookkeeper                    | 51,466                    | 51,931                   | 51,931                | -                      |
| Bookkeeper Ass't                     | 13,178                    | 14,060                   | 14,060                | -                      |
| Admin. Asst./Welfare Admin.          | 51,466                    | 52,087                   | 52,087                | -                      |
| Overtime/ Substitutes                | 4,000                     | 7,946                    | 7,946                 | -                      |
| Town Hall Janitorial Service         | 17,000                    | 17,000                   | 16,017                | (983)                  |
| Administrative Expenses              | 12,000                    | 12,000                   | 11,387                | (613)                  |
| Office Supplies and Equipment        | 20,000                    | 23,841                   | 23,841                | -                      |
| Communications Expense               | 5,000                     | 1,142                    | 1,142                 | -                      |
| Town Hall Maintenance and Utilities: |                           |                          |                       |                        |
| Telephone                            | 11,500                    | 11,500                   | 11,276                | (224)                  |
| Heating                              | 16,000                    | 16,000                   | 15,478                | (522)                  |
| Electricity                          | 42,000                    | 42,000                   | 39,748                | (2,252)                |
| Other Utilities                      | 8,000                     | 10,519                   | 10,519                | -                      |
| Computer Maintenance                 | 21,500                    | 30,111                   | 30,111                | -                      |
| Interior Maintenance                 | 39,000                    | 49,481                   | 49,481                | -                      |
| Insurance                            |                           |                          |                       |                        |
| Liability and Property               | 72,084                    | 73,041                   | 73,041                | -                      |
| Workers' Compensation                | 100,000                   | 98,090                   | 98,090                | -                      |
| Pension                              | 133,000                   | 133,000                  | 130,643               | (2,357)                |
| Town's Share of FICA                 | 107,000                   | 119,169                  | 119,169               | -                      |
| Unemployment                         | 10,000                    | 11,691                   | 11,691                | -                      |
| Health                               | 477,731                   | 394,338                  | 379,074               | (15,264)               |
| Longevity Pay                        | 3,432                     | 3,432                    | 3,224                 | (208)                  |
| Town                                 |                           |                          |                       |                        |
| Attorney                             | 18,000                    | 11,566                   | 11,566                | -                      |
| Engineer                             | 18,000                    | 23,977                   | 23,977                | -                      |
| Tax Collector:                       |                           |                          |                       |                        |
| Salary                               | 52,050                    | 52,425                   | 52,425                | -                      |
| Assistant                            | 18,006                    | 17,631                   | 16,506                | (1,125)                |
| Data Processing                      | 10,500                    | 10,500                   | 9,542                 | (958)                  |
| Supplies and Expenses                | 7,200                     | 7,200                    | 6,964                 | (236)                  |
| Collection Expense                   | 1,500                     | 1,500                    | 1,132                 | (368)                  |
| Assessor:                            |                           |                          |                       |                        |
| Salary                               | 51,525                    | 59,544                   | 59,544                | -                      |
| Assessor's Clerk                     | 43,528                    | 44,229                   | 44,229                | -                      |
| Data Processing                      | 16,120                    | 14,595                   | 14,595                | -                      |
| Personal Property Audit              | 5,000                     | 5,000                    | 5,000                 | -                      |
| Supplies and Expenses                | 4,000                     | 6,014                    | 6,014                 | -                      |

See accountant's report.

**TOWN OF NEW HARTFORD**  
Schedule of Revenues and Expenditures - Budget and Actual  
For the Year Ended June 30, 2015

Page 3 of 6

|                             | Original<br><u>Budget</u> | Amended<br><u>Budget</u> | <u>Actual</u> | Over<br>(Under) |
|-----------------------------|---------------------------|--------------------------|---------------|-----------------|
| Probate                     | \$ 5,154                  | \$ 5,154                 | \$ 4,784      | (370)           |
| Registrar Salary (D)        | 10,250                    | 11,089                   | 11,089        | -               |
| Registrar Salary (R)        | 10,250                    | 11,703                   | 11,703        | -               |
| Elections                   | 25,170                    | 24,350                   | 24,350        | -               |
| Referendums                 | 10,150                    | 7,033                    | 7,033         | -               |
| Board of Finance            |                           |                          |               |                 |
| Supplies and Expenses       | 2,280                     | 2,231                    | 2,077         | (154)           |
| Audit                       | 26,295                    | 26,635                   | 26,635        | -               |
| Town Reports                | 1,000                     | 660                      | 500           | (160)           |
| Treasurer's Salary          | 6,823                     | 6,872                    | 6,872         | -               |
| Town Clerk:                 |                           |                          |               |                 |
| Salary                      | 59,619                    | 60,049                   | 60,048        | (1)             |
| Clerical Salary             | 35,117                    | 36,648                   | 36,648        | -               |
| Supplies and Expenses       | 36,078                    | 34,412                   | 34,413        | 1               |
| Town Clerk Training         | 746                       | 746                      | 746           | -               |
| Total General Government    | 1,759,707                 | 1,724,635                | 1,698,841     | (25,794)        |
| <b>Public Safety</b>        |                           |                          |               |                 |
| Constables                  | 288,883                   | 240,350                  | 240,350       | -               |
| Constables - Overtime       | 6,000                     | 3,324                    | 3,082         | (242)           |
| Resident State Troopers     | 110,000                   | 91,949                   | 90,829        | (1,120)         |
| Vehicle Expense             | 7,000                     | 19,360                   | 19,360        | -               |
| Supplies and Expenses       | 5,450                     | 11,197                   | 11,197        | -               |
| Street Lights               | 25,191                    | 23,146                   | 23,146        | -               |
| Fire Department:            |                           |                          |               |                 |
| Fire Marshal                | 16,000                    | 12,343                   | 12,343        | -               |
| Deputy Fire Marshal         | 1,000                     | -                        | -             | -               |
| Fire Marshal Vehicle        | 1,800                     | 1,800                    | 1,800         | -               |
| Burning Official            | 1,300                     | 1,580                    | 1,580         | -               |
| Animal Control Fund         | 14,000                    | 18,569                   | 18,569        | -               |
| Local Emergency Planning    | 6,060                     | 8,456                    | 8,456         | -               |
| Litchfield County Dispatch  | 67,581                    | 67,581                   | 67,580        | (1)             |
| Paramedic Intercept         | 48,060                    | 46,560                   | 46,446        | (114)           |
| Ambulance Association       | 60,000                    | 70,000                   | 70,000        | -               |
| Total Public Safety         | 658,325                   | 616,215                  | 614,738       | (1,477)         |
| <b>Highways</b>             |                           |                          |               |                 |
| Wages                       | 485,671                   | 445,854                  | 445,854       | -               |
| Overtime Wages              | 70,000                    | 98,879                   | 98,879        | -               |
| Supplies and Expenses       | 70,000                    | 72,848                   | 72,848        | -               |
| Equip. Maint. and Repair    | 90,000                    | 152,501                  | 152,501       | -               |
| Gas, Grease, and Oil        | 75,000                    | 86,369                   | 86,369        | -               |
| Telephone                   | 2,500                     | 4,140                    | 4,140         | -               |
| Heating Oil                 | 14,000                    | 12,179                   | 12,179        | -               |
| Electricity                 | 8,000                     | 7,570                    | 7,570         | -               |
| Tree Removal                | 25,000                    | 41,437                   | 41,437        | -               |
| Road Maint. and Improvement | 150,000                   | 187,810                  | 187,810       | -               |

See accountant's report.

**TOWN OF NEW HARTFORD**  
Schedule of Revenues and Expenditures - Budget and Actual  
For the Year Ended June 30, 2015

Page 4 of 6

|                                   | Original<br><u>Budget</u> | Amended<br><u>Budget</u> | <u>Actual</u> | Over<br>(Under) |
|-----------------------------------|---------------------------|--------------------------|---------------|-----------------|
| Snow Sand                         | 70,000                    | 88,050                   | 88,050        | -               |
| Snow Salt/Liquid Calcium          | 70,000                    | 82,707                   | 82,707        | -               |
| Road Sweeping/Catchbasin Clean    | 10,000                    | 2,295                    | 2,295         | -               |
| Asphalt/Bituminous Paving         | 275,000                   | 337,058                  | 337,058       | -               |
| Crack and Chip Seal               | 100,000                   | 50,444                   | 50,444        | -               |
| Total Highway                     | 1,515,171                 | 1,670,141                | 1,670,141     | -               |
| <b>Planning and Development</b>   |                           |                          |               |                 |
| Building Inspector                | 34,888                    | 30,292                   | 30,292        | -               |
| Building Department Expense       | 3,450                     | 4,828                    | 4,828         | -               |
| Zoning:                           |                           |                          |               |                 |
| Officer                           | 51,156                    | 54,774                   | 54,774        | -               |
| Zoning Secretary                  | 12,444                    | 1,259                    | 4,155         | 2,896           |
| Land Use Administrative Assistant | -                         | 2,126                    | 2,126         | -               |
| Printing Supplies and Expenses    | 8,000                     | 9,518                    | 9,518         | -               |
| Legal and Professional Fees       | 42,000                    | 37,311                   | 37,311        | -               |
| Engineer Fees                     | 2,000                     | 1,283                    | 1,283         | -               |
| Town Planner                      | 1,000                     | 180                      | 180           | -               |
| Inland Wetlands                   | 3,000                     | 2,368                    | 1,083         | (1,285)         |
| Litchfield Co. Soil Conservation  | 1,795                     | 1,795                    | 1,795         | -               |
| Total Planning and Development    | 159,733                   | 145,734                  | 147,345       | 1,611           |
| <b>Health and Welfare</b>         |                           |                          |               |                 |
| Farmington Valley Health District | 34,860                    | 34,860                   | 34,860        | -               |
| Foothills Visiting Nurse          | 29,070                    | 29,070                   | 29,070        | -               |
| Regional Refuse Disposal          | 112,500                   | 122,356                  | 122,356       | -               |
| Meals on Wheels                   | 3,066                     | 3,066                    | 3,066         | -               |
| Agent for the Elderly             | 1,000                     | 1,000                    | 1,000         | -               |
| Total Health and Welfare          | 180,496                   | 190,352                  | 190,352       | -               |
| <b>Libraries</b>                  |                           |                          |               |                 |
| N. H. Free Public Library         | 228,000                   | 228,000                  | 228,000       | -               |
| Bakerville Library                | 52,000                    | 52,000                   | 52,000        | -               |
| Total Libraries                   | 280,000                   | 280,000                  | 280,000       | -               |
| <b>Parks and Recreation</b>       |                           |                          |               |                 |
| Recreation Director               | 24,000                    | 19,295                   | 19,295        | -               |
| Seasonal Help                     | 10,000                    | 12,735                   | 12,735        | -               |
| General Recreation                | 1,500                     | 57                       | 56            | (1)             |
| Contracted Services               | 34,135                    | 37,632                   | 37,632        | -               |
| Sports Allocations                | 2,000                     | 800                      | 800           | -               |
| Recreation Wash                   | -                         | 4,400                    | 4,400         | -               |
| Propane                           | 5,500                     | 6,616                    | 6,616         | -               |
| Total Parks and Recreation        | \$ 77,135                 | \$ 81,535                | \$ 81,534     | \$ (1)          |

See accountant's report.

**TOWN OF NEW HARTFORD**  
Schedule of Revenues and Expenditures - Budget and Actual  
For the Year Ended June 30, 2015

Page 5 of 6

|                                   | Original<br><u>Budget</u> | Amended<br><u>Budget</u> | <u>Actual</u>  | Over<br><u>(Under)</u> |
|-----------------------------------|---------------------------|--------------------------|----------------|------------------------|
| <b>Debt Service</b>               |                           |                          |                |                        |
| Principal                         | \$ 443,770                | \$ 443,274               | \$ 443,271     | \$ (3)                 |
| Interest                          | <u>246,562</u>            | <u>246,562</u>           | <u>246,562</u> | <u>-</u>               |
| Total Debt Service                | 690,332                   | 689,836                  | 689,833        | (3)                    |
| <b>Commissions/Other Agencies</b> |                           |                          |                |                        |
| Conservation Commission           | 3,500                     | 1,086                    | 827            | (259)                  |
| Open Space Board                  | 3,500                     | -                        | -              | -                      |
| Board of Tax Review               | 5,000                     | -                        | -              | -                      |
| New Hartford Day                  | 1,800                     | 1,800                    | 1,800          | -                      |
| Historic District Commission      | 500                       | 500                      | 50             | (450)                  |
| Senior Citizens                   | 35,638                    | 34,009                   | 31,105         | (2,904)                |
| Senior Director                   | -                         | -                        | 1,222          | 1,222                  |
| Northwest Transportation          | 1,128                     | 1,128                    | 1,128          | -                      |
| Historical Society                | 1,000                     | -                        | -              | -                      |
| Litchfield Hills CEO              | 5,522                     | 5,522                    | 5,522          | -                      |
| Contingency Fund                  | 8,000                     | 6,882                    | 6,300          | (582)                  |
| Community Club                    | 50                        | 50                       | -              | (50)                   |
| Town Hill Cemetery                | 100                       | 100                      | -              | (100)                  |
| Susan B. Anthony Project          | 2,000                     | 2,000                    | 2,000          | -                      |
| Winchester Youth Service          | 5,150                     | 5,150                    | 5,150          | -                      |
| Economic Development              | 15,350                    | 11,618                   | 11,618         | -                      |
| Stancliff Cove                    | 5,600                     | 5,600                    | 5,600          | -                      |
| Torrington Water Co. Hydrants     | 10,600                    | 9,802                    | 9,802          | -                      |
| CCM                               | <u>3,000</u>              | <u>4,115</u>             | <u>4,115</u>   | <u>-</u>               |
| Total Commissions/Other Agencies  | 107,438                   | 89,362                   | 86,239         | (3,123)                |
| <b>Capital Expenditures</b>       |                           |                          |                |                        |
| Antolini Sand Shed                | 70,000                    | 70,000                   | 70,000         | -                      |
| Technology                        | 10,000                    | 10,000                   | 10,000         | -                      |
| Park & Recreation                 | 45,000                    | 45,000                   | 45,000         | -                      |
| Bridge Improvements               | 144,000                   | 144,000                  | 144,000        | -                      |
| Planning and Zoning               | 20,000                    | 20,000                   | 20,000         | -                      |
| Downtown Improvements             | 35,000                    | 35,000                   | 35,000         | -                      |
| Wood Chipper                      | 45,000                    | 45,000                   | 45,000         | -                      |
| Police Car                        | 35,000                    | 35,000                   | 35,000         | -                      |
| BOE Capital Projects              | <u>80,600</u>             | <u>80,600</u>            | <u>80,600</u>  | <u>-</u>               |
| Total Capital Expenditures        | <u>484,600</u>            | <u>484,600</u>           | <u>484,600</u> | <u>-</u>               |
| <b>Education</b>                  |                           |                          |                |                        |
| Board of Education:               |                           |                          |                |                        |
| Regular Elementary                | 2,654,258                 | 2,667,258                | 2,664,150      | (3,108)                |
| Special Education                 | 1,381,561                 | 1,504,561                | 1,591,161      | 86,600                 |
| Adult Education                   | 7,579                     | 7,579                    | 7,579          | -                      |
| School Health                     | 118,902                   | 118,902                  | 117,341        | (1,561)                |

See accountant's report.

**TOWN OF NEW HARTFORD**  
Schedule of Revenues and Expenditures - Budget and Actual  
For the Year Ended June 30, 2015

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|                                      | Original<br><u>Budget</u> | Amended<br><u>Budget</u> | <u>Actual</u>        | Over<br>(Under)  |
|--------------------------------------|---------------------------|--------------------------|----------------------|------------------|
| Improvement of Instruction           | 70,054                    | 70,054                   | 69,582               | (472)            |
| Library                              | 24,603                    | 24,603                   | 18,548               | (6,055)          |
| Technology                           | 141,278                   | 141,278                  | 135,522              | (5,756)          |
| Board of Education                   | 27,900                    | 40,545                   | 43,461               | 2,916            |
| Central Office                       | 268,259                   | 257,966                  | 255,523              | (2,443)          |
| School Offices                       | 344,081                   | 344,081                  | 339,442              | (4,639)          |
| Plant Operations                     | 729,085                   | 760,103                  | 797,373              | 37,270           |
| Pupil Transportation                 | 673,837                   | 663,837                  | 653,529              | (10,308)         |
| Cafeteria Shortfall                  | -                         | 17,000                   | 13,391               | (3,609)          |
| Communications                       | 6,964                     | 2,964                    | 2,355                | (609)            |
| Employee Benefits                    | <u>1,484,759</u>          | <u>1,384,389</u>         | <u>1,373,519</u>     | <u>(10,870)</u>  |
| Total Board of Education             | 7,933,120                 | 8,005,120                | 8,082,476            | 77,356           |
| Adult Education Cooperative          | 2,335                     | 1,362                    | 1,362                | -                |
| Regional School District #7          | 9,041,175                 | 9,041,175                | 9,041,175            | -                |
| Education Pass-through Grants        | <u>193,945</u>            | <u>193,945</u>           | <u>185,827</u>       | <u>(8,118)</u>   |
| Total Education                      | <u>17,170,575</u>         | <u>17,241,602</u>        | <u>17,310,840</u>    | <u>69,238</u>    |
| Total Expenditures                   | <u>\$ 23,083,512</u>      | <u>\$ 23,214,012</u>     | <u>\$ 23,254,463</u> | <u>\$ 40,451</u> |
| Excess of Revenues over Expenditures | <u>\$ -</u>               | <u>\$ -</u>              | <u>\$ -</u>          | <u>\$ -</u>      |

See accountant's report.



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# Nonmajor Governmental Funds

## ***Special Revenue Funds***

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

**Debt Service Fund** – A fund used to account for financial resources to be used for the payment of compensated absences payable to retired or terminated employees.

**New Hartford Day Fund** – To account for the revenues and expenditures related to the "New Hartford Day" celebration.

**Dog Fund** – To account for funds provided by the sale of dog licenses, sale of stray dogs, and various fines levied against owners of stray dogs, as well as General Fund appropriations.

**Historical Documents Fund** – To account for funds related to the preservation of the Town's records

**School Cafeteria Fund** – To separately account for the operations of the school cafeterias. The Town's participation in the state-administered Federal Child Nutrition Program is reported in this fund.

**Recreation Fund** – To account for the revenues and expenditures involved in the administration of recreational services.

**Senior Center Fund** – To account for the revenues and expenditures involved in the administration of senior center activities.

**Town Hill Cemetery Fund** – To account for funds used for the maintenance of Town Hill Cemetery.

**Small Cities Housing Rehabilitation** – To account for funds used to assist qualified citizens in making improvements to their homes.

**Open Space Fund** – To account for funds related to the preservation of undeveloped land.

## ***Capital Projects Funds***

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

**Community Investment (formerly known as Farmland Preservation)** – To account for funds restricted to preservation of farmland located within the town boundaries.

**Capital Projects Fund** – To account for the financial resources to be used for major capital asset constructions and/or purchase.

# TOWN OF NEW HARTFORD

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## Combining Balance Sheet Nonmajor Governmental Funds June 30, 2015

### SPECIAL REVENUE FUNDS

|  | Debt<br>Service<br>Fund | New<br>Hartford<br>Day | Dog<br>Fund     | Historical<br>Documents<br>Fund | School<br>Cafeteria | Recreation<br>Fund | Senior<br>Center |
|--|-------------------------|------------------------|-----------------|---------------------------------|---------------------|--------------------|------------------|
| <b>Assets</b>                              |                         |                        |                 |                                 |                     |                    |                  |
| Cash and cash equivalents                  | \$ 46,882               | \$ 3,066               | \$ 3,959        | \$ -                            | \$ 45,207           | \$101,355          | \$ 2,850         |
| Investments                                | -                       | -                      | -               | -                               | -                   | -                  | -                |
| Deferred Loans Receivable                  | -                       | -                      | -               | -                               | -                   | -                  | -                |
| Interfund Receivables                      | -                       | -                      | -               | 3,751                           | -                   | -                  | -                |
| Inventories                                | -                       | -                      | -               | -                               | 2,760               | -                  | -                |
| <b>Total Assets</b>                        | <u>\$ 46,882</u>        | <u>\$ 3,066</u>        | <u>\$ 3,959</u> | <u>\$ 3,751</u>                 | <u>\$ 47,967</u>    | <u>\$101,355</u>   | <u>\$ 2,850</u>  |
| <b>Liabilities and Fund Balances</b>       |                         |                        |                 |                                 |                     |                    |                  |
| Liabilities:                               |                         |                        |                 |                                 |                     |                    |                  |
| Accounts Payable                           | -                       | -                      | -               | -                               | -                   | 17,458             | -                |
| Interfund Payables                         | -                       | -                      | -               | -                               | 44,207              | -                  | -                |
| Due to State of CT                         | -                       | -                      | 7,128           | -                               | -                   | -                  | -                |
| <b>Total Liabilities</b>                   | <u>-</u>                | <u>-</u>               | <u>7,128</u>    | <u>-</u>                        | <u>44,207</u>       | <u>17,458</u>      | <u>-</u>         |
| Fund Balances                              |                         |                        |                 |                                 |                     |                    |                  |
| Nonspendable                               | -                       | -                      | -               | -                               | 2,760               | -                  | -                |
| Restricted                                 | -                       | 3,066                  | -               | 3,751                           | -                   | -                  | -                |
| Committed                                  | 46,882                  | -                      | -               | -                               | 1,000               | 83,897             | 2,850            |
| Assigned                                   | -                       | -                      | -               | -                               | -                   | -                  | -                |
| Unassigned                                 | -                       | -                      | (3,169)         | -                               | -                   | -                  | -                |
| <b>Total Fund Balances</b>                 | <u>46,882</u>           | <u>3,066</u>           | <u>(3,169)</u>  | <u>3,751</u>                    | <u>3,760</u>        | <u>83,897</u>      | <u>2,850</u>     |
| <b>Total Liabilities and Fund Balances</b> | <u>\$ 46,882</u>        | <u>\$ 3,066</u>        | <u>\$ 3,959</u> | <u>\$ 3,751</u>                 | <u>\$ 47,967</u>    | <u>\$101,355</u>   | <u>\$ 2,850</u>  |

See accountant's report.

**TOWN OF NEW HARTFORD**

Page 2 of 2

Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2015

|  | <b>SPECIAL REVENUE FUNDS</b> |                                     |                 | <b>CAPITAL PROJECTS FUNDS</b> |                      |                     |
|--|------------------------------|-------------------------------------|-----------------|-------------------------------|----------------------|---------------------|
|  | Town Hill Cemetery Fund      | Small Cities Housing Rehabilitation | Open Space      | Capital Projects              | Community Investment | Total               |
| <b>Assets</b>                              |                              |                                     |                 |                               |                      |                     |
| Cash and cash equivalents                  | \$ 4,027                     | \$ 44,151                           | \$ -            | \$ 280,860                    | \$ -                 | \$ 532,357          |
| Investments                                | 99,328                       | -                                   | -               | -                             | -                    | 99,328              |
| Deferred Loans Receivable                  | -                            | 443,475                             | -               | -                             | -                    | 443,475             |
| Interfund Receivables                      | -                            | -                                   | -               | 7,853                         | 42,396               | 54,000              |
| Inventories                                | -                            | -                                   | -               | -                             | -                    | 2,760               |
| <b>Total Assets</b>                        | <u>\$ 103,355</u>            | <u>\$ 487,626</u>                   | <u>\$ -</u>     | <u>\$ 288,713</u>             | <u>\$ 42,396</u>     | <u>\$ 1,131,920</u> |
| <b>Liabilities and Fund Balances</b>       |                              |                                     |                 |                               |                      |                     |
| Liabilities:                               |                              |                                     |                 |                               |                      |                     |
| Accounts Payable                           | -                            | -                                   | -               | -                             | -                    | 17,458              |
| Interfund Payables                         | -                            | -                                   | 45,011          | -                             | -                    | 89,218              |
| Due to State of CT                         | -                            | -                                   | -               | -                             | -                    | 7,128               |
| Total Liabilities                          | <u>-</u>                     | <u>-</u>                            | <u>45,011</u>   | <u>-</u>                      | <u>-</u>             | <u>113,804</u>      |
| Fund Balances                              |                              |                                     |                 |                               |                      |                     |
| Nonspendable                               | -                            | 443,475                             | -               | -                             | -                    | 446,235             |
| Restricted                                 | 103,355                      | 44,151                              | -               | -                             | 42,396               | 196,719             |
| Committed                                  | -                            | -                                   | -               | 288,713                       | -                    | 423,342             |
| Assigned                                   | -                            | -                                   | -               | -                             | -                    | -                   |
| Unassigned                                 | -                            | -                                   | (45,011)        | -                             | -                    | (48,180)            |
| Total Fund Balances                        | <u>103,355</u>               | <u>487,626</u>                      | <u>(45,011)</u> | <u>288,713</u>                | <u>42,396</u>        | <u>1,018,116</u>    |
| <b>Total Liabilities and Fund Balances</b> | <u>\$ 103,355</u>            | <u>\$ 487,626</u>                   | <u>\$ -</u>     | <u>\$ 288,713</u>             | <u>\$ 42,396</u>     | <u>\$ 1,131,920</u> |

See accountant's report.

**TOWN OF NEW HARTFORD**

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Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2015

|                                       | <b>SPECIAL REVENUE FUNDS</b>                 |   |                           |  |                                   |                                  |                                |
|---------------------------------------|--|---|---------------------------|--|-----------------------------------|----------------------------------|--------------------------------|
|                                       | <u>Debt</u><br><u>Service</u><br><u>Fund</u> | <u>New</u><br><u>Hartford</u><br><u>Day</u> | <u>Dog</u><br><u>Fund</u> | <u>Historical</u><br><u>Documents</u><br><u>Fund</u> | <u>School</u><br><u>Cafeteria</u> | <u>Recreation</u><br><u>Fund</u> | <u>Senior</u><br><u>Center</u> |
| <b>Revenues</b>                       |  |   |                           |  |                                   |                                  |                                |
| Operating Grants and Contributions    | \$ -   | \$ 550                                      | \$ -                      | \$ 5,000   | \$ 29,989                         | \$ -                             | \$ -                           |
| Capital Grants and Contributions      | -  | -   | -                         | -  | -                                 | -                                | -                              |
| Charges for Services                  | -  | -   | 13,206                    | 2,686  | 79,474                            | 170,503                          | 18,979                         |
| Other Income                          | -  | -   | -                         | -  | -                                 | -                                | -                              |
| Investments earnings                  | <u>33</u>                                    | <u>1</u>                                    | <u>-</u>                  | <u>-</u>   | <u>-</u>                          | <u>-</u>                         | <u>-</u>                       |
| Total Revenues                        | <u>33</u>                                    | <u>551</u>                                  | <u>13,206</u>             | <u>7,686</u>   | <u>109,463</u>                    | <u>170,503</u>                   | <u>18,979</u>                  |
| <b>Expenditures</b>                   |  |   |                           |  |                                   |                                  |                                |
| Current                               |  |   |                           |  |                                   |                                  |                                |
| General government                    | -  | 1,257                                       | -                         | 8,881  | -                                 | -                                | -                              |
| Public safety                         | -  | -   | 15,472                    | -  | -                                 | -                                | -                              |
| Parks and recreation                  | -  | -   | -                         | -  | -                                 | 157,739                          | 24,529                         |
| Commissions/agencies                  | -  | -   | -                         | -  | -                                 | -                                | -                              |
| Education                             | -  | -   | -                         | -  | 125,303                           | -                                | -                              |
| Debt Service                          | -  | -   | -                         | -  | -                                 | -                                | -                              |
| Capital Expenditures                  | <u>-</u>                                     | <u>-</u>                                    | <u>-</u>                  | <u>-</u>   | <u>-</u>                          | <u>-</u>                         | <u>-</u>                       |
| Total Expenditures                    | <u>-</u>                                     | <u>1,257</u>                                | <u>15,472</u>             | <u>8,881</u>   | <u>125,303</u>                    | <u>157,739</u>                   | <u>24,529</u>                  |
| Excess/(Deficiency) of Revenues       |  |   |                           |  |                                   |                                  |                                |
| Over Expenditures                     | 33   | (706)                                       | (2,266)                   | (1,195)  | (15,840)                          | 12,764                           | (5,550)                        |
| <b>Other Financing Sources/(Uses)</b> |  |   |                           |  |                                   |                                  |                                |
| Transfers in                          | -  | 1,800                                       | -                         | -  | 13,391                            | -                                | 8,400                          |
| Transfers out                         | <u>-</u>                                     | <u>-</u>                                    | <u>-</u>                  | <u>-</u>   | <u>-</u>                          | <u>-</u>                         | <u>-</u>                       |
| Total Other Financing Sources/(Uses)  | <u>-</u>                                     | <u>1,800</u>                                | <u>-</u>                  | <u>-</u>   | <u>13,391</u>                     | <u>-</u>                         | <u>8,400</u>                   |
| Net change in fund balances           | 33   | 1,094                                       | (2,266)                   | (1,195)  | (2,449)                           | 12,764                           | 2,850                          |
| <b>Fund balances - beginning</b>      | <u>46,849</u>                                | <u>1,972</u>                                | <u>(903)</u>              | <u>4,946</u>   | <u>6,209</u>                      | <u>71,133</u>                    | <u>-</u>                       |
| <b>Fund balances - ending</b>         | <u>\$ 46,882</u>                             | <u>\$ 3,066</u>                             | <u>\$ (3,169)</u>         | <u>\$ 3,751</u>                                      | <u>\$ 3,760</u>                   | <u>\$ 83,897</u>                 | <u>\$ 2,850</u>                |

See accountant's report.

**TOWN OF NEW HARTFORD**  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2015

Page 2 of 2

|   | <b>SPECIAL REVENUE FUNDS</b> |                                     |                    | <b>CAPITAL PROJECTS FUNDS</b> |                      |                     |
|---|------------------------------|-------------------------------------|--------------------|-------------------------------|----------------------|---------------------|
|   | Town Hill Cemetery Fund      | Small Cities Housing Rehabilitation | Open Space         | Capital Projects              | Community Investment | Total               |
| <b>Revenues</b>                                   |                              |                                     |                    |                               |                      |                     |
| Operating Grants and Contributions                | \$ -                         | \$ -                                | \$ -               | \$ -                          | \$ -                 | \$ 35,539           |
| Capital Grants and Contributions                  | -                            | -                                   | 15,378             | -                             | -                    | 15,378              |
| Charges for Services                              | 4,800                        | -                                   | -                  | -                             | 2,604                | 292,252             |
| Other Income                                      | -                            | -                                   | -                  | -                             | -                    | -                   |
| Investments earnings                              | 3,244                        | 19                                  | -                  | 1,065                         | -                    | 4,362               |
| <b>Total Revenues</b>                             | <b>8,044</b>                 | <b>19</b>                           | <b>15,378</b>      | <b>1,065</b>                  | <b>2,604</b>         | <b>347,531</b>      |
| <b>Expenditures</b>                               |                              |                                     |                    |                               |                      |                     |
| Current   |                              |                                     |                    |                               |                      |                     |
| General government                                | -                            | -                                   | -                  | -                             | -                    | 10,138              |
| Public safety                                     | -                            | -                                   | -                  | -                             | -                    | 15,472              |
| Parks and recreation                              | -                            | -                                   | -                  | -                             | -                    | 182,268             |
| Commissions/agencies                              | 6,511                        | -                                   | -                  | -                             | -                    | 6,511               |
| Education   | -                            | -                                   | -                  | -                             | -                    | 125,303             |
| Debt Service                                      | -                            | -                                   | -                  | -                             | -                    | -                   |
| Capital Expenditures                              | -                            | -                                   | -                  | 868,053                       | -                    | 868,053             |
| <b>Total Expenditures</b>                         | <b>6,511</b>                 | <b>-</b>                            | <b>-</b>           | <b>868,053</b>                | <b>-</b>             | <b>1,207,745</b>    |
| Excess/(Deficiency) of Revenues Over Expenditures | 1,533                        | 19                                  | 15,378             | (866,988)                     | 2,604                | (860,214)           |
| <b>Other Financing Sources/(Uses)</b>             |                              |                                     |                    |                               |                      |                     |
| Transfers in                                      | -                            | -                                   | -                  | 484,600                       | -                    | 508,191             |
| Transfers out                                     | -                            | -                                   | -                  | -                             | -                    | -                   |
| <b>Total Other Financing Sources/(Uses)</b>       | <b>-</b>                     | <b>-</b>                            | <b>-</b>           | <b>484,600</b>                | <b>-</b>             | <b>508,191</b>      |
| <b>Net change in fund balances</b>                | <b>1,533</b>                 | <b>19</b>                           | <b>15,378</b>      | <b>(382,388)</b>              | <b>2,604</b>         | <b>(352,023)</b>    |
| <b>Fund balances - beginning</b>                  | <b>101,822</b>               | <b>487,607</b>                      | <b>(60,389)</b>    | <b>671,101</b>                | <b>39,792</b>        | <b>1,370,139</b>    |
| <b>Fund balances - ending</b>                     | <b>\$103,355</b>             | <b>\$ 487,626</b>                   | <b>\$ (45,011)</b> | <b>\$288,713</b>              | <b>\$ 42,396</b>     | <b>\$ 1,018,116</b> |

See accountant's report.

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# 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 or other governments.

**Pension Trust Fund** – To account for investments and related activity for the pension accounts funded on behalf of Town employees.

## **Private Purpose Trust Fund**

**Neighbor to Neighbor Fund** – To account for donations received from the public and disbursed by the Town for Community Assistance.

## **Agency Funds**

**Driveway Permits** – To account for cash and investments held by the Town to ensure compliance with specifications and regulations with respect to various building projects and improvements.

**Zoning Permits** – To account for cash and investments held by the Town to ensure compliance with specifications and regulations with respect to various building projects and improvements.

**Student Activities Fund** – To account for monies from various self-funding school activity funds.



**TOWN OF NEW HARTFORD**  
Combining Statement of Fiduciary Net Position  
Fiduciary Funds  
June 30, 2015

|                                       | <b>AGENCY FUNDS</b>         |                           |  |                  |
|---------------------------------------|-----------------------------|---------------------------|--|------------------|
|                                       | <u>Driveway<br/>Permits</u> | <u>Zoning<br/>Permits</u> | <u>Student<br/>Activities<br/>Fund</u> | <u>Total</u>     |
| <b>Assets</b>                         |                             |                           |  |                  |
| Cash and Cash Equivalents             | \$ 35,420                   | \$ 4,235                  | \$ 14,490                              | \$ 54,145        |
| Investments:                          |                             |                           |  |                  |
| Short-Term Investments                | -                           | -                         | -                                      | -                |
| Mutual Funds                          | -                           | -                         | -                                      | -                |
| <b>Total Assets</b>                   | <u>\$ 35,420</u>            | <u>\$ 4,235</u>           | <u>\$ 14,490</u>                       | <u>\$ 54,145</u> |
| <b>Deferred Outflows of Resources</b> | <u>-</u>                    | <u>-</u>                  | <u>-</u>                               | <u>-</u>         |
| <b>Liabilities</b>                    |                             |                           |  |                  |
| Fiduciary Deposits                    | 35,420                      | 4,235                     | 14,490                                 | 54,145           |
| <b>Total Liabilities</b>              | <u>35,420</u>               | <u>4,235</u>              | <u>14,490</u>                          | <u>54,145</u>    |
| <b>Deferred Inflows of Resources</b>  | <u>-</u>                    | <u>-</u>                  | <u>-</u>                               | <u>-</u>         |
| <b>Net Position</b>                   |                             |                           |  |                  |
| Held in Trust for Pension Benefits    | -                           | -                         | -                                      | -                |
| <b>Total Net Position</b>             | <u>\$ -</u>                 | <u>\$ -</u>               | <u>\$ -</u>                            | <u>\$ -</u>      |

See accountant's report.

**TOWN OF NEW HARTFORD**  
Agency Funds  
Combining Statement of Changes in Assets and Liabilities  
For the Year Ended June 30, 2015

|                                | Balance<br>July 1, 2014 | Additions        | Deductions       | Balance<br>June 30, 2015 |
|--------------------------------|-------------------------|------------------|------------------|--------------------------|
| <u>Driveway Permits</u>        |                         |                  |                  |                          |
| <b>Assets:</b>                 |                         |                  |                  |                          |
| Cash                           | \$ 35,507               | \$ 6,519         | \$ 6,606         | \$ 35,420                |
| Total Assets                   | <u>35,507</u>           | <u>6,519</u>     | <u>6,606</u>     | <u>35,420</u>            |
| <b>Liabilities</b>             |                         |                  |                  |                          |
| Fiduciary Deposits             | 35,507                  | 6,519            | 6,606            | 35,420                   |
| Total Liabilities              | <u>\$ 35,507</u>        | <u>\$ 6,519</u>  | <u>\$ 6,606</u>  | <u>\$ 35,420</u>         |
| <u>Zoning Permits</u>          |                         |                  |                  |                          |
| <b>Assets:</b>                 |                         |                  |                  |                          |
| Cash                           | \$ 3,087                | \$ 7,067         | \$ 5,919         | \$ 4,235                 |
| Total Assets                   | <u>3,087</u>            | <u>7,067</u>     | <u>5,919</u>     | <u>4,235</u>             |
| <b>Liabilities</b>             |                         |                  |                  |                          |
| Fiduciary Deposits             | 3,087                   | 7,067            | 5,919            | 4,235                    |
| Total Liabilities              | <u>\$ 3,087</u>         | <u>\$ 7,067</u>  | <u>\$ 5,919</u>  | <u>\$ 4,235</u>          |
| <u>Student Activities Fund</u> |                         |                  |                  |                          |
| <b>Assets:</b>                 |                         |                  |                  |                          |
| Cash                           | \$ 7,911                | \$ 44,237        | \$ 37,658        | \$ 14,490                |
| Total Assets                   | <u>7,911</u>            | <u>44,237</u>    | <u>37,658</u>    | <u>14,490</u>            |
| <b>Liabilities</b>             |                         |                  |                  |                          |
| Fiduciary Deposits             | 7,911                   | 44,237           | 37,658           | 14,490                   |
| Total Liabilities              | <u>\$ 7,911</u>         | <u>\$ 44,237</u> | <u>\$ 37,658</u> | <u>\$ 14,490</u>         |
| <u>Total Agency Funds</u>      |                         |                  |                  |                          |
| <b>Assets:</b>                 |                         |                  |                  |                          |
| Cash                           | \$ 46,505               | \$ 57,823        | \$ 50,183        | \$ 54,145                |
| Total Assets                   | <u>46,505</u>           | <u>57,823</u>    | <u>50,183</u>    | <u>54,145</u>            |
| <b>Liabilities</b>             |                         |                  |                  |                          |
| Fiduciary Deposits             | 46,505                  | 57,823           | 50,183           | 54,145                   |
| Total Liabilities              | <u>\$ 46,505</u>        | <u>\$ 57,823</u> | <u>\$ 50,183</u> | <u>\$ 54,145</u>         |

See accountant's report.

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## **Supplemental Schedules**

**TOWN OF NEW HARTFORD**  
Schedule of Property Taxes Levied, Collected and Outstanding  
For the Year Ended June 30, 2015

| List of<br>10/1:                | Outstanding<br>July 1, 2014 | Current<br>Levy      | Lawful Corrections |                  | Transfers<br>to<br>Suspense | Collectible<br>Taxes | Receipt<br>of<br>Taxes | Receipt<br>of<br>Interest<br>and Liens | Total<br>Receipts    | Outstanding<br>June 30, 2015 |
|---------------------------------|-----------------------------|----------------------|--------------------|------------------|-----------------------------|----------------------|------------------------|--|----------------------|------------------------------|
|                                 |                             |                      | Additions          | Deductions       |                             |                      |                        |  |                      |                              |
| 2013                            | \$ 251,379                  | \$ 18,143,764        | \$ 19,537          | \$ 79,741        | \$ (1,555)                  | \$ 18,082,005        | \$ 17,840,536          | \$ 53,953                              | \$ 17,894,489        | \$ 241,469                   |
| 2012                            | 138,981                     | -                    | 714                | 3,845            | (1,531)                     | 246,717              | 115,666                | 29,021                                 | 144,687              | 131,051                      |
| 2011                            | 76,880                      | -                    | 85                 | 3,233            | (1,034)                     | 134,799              | 59,501                 | 23,808                                 | 83,309               | 75,298                       |
| 2010                            | 38,160                      | -                    | -                  | -                | (325)                       | 76,555               | 35,431                 | 19,890                                 | 55,321               | 41,124                       |
| 2009                            | 13,687                      | -                    | -                  | -                | (451)                       | 37,709               | 12,953                 | 9,505                                  | 22,458               | 24,756                       |
| 2008                            | 3,099                       | -                    | -                  | -                | (130)                       | 13,557               | 3,277                  | 3,718                                  | 6,995                | 10,280                       |
| 2007                            | 1,587                       | -                    | -                  | -                | (71)                        | 3,028                | 2,298                  | 2,649                                  | 4,947                | 730                          |
| 2006                            | 681                         | -                    | -                  | -                | (69)                        | 1,518                | 819                    | 753                                    | 1,572                | 699                          |
| 2005                            | 666                         | -                    | -                  | -                | (66)                        | 615                  | 131                    | 248                                    | 379                  | 484                          |
| 2004                            | 1,451                       | -                    | -                  | -                | (65)                        | 601                  | 128                    | 268                                    | 396                  | 473                          |
| 2003                            | 1,068                       | -                    | -                  | -                | -                           | 1,451                | 126                    | 406                                    | 532                  | 1,325                        |
| 2002                            | 282                         | -                    | -                  | -                | -                           | 1,068                | 304                    | 935                                    | 1,239                | 764                          |
| 2001                            | 280                         | -                    | -                  | -                | -                           | 282                  | 282                    | 663                                    | 945                  | -                            |
| 2000                            | 276                         | -                    | -                  | -                | -                           | 280                  | 280                    | 705                                    | 985                  | -                            |
| 1999                            |                             | -                    | -                  | -                | -                           | 276                  | 276                    | 750                                    | 1,026                | -                            |
|                                 | <u>\$ 528,477</u>           | <u>\$ 18,143,764</u> | <u>\$ 20,336</u>   | <u>\$ 86,819</u> | <u>\$ (5,297)</u>           | <u>\$ 18,600,461</u> | <u>\$ 18,072,008</u>   | <u>\$ 147,272</u>                      | <u>\$ 18,219,280</u> | <u>\$ 528,453</u>            |
| Net Grand List- October 1, 2013 |                             |                      |                    |                  |                             |                      |                        |  |                      |                              |
| Tax Rate: 27.68 mills           |                             |                      |                    |                  |                             |                      |                        |  |                      |                              |
| Total Suspense Collections      |                             |                      |                    |                  |                             |                      | 627                    | *                                      | 627                  |                              |
| Total Collections               |                             |                      |                    |                  |                             |                      | \$ 18,072,635          | \$ 147,272                             | \$ 18,219,907        |                              |

\*total suspense interest collections of \$627 included in total receipt of interest & liens collected

See accountant's report.

# TOWN OF NEW HARTFORD

## Schedule of Debt Limitation

As of June 30, 2015

|   |               |
|---|---------------|
| Total Tax Collections - including interest and lien fees<br>Received by Treasurer | \$ 18,219,907 |
|---|---------------|

**Reimbursement for revenue loss on:**

|                        |        |               |
|------------------------|--------|---------------|
| Tax relief for elderly | 33,781 |               |
| Base                   | /      | \$ 18,253,688 |

|   | <u>General<br/>Purposes</u> | <u>Schools</u> | <u>Sewers</u> | <u>Urban<br/>Renewal</u> |
|---|-----------------------------|----------------|---------------|--------------------------|
| <b>Debt limitation:</b>   |                             |                |               |                          |
| 2 1/4 times base  | \$41,070,798                | \$ -           | \$ -          | \$ -                     |
| 4 1/2 times base  | -                           | 82,141,596     | -             | -                        |
| 3 3/4 times base  | -                           | -              | 68,451,330    | -                        |
| 3 1/4 times base  | -                           | -              | -             | 59,324,486               |
| Total debt limitation   | 41,070,798                  | 82,141,596     | 68,451,330    | 59,324,486               |
| <br><b>Indebtedness:</b>  |                             |                |               |                          |
| Bonds payable   | 1,707,923                   | 1,122,077      | -             | -                        |
| USDA Note   | -                           | -              | 3,430,079     | -                        |
| <b>Overlapping debt:</b>  |                             |                |               |                          |
| Regional School<br>District No. 7                                   | -                           | 1,755,993      | -             | -                        |
| <br>Total Indebtedness  | 1,707,923                   | 2,878,070      | 3,430,079     | -                        |
| <br>Debt limitation in excess of<br>outstanding and authorized debt | \$39,362,875                | \$79,263,526   | \$65,021,251  | \$ 59,324,486            |

**NOTE:**

In no case should this total indebtedness exceed seven times the base \$18,253,688 or \$127,775,816.

See accountant's report.

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## **Statistical Section**



## Statistical Section Information

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

Statistical section information is presented in the following categories:

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

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

Table 1

**TOWN OF NEW HARTFORD**  
Net Position By Component  
Last Ten Fiscal Years  
(accrual basis of accounting)

|   | <u>2006</u>          | <u>2007</u>          | <u>2008</u>          | <u>2009</u>          | <u>2010</u>          | <u>2011</u>          | <u>2012</u>          | <u>2013</u>          | <u>2014</u>          | <u>2015</u>          |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>Governmental Activities:</b>             |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Net Investment in Capital Assets            | \$ 5,087,155         | \$ 6,495,637         | \$ 9,943,175         | \$ 10,358,650        | \$ 10,236,647        | \$ 10,921,448        | \$ 11,155,435        | \$ 12,124,042        | \$ 12,513,900        | \$ 13,359,082        |
| Restricted                                  | 4,680                | 10,122               | 13,900               | 21,155               | 24,480               | 28,944               | 31,929               | 36,948               | 636,139              | 640,194              |
| Unrestricted                                | 5,371,047            | 4,495,772            | 4,039,050            | 4,221,104            | 1,760,535            | 3,400,525            | 3,546,323            | 1,983,071            | 1,590,443            | 833,140              |
| Total Governmental Activities Net Position  | <u>\$ 10,462,882</u> | <u>\$ 11,001,531</u> | <u>\$ 13,996,125</u> | <u>\$ 14,600,909</u> | <u>\$ 12,021,662</u> | <u>\$ 14,350,917</u> | <u>\$ 14,733,687</u> | <u>\$ 14,124,061</u> | <u>\$ 14,740,482</u> | <u>\$ 14,832,416</u> |
| <b>Business-type Activities:</b>            |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Net Investment in Capital Assets            | \$ 3,543,790         | \$ 3,789,447         | \$ 3,691,737         | \$ 4,942,028         | \$ 9,746,307         | \$ 11,265,057        | \$ 10,945,088        | \$ 10,636,926        | \$ 10,767,874        | \$ 10,446,135        |
| Restricted                                  | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    |
| Unrestricted                                | 182,629              | 253,511              | 90,278               | 47,118               | (1,981,117)          | (2,016,632)          | (2,045,157)          | (1,965,796)          | (1,993,158)          | (2,044,291)          |
| Total Business-type Activities Net Position | <u>\$ 3,726,419</u>  | <u>\$ 4,042,958</u>  | <u>\$ 3,782,015</u>  | <u>\$ 4,989,146</u>  | <u>\$ 7,765,190</u>  | <u>\$ 9,248,425</u>  | <u>\$ 8,899,931</u>  | <u>\$ 8,671,130</u>  | <u>\$ 8,774,716</u>  | <u>\$ 8,401,844</u>  |
| <b>Primary Government:</b>                  |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Net Investment in Capital Assets            | \$ 8,630,945         | \$ 10,285,084        | \$ 13,634,912        | \$ 15,300,678        | \$ 19,982,954        | \$ 22,186,505        | \$ 22,100,523        | \$ 19,167,283        | \$ 19,779,931        | \$ 20,385,138        |
| Restricted                                  | 4,680                | 10,122               | 13,900               | 21,155               | 24,480               | 28,944               | 31,929               | 36,948               | 636,139              | 640,194              |
| Unrestricted                                | 5,553,676            | 4,749,283            | 4,129,328            | 4,258,222            | (220,582)            | 1,383,893            | 1,501,166            | 3,590,960            | 3,099,128            | 2,208,928            |
| Total Primary Government Net Position       | <u>\$ 14,189,301</u> | <u>\$ 15,044,489</u> | <u>\$ 17,778,140</u> | <u>\$ 19,590,055</u> | <u>\$ 19,786,852</u> | <u>\$ 23,599,342</u> | <u>\$ 23,633,618</u> | <u>\$ 22,795,191</u> | <u>\$ 23,515,198</u> | <u>\$ 23,234,260</u> |

**TOWN OF NEW HARTFORD**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

|  | <u>2006</u>          | <u>2007</u>          | <u>2008</u>          | <u>2009</u>          | <u>2010</u>          | <u>2011</u>          | <u>2012</u>          | <u>2013</u>          | <u>2014</u>          | <u>2015</u>          |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>Expenses</b>  |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| <b>Governmental Activities:</b>                        |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| General Government                                     | \$ 1,368,966         | \$ 1,698,526         | \$ 1,963,532         | \$ 2,095,182         | \$ 2,185,561         | \$ 2,257,962         | \$ 1,940,123         | \$ 1,858,404         | \$ 1,692,211         | \$ 2,272,452         |
| Public Safety  | 619,919              | 762,050              | 659,020              | 670,923              | 638,618              | 738,279              | 616,213              | 621,356              | 611,487              | 655,616              |
| Highways   | 1,512,222            | 1,513,625            | 1,550,128            | 1,655,437            | 1,636,007            | 1,834,330            | 1,535,240            | 1,564,137            | 1,701,028            | 1,804,175            |
| Planning and Development                               | 249,647              | 199,850              | 241,915              | 194,147              | 197,609              | 164,289              | 144,909              | 148,092              | 146,313              | 161,557              |
| Health and Welfare                                     | 350,719              | 264,228              | 294,581              | 312,056              | 317,245              | 296,489              | 331,132              | 204,198              | 220,060              | 204,070              |
| Libraries  | 234,562              | 238,323              | 245,483              | 269,007              | 259,000              | 259,000              | 263,000              | 268,000              | 272,000              | 280,000              |
| Parks and Recreation                                   | 248,800              | 226,323              | 302,625              | 303,697              | 306,023              | 317,543              | 317,706              | 329,721              | 284,804              | 301,555              |
| Commissions/Agencies                                   | 55,131               | 60,694               | 90,943               | 83,142               | 76,987               | 64,330               | 76,513               | 62,503               | 83,391               | 76,250               |
| Education  | 14,685,429           | 14,918,099           | 17,779,811           | 16,399,158           | 16,307,462           | 16,341,565           | 16,837,841           | 17,543,708           | 18,094,896           | 18,270,620           |
| Interest on Long-Term Debt                             | 233,379              | 289,588              | -                    | -                    | -                    | -                    | 232,961              | 219,579              | 195,733              | 176,910              |
| <b>Total Governmental Activities Expenses</b>          | <u>\$ 19,558,774</u> | <u>\$ 20,171,306</u> | <u>\$ 23,128,038</u> | <u>\$ 21,982,749</u> | <u>\$ 21,924,512</u> | <u>\$ 22,273,787</u> | <u>\$ 22,295,438</u> | <u>\$ 22,819,698</u> | <u>\$ 23,301,923</u> | <u>\$ 24,203,205</u> |
| <b>Business-Type Activities:</b>                       |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Water and Sewer System                                 | 667,788              | 691,061              | 795,831              | 699,739              | 667,246              | 877,457              | 979,493              | 950,811              | 1,093,402            | 1,075,029            |
| <b>Total Business-Type Activities Expenses</b>         | <u>\$ 667,788</u>    | <u>\$ 691,061</u>    | <u>\$ 795,831</u>    | <u>\$ 699,739</u>    | <u>\$ 667,246</u>    | <u>\$ 877,457</u>    | <u>\$ 979,493</u>    | <u>\$ 950,811</u>    | <u>\$ 1,093,402</u>  | <u>\$ 1,075,029</u>  |
| <b>Total Primary Government Expenses</b>               | <u>\$ 20,226,562</u> | <u>\$ 20,862,367</u> | <u>\$ 23,923,869</u> | <u>\$ 22,682,488</u> | <u>\$ 22,591,758</u> | <u>\$ 23,151,244</u> | <u>\$ 23,274,931</u> | <u>\$ 23,770,509</u> | <u>\$ 24,395,325</u> | <u>\$ 25,278,234</u> |
| <b>Program Revenues</b>                                |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| <b>Governmental Activities:</b>                        |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Charges for Services:                                  |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| General Government                                     | \$ 196,649           | \$ 191,703           | \$ 114,226           | \$ 92,579            | \$ 100,844           | \$ 107,446           | \$ 115,562           | \$ 129,867           | \$ 109,571           | \$ 111,026           |
| Parks and Recreation                                   | 145,126              | 155,726              | 157,683              | 148,265              | 174,387              | 162,076              | 180,775              | 180,819              | 185,591              | 189,482              |
| Education  | 128,325              | 119,758              | 124,380              | 123,278              | 163,073              | 117,464              | 110,907              | 98,401               | 148,500              | 148,323              |
| Other Activities                                       | 115,785              | 99,967               | 99,290               | 90,281               | 72,900               | 87,996               | 83,986               | 100,975              | 103,326              | 95,250               |
| Operating Grants and Contributions                     | 3,625,268            | 3,830,890            | 6,318,027            | 4,523,354            | 4,314,244            | 4,392,255            | 4,827,438            | 4,551,503            | 4,947,624            | 4,748,459            |
| Capital Grants and Contributions                       | 3,157,312            | 267,912              | 766,185              | 522,606              | 89,973               | 1,450,936            | 117,896              | 130,370              | 146,071              | 294,645              |
| <b>Total Governmental Activities Program Revenues</b>  | <u>\$ 7,368,465</u>  | <u>\$ 4,665,956</u>  | <u>\$ 7,579,791</u>  | <u>\$ 5,500,363</u>  | <u>\$ 4,915,421</u>  | <u>\$ 6,318,173</u>  | <u>\$ 5,436,564</u>  | <u>\$ 5,191,935</u>  | <u>\$ 5,640,683</u>  | <u>\$ 5,687,185</u>  |
| <b>Business-type Activities:</b>                       |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Charges for Services:                                  |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Water and Sewer System                                 | 502,285              | 507,168              | 534,888              | 557,660              | 625,768              | 617,682              | 666,939              | 722,010              | 741,298              | 702,157              |
| Capital Grants and Contributions                       | -                    | 500,000              | -                    | 1,329,210            | -                    | 2,697,580            | -                    | -                    | 455,891              | -                    |
| <b>Total Business-type Activities Program Revenues</b> | <u>\$ 502,285</u>    | <u>\$ 1,007,168</u>  | <u>\$ 534,888</u>    | <u>\$ 1,886,870</u>  | <u>\$ 625,768</u>    | <u>\$ 3,315,262</u>  | <u>\$ 666,939</u>    | <u>\$ 722,010</u>    | <u>\$ 1,197,189</u>  | <u>\$ 702,157</u>    |
| <b>Total Primary Government Program Revenues</b>       | <u>\$ 7,870,750</u>  | <u>\$ 5,673,124</u>  | <u>\$ 8,114,679</u>  | <u>\$ 7,387,233</u>  | <u>\$ 5,541,189</u>  | <u>\$ 9,633,435</u>  | <u>\$ 6,103,503</u>  | <u>\$ 5,913,945</u>  | <u>\$ 6,837,872</u>  | <u>\$ 6,289,342</u>  |
|  | (continued)          | (continued)          | (continued)          | (continued)          | (continued)          | (continued)          | (continued)          | (continued)          | (continued)          | (continued)          |

## TOWN OF NEW HARTFORD

Changes in Net Position  
Last Ten Fiscal Years  
(accrual basis of accounting)

|  | <u>2006</u>            | <u>2007</u>            | <u>2008</u>            | <u>2009</u>            | <u>2010</u>            | <u>2011</u>            | <u>2012</u>            | <u>2013</u>            | <u>2014</u>            | <u>2015</u>            |
|--|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| Net (Expense)/Revenue                              |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Governmental Activities                            | \$ (12,190,309)        | \$ (15,505,350)        | \$ (15,548,247)        | \$ (16,482,386)        | \$ (17,009,091)        | \$ (15,955,614)        | \$ (16,858,874)        | \$ (17,627,763)        | \$ (17,661,240)        | \$ (18,616,020)        |
| Business-type Activities                           | (165,503)              | 316,107                | (260,943)              | 1,187,131              | (41,478)               | 2,437,805              | (312,554)              | (228,801)              | 103,787                | (372,872)              |
| Total Primary Government Net Expense               | <u>\$ (12,355,812)</u> | <u>\$ (15,189,243)</u> | <u>\$ (15,809,190)</u> | <u>\$ (15,295,255)</u> | <u>\$ (17,050,569)</u> | <u>\$ (13,517,809)</u> | <u>\$ (17,171,428)</u> | <u>\$ (17,856,564)</u> | <u>\$ (17,557,453)</u> | <u>\$ (18,988,892)</u> |
| General Revenues and Other Changes in Net Position |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Governmental Activities:                           |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Property Taxes                                     | \$ 14,763,866          | \$ 15,401,701          | \$ 16,225,898          | \$ 16,925,370          | \$ 16,845,097          | \$ 16,990,778          | \$ 17,274,591          | \$ 17,928,524          | \$ 18,065,221          | \$ 18,237,521          |
| Grants Not Restricted for Specific Purpose         | 323,982                | 311,564                | 198,695                | 273,707                | 232,686                | 236,197                | 222,749                | 455,629                | 96,757                 | 97,629                 |
| Unrestricted Investment Income                     | 179,919                | 211,091                | 131,943                | 16,921                 | 37,123                 | 30,162                 | 43,584                 | 26,823                 | 29,189                 | 12,159                 |
| Rental Income                                      | 40,000                 | 40,000                 | 31,050                 | 42,849                 | 44,319                 | 45,901                 | 47,278                 | 48,933                 | -                      | -                      |
| Other Income                                       | 91,311                 | 79,643                 | 297,084                | 95,612                 | 88,141                 | 27,261                 | 73,393                 | 100,365                | 86,293                 | 67,740                 |
| Special Item-Return of Unexpended Grant            | -                      | -                      | -                      | -                      | -                      | -                      | (455,891)              | -                      | -                      | -                      |
| Transfers  | -                      | -                      | -                      | (20,000)               | (2,817,522)            | 954,570                | 35,940                 | -                      | 201                    | -                      |
| Total Governmental Activities                      | <u>15,399,078</u>      | <u>16,043,999</u>      | <u>16,884,670</u>      | <u>17,334,459</u>      | <u>14,429,844</u>      | <u>18,284,869</u>      | <u>17,241,644</u>      | <u>18,560,274</u>      | <u>18,277,661</u>      | <u>18,415,149</u>      |
| Business-type Activities:                          |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Unrestricted Investment Income                     | 743                    | 432                    | -                      | -                      | -                      | -                      | -                      | -                      | -                      | -                      |
| Other Income                                       | -                      | -                      | -                      | -                      | -                      | -                      | -                      | -                      | -                      | -                      |
| Transfers  | -                      | -                      | -                      | 20,000                 | 2,817,522              | (954,570)              | (35,940)               | -                      | (201)                  | -                      |
| Total Business-type Activities                     | <u>743</u>             | <u>432</u>             | <u>-</u>               | <u>20,000</u>          | <u>2,817,522</u>       | <u>(954,570)</u>       | <u>(35,940)</u>        | <u>-</u>               | <u>(201)</u>           | <u>-</u>               |
| Total Primary Government                           | <u>\$ 15,399,821</u>   | <u>\$ 16,044,431</u>   | <u>\$ 16,884,670</u>   | <u>\$ 17,354,459</u>   | <u>\$ 17,247,366</u>   | <u>\$ 17,330,299</u>   | <u>\$ 17,205,704</u>   | <u>\$ 18,560,274</u>   | <u>\$ 18,277,460</u>   | <u>\$ 18,415,149</u>   |
| Change in Net Position                             |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Governmental Activities                            | \$ 3,208,769           | \$ 538,649             | \$ 1,336,423           | \$ 852,073             | \$ (2,579,247)         | \$ 2,329,255           | \$ 382,770             | \$ 932,511             | \$ 616,421             | \$ (200,871)           |
| Business-type Activities                           | (164,760)              | 316,539                | (260,943)              | 1,207,131              | 2,776,044              | 1,483,235              | (348,494)              | (228,801)              | 103,586                | (372,872)              |
| Total Primary Government                           | <u>\$ 3,044,009</u>    | <u>\$ 855,188</u>      | <u>\$ 1,075,480</u>    | <u>\$ 2,059,204</u>    | <u>\$ 196,797</u>      | <u>\$ 3,812,490</u>    | <u>\$ 34,276</u>       | <u>\$ 703,710</u>      | <u>\$ 720,007</u>      | <u>\$ (573,743)</u>    |

**TOWN OF NEW HARTFORD**  
Fund Balances of Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

Table 3

|   | 2006                | 2007                | 2008                | 2009                | 2010                | 2011**              | 2012                | 2013                | 2014                | 2015                |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>General Fund:</b>                      |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Reserved                                  | \$ -                | \$ -                | \$ -                | \$ -                | \$ 3,939,455        | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                |
| Unreserved                                | 2,387,363           | 2,364,544           | 3,102,910           | 3,394,424           | 3,519,887           | -                   | -                   | -                   | -                   | -                   |
| Nonspendable                              |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Restricted                                |                     |                     |                     |                     |                     | 452,090             | 17,542              | 17,542              | 17,865              | 17,883              |
| Committed                                 |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Assigned                                  |                     |                     |                     |                     |                     | 464,312             | 858,333             | 792,140             | 999,022             | 1,069,364           |
| Unassigned                                |                     |                     |                     |                     |                     | 3,082,427           | 3,083,829           | 3,194,256           | 2,442,778           | 1,919,270           |
| <b>Total General Fund</b>                 | <b>\$ 2,387,363</b> | <b>\$ 2,364,544</b> | <b>\$ 3,102,910</b> | <b>\$ 3,394,424</b> | <b>\$ 7,459,342</b> | <b>\$ 3,998,829</b> | <b>\$ 3,959,704</b> | <b>\$ 4,003,938</b> | <b>\$ 3,459,665</b> | <b>\$ 3,006,517</b> |
| <b>All Other Governmental Funds:</b>      |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Reserved                                  | \$ 8,279            | \$ 13,172           | \$ 46,959           | \$ 222,936          | \$ 300,136          | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                |
| Unreserved, reported in:                  |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Special Revenue Funds                     | 609,186             | 745,457             | 716,098             | 671,589             | 788,271             | -                   | -                   | -                   | -                   | -                   |
| Capital Projects Funds                    | 1,914,965           | 983,468             | 559                 | -                   | -                   | -                   | -                   | -                   | -                   | -                   |
| Nonspendable                              |                     |                     |                     |                     |                     | 3,177               | 2,051               | 472,412             | 469,019             | 446,235             |
| Restricted                                |                     |                     |                     |                     |                     | 464,373             | 543,574             | 157,417             | 172,329             | 196,719             |
| Committed                                 |                     |                     |                     |                     |                     | 318,673             | 401,303             | 289,285             | 790,083             | 423,342             |
| Assigned                                  |                     |                     |                     |                     |                     | 188,267             | 182,222             | 99,614              | -                   | -                   |
| Unassigned                                |                     |                     |                     |                     |                     | -                   | -                   | (110,172)           | (61,292)            | (48,180)            |
| <b>Total All Other Governmental Funds</b> | <b>\$ 2,532,430</b> | <b>\$ 1,742,097</b> | <b>\$ 763,616</b>   | <b>\$ 894,525</b>   | <b>\$ 1,088,407</b> | <b>\$ 974,490</b>   | <b>\$ 1,129,150</b> | <b>\$ 908,556</b>   | <b>\$ 1,370,139</b> | <b>\$ 1,018,116</b> |

Note:  
The change in the classification of fund balance amounts in 2011 is discussed in the notes to the 2011 Financial Statements  
\*\* Prior year amounts have not been restated for the implementation of Statement 54.

**TOWN OF NEW HARTFORD**  
Changes in Fund Balances  
Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

Table 4

|  | 2006               | 2007                | 2008              | 2009              | 2010                | 2011                  | 2012              | 2013                | 2014               | 2015                |
|--|--------------------|---------------------|-------------------|-------------------|---------------------|-----------------------|-------------------|---------------------|--------------------|---------------------|
| <b>Revenues</b>  |                    |                     |                   |                   |                     |                       |                   |                     |                    |                     |
| Taxes  | \$ 14,668,467      | \$ 15,370,192       | \$ 16,340,531     | \$ 16,773,343     | \$ 16,857,985       | \$ 17,002,857         | \$ 17,308,285     | \$ 17,782,201       | \$ 17,985,887      | \$ 18,230,946       |
| Investment Income  | 179,597            | 210,769             | 131,621           | 16,599            | 36,801              | 29,836                | 43,258            | 26,497              | 28,874             | 12,159              |
| Fees and Charges   | 585,885            | 567,154             | 495,579           | 454,403           | 511,204             | 474,982               | 491,230           | 510,062             | 546,988            | 544,081             |
| Intergovernmental Revenue                                      | 6,504,737          | 4,093,583           | 7,322,160         | 5,366,019         | 4,633,785           | 6,149,577             | 5,168,083         | 5,080,569           | 5,190,452          | 5,287,314           |
| Contributions  | 656,766            | 75,244              | 45,800            | 15,759            | 3,118               | -                     | -                 | -                   | -                  | -                   |
| Other  | 131,311            | 44,399              | 328,134           | 138,461           | 132,480             | 73,162                | 120,671           | 149,298             | 86,293             | 67,740              |
| <b>Total Revenues</b>  | <b>22,726,763</b>  | <b>20,361,341</b>   | <b>24,663,825</b> | <b>22,764,584</b> | <b>22,175,353</b>   | <b>23,730,414</b>     | <b>23,131,527</b> | <b>23,548,627</b>   | <b>23,838,494</b>  | <b>24,142,240</b>   |
| <b>Expenditures</b>  |                    |                     |                   |                   |                     |                       |                   |                     |                    |                     |
| General Government   | \$ 1,209,519       | \$ 1,555,467        | \$ 1,435,416      | \$ 1,530,397      | \$ 1,612,520        | \$ 1,580,523          | \$ 1,585,276      | \$ 1,563,846        | \$ 1,602,052       | \$ 1,724,351        |
| Public Safety  | 608,880            | 684,073             | 634,209           | 650,705           | 625,235             | 584,985               | 606,213           | 613,637             | 596,726            | 634,275             |
| Highways   | 1,251,031          | 1,268,827           | 1,411,039         | 1,284,493         | 1,506,589           | 1,493,270             | 1,464,743         | 1,487,442           | 1,526,042          | 1,670,141           |
| Planning and Development                                       | 178,109            | 192,244             | 229,805           | 178,883           | 155,878             | 144,366               | 128,590           | 132,650             | 135,820            | 147,345             |
| Health and Welfare   | 327,617            | 264,228             | 281,487           | 291,490           | 290,699             | 269,942               | 319,288           | 288,890             | 206,340            | 190,352             |
| Libraries  | 234,562            | 238,323             | 245,483           | 269,007           | 259,000             | 259,000               | 263,000           | 268,000             | 272,000            | 280,000             |
| Commissions/Other Agencies                                     | 55,131             | 60,694              | 90,943            | 83,142            | 76,987              | 64,330                | 76,513            | 65,503              | 83,391             | 76,250              |
| Parks and Recreation   | 245,254            | 222,489             | 266,158           | 278,762           | 261,540             | 266,589               | 288,181           | 293,088             | 267,333            | 263,802             |
| Education  | 14,267,320         | 14,156,800          | 17,357,015        | 15,859,842        | 16,071,401          | 16,276,498            | 16,704,597        | 17,386,193          | 18,056,763         | 18,264,708          |
| Capital Outlay   | 5,506,911          | 1,178,760           | 1,491,926         | 1,583,668         | 246,961             | 1,069,740             | 289,638           | 810,160             | 492,731            | 1,072,501           |
| Debt Service   |                    |                     |                   |                   |                     |                       |                   |                     |                    |                     |
| Principal  | 1,350,000          | 450,000             | 532,000           | 500,000           | 500,000             | 601,000               | 601,000           | 596,000             | 486,454            | 446,776             |
| Interest   | 233,379            | 289,588             | 285,610           | 249,772           | 235,821             | 343,171               | 232,951           | 219,579             | 195,733            | 176,910             |
| <b>Total Expenditures</b>                                      | <b>25,467,713</b>  | <b>20,561,493</b>   | <b>24,261,091</b> | <b>22,760,161</b> | <b>21,842,631</b>   | <b>22,953,414</b>     | <b>22,560,100</b> | <b>23,724,988</b>   | <b>23,921,385</b>  | <b>24,947,411</b>   |
| <b>Excess of Revenues Over (Under) Expenditures</b>            | <b>(2,740,950)</b> | <b>(200,152)</b>    | <b>402,734</b>    | <b>4,423</b>      | <b>332,722</b>      | <b>777,000</b>        | <b>571,427</b>    | <b>(176,361)</b>    | <b>(82,891)</b>    | <b>(805,171)</b>    |
| <b>Other Financing Sources (Uses)</b>                          |                    |                     |                   |                   |                     |                       |                   |                     |                    |                     |
| Proceeds from Sale of Bonds                                    | -                  | 3,187,000           | -                 | 438,000           | -                   | -                     | -                 | -                   | -                  | -                   |
| Proceeds from Bond Anticipation Notes                          | 4,700,000          | -                   | -                 | -                 | 8,900,000           | 3,594,000             | -                 | -                   | -                  | -                   |
| Proceeds from Premiums Paid on Bonds                           | -                  | -                   | -                 | -                 | -                   | -                     | -                 | -                   | -                  | -                   |
| Repayment of Bond Anticipation Notes                           | (1,500,000)        | (3,800,000)         | -                 | -                 | -                   | (8,900,000)           | -                 | -                   | -                  | -                   |
| Contributions to Enterprise Funds                              | -                  | -                   | -                 | (20,000)          | (4,973,922)         | -                     | -                 | -                   | -                  | -                   |
| Transfer from Enterprise Funds                                 | -                  | -                   | -                 | -                 | -                   | 954,570               | -                 | -                   | 201                | -                   |
| Transfers Out  | (248,760)          | (651,609)           | (366,043)         | (1,052,273)       | (442,000)           | (350,872)             | (353,000)         | (412,300)           | (782,128)          | (508,191)           |
| Transfers In   | 248,760            | 651,609             | 366,043           | 1,052,273         | 442,000             | 350,872               | 353,000           | 412,300             | 782,128            | 508,191             |
| <b>Total Other Financing Sources (Uses)</b>                    | <b>3,200,000</b>   | <b>(613,000)</b>    | <b>-</b>          | <b>418,000</b>    | <b>3,926,078</b>    | <b>(4,351,430)</b>    | <b>-</b>          | <b>-</b>            | <b>201</b>         | <b>-</b>            |
| <b>Special Item</b>  |                    |                     |                   |                   |                     |                       |                   |                     |                    |                     |
| Return of Unexpended Grant                                     | -                  | -                   | -                 | -                 | -                   | -                     | (455,891)         | -                   | -                  | -                   |
| <b>Net Change in Fund Balances</b>                             | <b>\$ 459,050</b>  | <b>\$ (813,152)</b> | <b>\$ 402,734</b> | <b>\$ 422,423</b> | <b>\$ 4,258,800</b> | <b>\$ (3,574,430)</b> | <b>\$ 115,536</b> | <b>\$ (176,361)</b> | <b>\$ (82,890)</b> | <b>\$ (805,171)</b> |
| <b>Debt Service as a Percentage of Noncapital Expenditures</b> | <b>7.9%</b>        | <b>3.8%</b>         | <b>3.6%</b>       | <b>3.5%</b>       | <b>3.4%</b>         | <b>4.3%</b>           | <b>3.7%</b>       | <b>3.6%</b>         | <b>2.9%</b>        | <b>2.6%</b>         |

Table 5

**TOWN OF NEW HARTFORD**  
Assessed Value and Estimated Actual Value of Taxable Property  
Last Ten Fiscal Years

| Grand List Year | Fiscal Year | Real Property  |              |             |              |                | Personal Property |              |               | Total Taxable Assessed Value | Total Direct Tax Rate | Estimated Actual Taxable Value | Taxable Assessed Value as a Percentage of Actual Taxable Value |
|-----------------|-------------|----------------|--------------|-------------|--------------|----------------|-------------------|--------------|---------------|------------------------------|-----------------------|--------------------------------|--|
|                 |             | Residential    | Commercial   | Industrial  | Vacant Land  | Use Assessment | Apartment         | Other        | Motor Vehicle | Less: Exemptions             |                       |                                |  |
| 2013            | 2015        | \$ 510,929,750 | \$26,099,570 | \$7,103,460 | \$15,619,170 | \$17,327,155   | \$ 69,090         | \$31,926,020 | \$56,025,595  | \$13,357,930                 | \$ 651,741,880        | \$ 931,059,829                 | 70%  |
| 2012            | 2014        | 570,100,559    | 28,860,510   | 7,596,470   | 17,403,750   | 17,203,400     | 69,090            | 32,323,614   | 55,073,646    | 13,259,673                   | 715,371,366           | 1,021,959,094                  | 70%  |
| 2011            | 2013        | 568,307,790    | 29,351,770   | 7,966,770   | 18,838,400   | 17,231,035     | 69,090            | 32,717,914   | 56,030,144    | 13,761,705                   | 716,751,208           | 1,023,930,297                  | 70%  |
| 2010            | 2012        | 564,660,510    | 29,328,740   | 7,524,510   | 18,364,055   | 17,360,701     | 69,090            | 29,983,113   | 52,849,285    | 12,151,635                   | 707,988,369           | 1,011,411,956                  | 70%  |
| 2009            | 2011        | 560,053,480    | 30,043,625   | 7,653,940   | 19,274,615   | 17,653,200     | 138,180           | 28,495,609   | 49,953,523    | 11,417,954                   | 701,848,218           | 1,002,640,311                  | 70%  |
| 2008            | 2010        | 558,111,710    | 29,543,265   | 8,809,570   | 19,909,745   | 18,143,775     | 825,090           | 27,931,410   | 47,992,715    | 10,294,724                   | 700,972,556           | 1,001,389,366                  | 70%  |
| 2007            | 2009        | 454,322,880    | 22,384,090   | 8,206,800   | N/A          | N/A            | N/A               | 24,883,823   | 50,956,759    | 8,381,899                    | 552,372,453           | 789,103,504                    | 70%  |
| 2006            | 2008        | 448,568,040    | 22,138,060   | 8,206,800   | N/A          | N/A            | N/A               | 21,025,377   | 49,768,128    | 5,162,306                    | 544,544,099           | 777,920,141                    | 70%  |
| 2005            | 2007        | 440,768,050    | 22,390,390   | 9,481,640   | N/A          | N/A            | N/A               | 20,890,213   | 49,231,381    | 4,853,512                    | 537,908,162           | 768,440,231                    | 70%  |
| 2004            | 2006        | 428,256,520    | 22,140,440   | 11,976,510  | N/A          | N/A            | N/A               | 22,495,739   | 45,427,449    | 4,468,919                    | 525,827,739           | 751,182,494                    | 70%  |

Source: Assessor's Office - Town of New Hartford, Connecticut

N/A = not available

Note: By State law, property is assessed at 70% of actual value with periodic revaluation of real property. The estimated actual amount is the equalized grand list which is estimated by the state of Connecticut, office of Policy and Management.

**TOWN OF NEW HARTFORD**  
Property Tax Rates  
Direct and Overlapping Governments  
Last Ten Fiscal Years

Table 6

| Fiscal<br>Year | NEW<br>HARTFORD | REGIONAL<br>SCHOOL<br>DISTRICT 7 | Total Direct<br>and<br>Overlapping |
|----------------|-----------------|----------------------------------|------------------------------------|
|                | Direct Rate     | District*                        |                                    |
| 2006           | 26.50           | -                                | 26.50                              |
| 2007           | 27.10           | -                                | 27.10                              |
| 2008           | 28.15           | -                                | 28.15                              |
| 2009           | 29.00           | -                                | 29.00                              |
| 2010           | 23.90           | -                                | 23.90                              |
| 2011           | 24.00           | -                                | 24.00                              |
| 2012           | 24.20           | -                                | 24.20                              |
| 2013           | 24.80           | -                                | 24.80                              |
| 2014           | 24.95           | -                                | 24.95                              |
| 2015           | 27.68           | -                                | 27.68                              |

Source: Assessors Office, Town of New Hartford

\* Regional School District 7 is a school district and is funded through annual assessments billed to its member towns.

The direct rate is composed of only one rate, levied on the taxable grand list.



**TOWN OF NEW HARTFORD**  
Principal Property Taxpayers  
Current Year and Nine Years Ago

Table 7

| Taxpayer                           | Nature of Business                     | Grand List as of October 1, 2013 |      |  | Grand List as of October 1, 2004 |      |  |
|------------------------------------|--|----------------------------------|------|--|----------------------------------|------|--|
|                                    |  | Taxable Assessed Value           | Rank | Percent of Total Town Taxable Assessed Value | Taxable Assessed Value           | Rank | Percent of Total Town Taxable Assessed Value |
| Metropolitan District Water Bureau | Water and Sewer Utility                | \$ 11,044,950                    | 1    | 1.69%  | \$ 7,607,180                     | 3    | 1.45%  |
| Connecticut Light & Power          | Power Company                          | 9,891,970                        | 2    | 1.52%  | 9,170,210                        | 1    | 1.74%  |
| Home Depot USA, Inc.               | Retail Tools and Maintenance Materials | 7,508,800                        | 3    | 1.15%  | 8,089,530                        | 2    | 1.54%  |
| Ski Sundown                        | Ski Area                               | 2,834,370                        | 4    | 0.43%  | 1,841,070                        | 5    | 0.35%  |
| Zahnradfabrik LLC                  | Real Estate Property Management        | 1,753,640                        | 5    | 0.27%  | 1,691,130                        | 6    | 0.32%  |
| Rutsky Curtiss                     | Individual                             | 1,731,770                        | 6    | 0.27%  |                                  |      |  |
| Marandino                          | Individual                             | 1,639,750                        | 7    | 0.25%  | 1,615,320                        | 7    | 0.31%  |
| Blackhammer LLC                    | Manufacturer                           | 1,591,870                        | 8    | 0.24%  |                                  |      |  |
| Hitchcock Properties LLC           | Real Estate Property Management        | 1,525,930                        | 9    | 0.23%  | 1,312,500                        | 8    | 0.25%  |
| Altra Industrial Motion            | Manufacturer                           | 1,312,400                        | 10   | 0.20%  |                                  |      |  |
| Perry Technology Corporation       | Retail                                 |                                  |      |  | 3,239,210                        | 4    | 0.62%  |
| Two Hundred Kelsey Associates      | Real Estate Management                 |                                  |      |  | 1,120,000                        | 10   | 0.21%  |
| Snowy Night Firelight Woodsmoke    | Retail                                 |                                  |      |  | 1,217,580                        | 9    | 0.23%  |
|                                    |  | \$ 40,835,450                    |      | 6.27%  | \$ 36,903,730                    |      | 7.02%  |

Source: Assessor's Office, Town of New Hartford

**TOWN OF NEW HARTFORD**  
Property Tax Levies and Collections  
Last Ten Fiscal Years

| Fiscal Year | Tax Rate in Mills | Total Tax Levy for Fiscal Year | Collected Within Fiscal Year of Levy |                    | Collections in Subsequent Years | Tax Collections to Date |                    |
|-------------|-------------------|--------------------------------|--------------------------------------|--------------------|---------------------------------|-------------------------|--------------------|
|             |                   |                                | Amount                               | Percentage of Levy |                                 | Amount                  | Percentage of Levy |
| 2006        | 26.50             | 14,721,747                     | 14,449,498                           | 98.2%              | 116,728                         | 14,566,226              | 98.9%              |
| 2007        | 27.10             | 15,293,495                     | 15,119,089                           | 98.9%              | 160,653                         | 15,279,742              | 99.9%              |
| 2008        | 28.15             | 16,169,557                     | 15,931,870                           | 98.5%              | 209,672                         | 16,141,542              | 99.8%              |
| 2009        | 29.00             | 16,876,463                     | 16,649,176                           | 98.7%              | 220,888                         | 16,870,064              | 100.0%             |
| 2010        | 23.90             | 16,726,035                     | 16,447,947                           | 98.3%              | 224,296                         | 16,672,243              | 99.7%              |
| 2011        | 24.00             | 16,913,359                     | 16,648,060                           | 98.4%              | 202,795                         | 16,850,855              | 99.6%              |
| 2012        | 24.20             | 17,201,545                     | 16,965,763                           | 98.6%              | 177,757                         | 17,143,520              | 99.7%              |
| 2013        | 24.80             | 17,815,716                     | 17,498,226                           | 98.2%              | 213,275                         | 17,711,501              | 99.4%              |
| 2014        | 24.95             | 17,943,205                     | 17,675,720                           | 98.5%              | 115,666                         | 17,791,386              | 99.2%              |
| 2015        | 27.68             | 18,143,764                     | 17,840,536                           | 98.3%              | -                               | 17,840,536              | 98.3%              |

Source: Tax Collector Reports

**TOWN OF NEW HARTFORD**  
Ratios of Outstanding Debt By Type  
Last Ten Fiscal Years

Table 9

| Fiscal Year | Governmental Activities  |                         |                          | Business Type Activities                                    |                                      | Other Debt             |             |               | Total Primary Government Debt | Total Debt per Capita | Percentage of Personal Income <sup>2</sup> |
|-------------|--------------------------|-------------------------|--------------------------|---|--------------------------------------|------------------------|-------------|---------------|-------------------------------|-----------------------|--|
|             | General Obligation Bonds | Bond Anticipation Notes | General Obligation Bonds | Percentage of Actual Taxable Value of Property <sup>1</sup> | Total Primary Government Bonded Debt | Bonded Debt per Capita | USDA Note   | Capital Lease | Sewer Notes                   |                       |  |
| 2015        | \$ 2,830,000             | \$ -                    | \$ 20,000                | 0.31%   | \$ 2,850,000                         | 414                    | \$3,430,079 | 19,500        | \$660,210                     | \$ 6,959,789          | 2.70%                                      |
| 2014        | 3,190,000                | -                       | 40,000                   | 0.32%   | 3,230,000                            | 466                    | 3,513,350   | 37,955        | 678,479                       | 7,459,784             | 2.76%                                      |
| 2013        | 3,645,000                | -                       | 60,000                   | 0.36%   | 3,705,000                            | 537                    | 3,594,000   | -             | 694,507                       | 7,993,507             | 2.73%                                      |
| 2012        | 4,241,000                | -                       | 80,000                   | 0.43%   | 4,321,000                            | 628                    | 3,594,000   | -             | 709,099                       | 8,624,099             | 3.41%                                      |
| 2011        | 4,842,000                | -                       | 105,000                  | 0.49%   | 4,947,000                            | 710                    | 3,594,000   | -             | 723,618                       | 9,264,618             | 3.64%                                      |
| 2010        | 5,443,000                | 8,900,000               | 130,000                  | 1.45%   | 14,473,000                           | 2,149                  | -           | -             | 737,251                       | 15,210,251            | 7.42%                                      |
| 2009        | 5,943,000                | -                       | 155,000                  | 0.77%   | 6,098,000                            | 905                    | -           | -             | 750,569                       | 6,848,569             | 3.34%                                      |
| 2008        | 6,005,000                | -                       | 180,000                  | 0.80%   | 6,185,000                            | 919                    | -           | -             | 763,323                       | 6,948,323             | 3.39%                                      |
| 2007        | 6,537,000                | -                       | 205,000                  | 0.88%   | 6,742,000                            | 1,001                  | -           | -             | 775,667                       | 7,517,667             | 3.68%                                      |
| 2006        | 3,800,000                | 3,800,000               | 230,000                  | 1.04%   | 7,830,000                            | 1,152                  | -           | -             | 786,344                       | 8,616,344             | 4.17%                                      |

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

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

<sup>2</sup> See Table 16 for personal income and population data.

**TOWN OF NEW HARTFORD**  
Legal Debt Margin Information  
Last Ten Fiscal Years

Table 10

|   | 2006          | 2007          | 2008          | 2009          | 2010          | 2011          | 2012          | 2013          | 2014          | 2015          |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Debt limitation   | \$103,044,606 | \$107,600,976 | \$113,262,107 | \$119,117,327 | \$117,889,170 | \$119,524,370 | \$121,581,929 | \$124,470,437 | \$126,290,486 | \$127,775,816 |
| Total net debt applicable to limit                                      | \$ 12,573,040 | \$ 11,380,371 | \$ 9,785,186  | \$ 9,570,579  | \$ 17,542,645 | \$ 7,756,015  | \$ 8,352,087  | \$ 9,716,111  | \$ 8,853,680  | \$ 8,035,572  |
| Legal debt margin   | \$ 90,471,566 | \$ 96,220,605 | \$103,476,921 | \$109,546,748 | \$100,346,525 | \$111,768,355 | \$113,229,842 | \$114,754,326 | \$117,436,806 | \$119,740,244 |
| Total net debt applicable to the limit<br>as a percentage of debt limit | 12.20%        | 10.58%        | 8.64%         | 8.03%         | 14.88%        | 6.49%         | 6.87%         | 7.81%         | 7.01%         | 6.29%         |

Note: The State of Connecticut General Statutes require that in no event shall the total debt of the Town exceed seven (7) times the annual receipts from taxation. The calculation of the 2015 debt limit can be found on page 73 of this Report.

**TOWN OF NEW HARTFORD**  
**Direct and Overlapping Governmental Activities Debt**  
**As of June 30, 2015**

Table 11

| <u>Governmental Unit</u>          | <u>Debt<br/>Outstanding</u> | <u>Estimated<br/>Percentage<br/>Applicable<sup>1</sup></u> | <u>Estimated<br/>Share of<br/>Overlapping<br/>Debt</u> |
|-----------------------------------|-----------------------------|--|--|
| Debt repaid with property taxes:  |                             |  |  |
| Regional School District Number 7 | \$ 3,436,386                | 51.10%   | \$ 1,755,993   |
| Subtotal, overlapping debt        |                             |  | <u>1,755,993</u>                                       |
| Town of New Hartford direct debt  |                             |  | <u>6,279,579</u>                                       |
| Total direct and overlapping debt |                             |  | <u>\$ 8,035,572</u>                                    |

Sources: Enrollment data used to estimate applicable percentage provided by Regional School District Number 7. Debt outstanding data also provided by Regional School District Number 7.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Town. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the Town of New Hartford. This process recognizes that when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

<sup>1</sup>The percentage of overlapping debt applicable is estimated using student population. Applicable percentages were estimated by determining the towns enrolled student population at Regional School District Number 7 and dividing it by the student population at Regional School District Number 7

**TOWN OF NEW HARTFORD**  
Pledged-Revenue Coverage  
Last Ten Fiscal Years  
(amounts expressed in thousands)

Table 12

| <b>WPCA Notes</b> |                  |                  |                  |                     |                 |                 |
|-------------------|------------------|------------------|------------------|---------------------|-----------------|-----------------|
| <b>Fiscal</b>     | <b>Service</b>   | <b>Less:</b>     | <b>Net</b>       | <b>Debt Service</b> |                 |                 |
| <b>Year</b>       | <b>Charges</b>   | <b>Operating</b> | <b>Available</b> | <b>Principal</b>    | <b>Interest</b> | <b>Coverage</b> |
|                   | <b>and Other</b> | <b>Expenses</b>  | <b>Revenue</b>   |                     |                 |                 |
| 2006              | \$ 504           | \$ 362           | \$ 142           | \$ 12               | \$ 36           | 2.96            |
| 2007              | 508              | 484              | 24               | 12                  | 36              | 0.50            |
| 2008              | 535              | 588              | (53)             | 12                  | 35              | -1.13           |
| 2009              | 557              | 493              | 64               | 13                  | 34              | 1.36            |
| 2010              | 626              | 463              | 163              | 13                  | 33              | 3.54            |
| 2011              | 618              | 574              | 44               | 14                  | 32              | 0.96            |
| 2012              | 667              | 511              | 156              | 15                  | 103             | 1.32            |
| 2013              | 722              | 496              | 226              | 15                  | 107             | 1.85            |
| 2014              | 741              | 640              | 101              | 36                  | 104             | 0.72            |
| 2015              | 702              | 618              | 84               | 23                  | 101             | 0.68            |

Note: Details regarding the government's outstanding debt can be found in the notes to the financial statements. Service charges and other includes investment earnings. Operating expenses do not include interest or depreciation.

**TOWN OF NEW HARTFORD**  
**Annual Bonded Debt Maturity Schedule**  
**As of June 30, 2015**

Table 13

| <u>Fiscal</u><br><u>Year</u> | <u>Principal</u>           | <u>Interest</u>          | <u>Total</u>               |
|------------------------------|----------------------------|--------------------------|----------------------------|
| 2016                         | 390,000                    | 117,418                  | 507,418                    |
| 2017                         | 370,000                    | 99,713                   | 469,713                    |
| 2018                         | 370,000                    | 82,910                   | 452,910                    |
| 2019                         | 370,000                    | 66,213                   | 436,213                    |
| 2020                         | 160,000                    | 54,850                   | 214,850                    |
| 2021                         | 170,000                    | 48,450                   | 218,450                    |
| 2022                         | 170,000                    | 41,650                   | 211,650                    |
| 2023                         | 170,000                    | 34,850                   | 204,850                    |
| 2024                         | 170,000                    | 28,050                   | 198,050                    |
| 2025                         | 170,000                    | 21,038                   | 191,038                    |
| 2026                         | 170,000                    | 14,026                   | 184,026                    |
| 2027                         | 170,000                    | 7,012                    | 177,012                    |
| <b>Total</b>                 | <b><u>\$ 2,850,000</u></b> | <b><u>\$ 616,180</u></b> | <b><u>\$ 3,466,180</u></b> |

**TOWN OF NEW HARTFORD**  
**Annual Self-Supporting Water and Sewer Debt Maturity Schedule**  
**As of June 30, 2015**

Table 14

| <u>Fiscal</u><br><u>Year</u> | <u>Principal</u>  | <u>Interest</u>   | <u>Total</u>        |
|------------------------------|-------------------|-------------------|---------------------|
| 2016                         | 16,199            | 29,932            | 46,131              |
| 2017                         | 16,784            | 29,200            | 45,984              |
| 2018                         | 17,394            | 28,443            | 45,837              |
| 2019                         | 18,033            | 27,656            | 45,689              |
| 2020                         | 18,699            | 26,843            | 45,542              |
| 2021                         | 19,396            | 25,998            | 45,394              |
| 2022                         | 20,125            | 25,122            | 45,247              |
| 2023                         | 20,886            | 24,213            | 45,099              |
| 2024                         | 21,682            | 23,270            | 44,952              |
| 2025                         | 22,513            | 22,291            | 44,804              |
| 2026                         | 23,381            | 21,275            | 44,656              |
| 2027                         | 24,288            | 20,221            | 44,509              |
| 2028                         | 22,027            | 19,123            | 41,150              |
| 2029                         | 23,018            | 18,131            | 41,149              |
| 2030                         | 24,054            | 17,095            | 41,149              |
| 2031                         | 25,136            | 16,013            | 41,149              |
| 2032                         | 26,267            | 14,882            | 41,149              |
| 2033                         | 27,450            | 13,700            | 41,150              |
| 2034                         | 28,685            | 12,465            | 41,150              |
| 2035                         | 29,976            | 11,174            | 41,150              |
| 2036                         | 31,324            | 9,826             | 41,150              |
| 2037                         | 32,734            | 8,416             | 41,150              |
| 2038                         | 34,207            | 6,943             | 41,150              |
| 2039                         | 35,747            | 5,403             | 41,150              |
| 2040                         | 37,355            | 3,795             | 41,150              |
| 2041                         | 37,629            | 2,116             | 39,745              |
| 2042                         | 7,848             | 380               | 8,228               |
| Total                        | <u>\$ 662,837</u> | <u>\$ 463,926</u> | <u>\$ 1,126,763</u> |



**TOWN OF NEW HARTFORD**  
**Long-Term Debt Ratios**  
**For the Year Ended June 30, 2015**

Table 15

|   |               |
|---|---------------|
| 1 Population                              | 6,886         |
| 2 Net Taxable Grand List (10/1/13)        | \$615,741,880 |
| Estimated Full Value (70%)                | \$879,631,257 |
| 1 Equalized Net Taxable Grand List (2012) | \$939,030,593 |
| 1 Money Income per Capita (2013)          | \$37,461      |

|  | Total<br>Direct Debt<br><u>\$ 2,830,000</u> | Total Net<br>Direct Debt<br><u>\$ 2,830,000</u> | Total Overall<br>Net Debt<br><u>\$ 4,585,993</u> |
|--|---|---|--|
| Per Capita                                 | \$410.98                                    | \$410.98  | \$665.99   |
| Ratio to Net Taxable Grand List            | 0.46%                                       | 0.46%   | 0.74%  |
| Ratio to Estimated Full Value              | 0.32%                                       | 0.32%   | 0.52%  |
| Ratio to Equalized Net Taxable Grand List  | 0.30%                                       | 0.30%   | 0.49%  |
| Debt per Capita to Money Income per Capita | 1.10%                                       | 1.10%   | 1.78%  |

1 State of Connecticut Municipal Fiscal Indicators, (2009-2013 American Community Survey)

2 Revalued 10/1/12

**TOWN OF NEW HARTFORD**

Table 16

**Presentation of Intergovernmental Revenues as a Percentage of General Fund Revenues  
As of June 30, 2015**

|                           | <u>General Fund</u> | <u>Governmental Funds</u> |
|---------------------------|---------------------|---------------------------|
| Intergovernmental Revenue | \$ 5,236,397        | \$ 5,287,314              |
| Total Revenue             | \$ 23,794,709       | \$ 24,142,240             |
| Percent Intergovernmental | 22.01%              | 21.90%                    |

**TOWN OF NEW HARTFORD**  
**Enumeration of Outstanding Bond Authorizations**  
**As of June 30, 2015**

Table 17

| Project               | Authorized           | Debt Issued         | (Grants/<br>Paydowns) | Authorized/Unissued |                     |                   |
|-----------------------|----------------------|---------------------|-----------------------|---------------------|---------------------|-------------------|
|                       |                      |                     |                       | General<br>Purpose  | School              | Sewer             |
| Sewer Treatment Plant | \$ 8,950,000         | \$ 3,594,000        | \$ 4,596,716          | \$ -                | \$ -                | \$ 759,284        |
| Antolini School 2014  | 4,751,000            | -                   | -                     | -                   | 4,751,000           | -                 |
| Sewer Treatment Plant | 759,000              | -                   | -                     | 759,000             | -                   | -                 |
|                       | <u>\$ 14,460,000</u> | <u>\$ 3,594,000</u> | <u>\$ 4,596,716</u>   | <u>\$ 759,000</u>   | <u>\$ 4,751,000</u> | <u>\$ 759,284</u> |

Source:  
Debt Report and Statutory Debt Limits as June 1, 2015

**TOWN OF NEW HARTFORD**  
Demographic and Economic Statistics  
Last Ten Fiscal Years

Table 18

| Fiscal Year | Population <sup>1</sup> | Personal Income<br>(thousands of dollars) | Per Capita Personal Income <sup>2</sup> | Median Age | Education Level in Years of Schooling | School Enrollment <sup>4</sup> | Unemployment Rate <sup>3</sup> |
|-------------|-------------------------|---|---|------------|---------------------------------------|--------------------------------|--------------------------------|
| 2015        | 6,886                   | \$ 257,956                                | \$ 37,461                               | 44         | N/A                                   | 494                            | 4.3%                           |
| 2014        | 6,924                   | 263,791                                   | 38,098                                  | 44         | N/A                                   | 545                            | 5.6%                           |
| 2013        | 6,901                   | 292,457                                   | 42,379                                  | 44         | N/A                                   | 569                            | 7.2%                           |
| 2012        | 6,882                   | 253,086                                   | 36,775                                  | 43         | N/A                                   | 582                            | 6.6%                           |
| 2011        | 6,970                   | 254,182                                   | 36,468                                  | 43         | N/A                                   | 608                            | 7.6%                           |
| 2010        | 6,736                   | 204,970                                   | 30,429                                  | 43         | N/A                                   | 625                            | 7.6%                           |
| 2009        | 6,736                   | 204,970                                   | 30,429                                  | 43         | N/A                                   | 616                            | 7.2%                           |
| 2008        | 6,728                   | 204,726                                   | 30,429                                  | 39         | N/A                                   | 609                            | 4.9%                           |
| 2007        | 6,736                   | 204,970                                   | 30,429                                  | 39         | N/A                                   | 612                            | 4.1%                           |
| 2006        | 6,794                   | 206,735                                   | 30,429                                  | 39         | N/A                                   | 631                            | 3.5%                           |

<sup>1</sup> State of Connecticut Department of Economic and Community Development

<sup>2</sup> State of Connecticut Municipal Fiscal Indicators, (2009-2013 American Community Survey)

<sup>3</sup> State of Connecticut Department of Labor

<sup>4</sup> State of Connecticut Department of Education

Note: The per capita personal income figures are based upon the U.S. Bureau of Census compiled in 2011. The information contained in the Census is the most recent data available.

# TOWN OF NEW HARTFORD

Principal Employers  
Current Year and Nine  
Years Ago

Table 19

| Employer                        | Nature of Business                           | 2015      |      |                                     | 2006      |      |                               |
|---------------------------------|--|-----------|------|-------------------------------------|-----------|------|-------------------------------|
|                                 |  | Employees | Rank | Percentage of Total Town Employment | Employees | Rank | Percentage of Town Employment |
| Altra Industrial Motion         | Mfgr of Electromagnetic Clutches & Brakes    | 118       | 1    | 3.0%                                | N/A       | N/A  | N/A                           |
| Perry Technology Corporation    | Mfgr of Machined Parts                       | 100       | 2    | 2.5%                                | N/A       | N/A  | N/A                           |
| New Hartford Board of Education | Board of Education                           | 85        | 3    | 2.2%                                | 100       | 1    | 2.8%                          |
| Ovation Instruments             | Mfgr of Musical Instruments                  | 54        | 4    | 1.4%                                | N/A       | N/A  | N/A                           |
| Marandino Foods                 | Grocery Store                                | 40        | 5    | 1.0%                                | N/A       | N/A  | N/A                           |
| Town of New Hartford            | Municipality                                 | 34        | 6    | 0.9%                                | 36        | 2    | 1.0%                          |
| Syntac Coated Products LLC      | Mfgr of Pressure Sensitive Adhesive Products | 30        | 7    | 0.8%                                | N/A       | N/A  | N/A                           |
| Hurley Mfg                      | Mfgr of Metal Springs                        | 27        | 8    | 0.7%                                | N/A       | N/A  | N/A                           |
| Ski Sundown Inc.                | Ski Area                                     | 15        | 9    | 0.4%                                | N/A       | N/A  | N/A                           |
| MTI Enterprises, Inc.           | Dramatic Licensing Agency                    | 12        | 10   | 0.3%                                | N/A       | N/A  | N/A                           |

Sources: Town of New Hartford; CT Department of Labor

# TOWN OF NEW HARTFORD

Full-Time Equivalent Employees By Function  
Last Ten Fiscal Years

Table 20

| Function/Department        | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
|----------------------------|------|------|------|------|------|------|------|------|------|------|
| General Government         |      |      |      |      |      |      |      |      |      |      |
| Town Clerk                 | 2    | 2    | 2    | 2    | 2    | 2    | 2    | 2    | 2    | 2    |
| Tax Collector              | 2    | 2    | 2    | 2    | 2    | 2    | 2    | 2    | 2    | 2    |
| Registrar of Voters        | 0    | 1    | 1    | 1    | 2    | 2    | 2    | 2    | 2    | 2    |
| Assessor                   | 2    | 2    | 2    | 2    | 2    | 2    | 2    | 2    | 2    | 2    |
| Board of Assessment        | 3    | 3    | 3    | 3    | 3    | 3    | 3    | 3    | 3    | 3    |
| Financial Services         | 2    | 2    | 2    | 2    | 2    | 2    | 2    | 2    | 2    | 2    |
| Administrative Services    | 3    | 3    | 3    | 3    | 3    | 3    | 3    | 3    | 3    | 3    |
| Public Safety              |      |      |      |      |      |      |      |      |      |      |
| Fire                       | 3    | 3    | 3    | 3    | 3    | 2    | 2    | 2    | 2    | 2    |
| Police                     | 3    | 3    | 3    | 3    | 3    | 3    | 3    | 2    | 3    | 4    |
| Community Maintenance      |      |      |      |      |      |      |      |      |      |      |
| Building Official          | 1    | 1    | 1    | 1    | 1    | 1    | 1    | 1    | 1    | 1    |
| Land Use                   | 2    | 2    | 2    | 2    | 2    | 1    | 1    | 1    | 1    | 1    |
| Zoning Enforcement Officer | 1    | 1    | 1    | 1    | 1    | 1    | 1    | 1    | 1    | 1    |
| Public Works               | 10   | 11   | 11   | 11   | 8    | 7    | 8    | 8    | 8    | 8    |
| Human and Cultural         |      |      |      |      |      |      |      |      |      |      |
| Leisure Services           | 2    | 2    | 2    | 2    | 2    | 0    | 0    | 1    | 1    | 1    |
| Human & Leisure Services   | 0    | 1    | 1    | 1    | 1    | 0    | 0    | 0    | 0    | 0    |
| Total - Town               | 36   | 39   | 39   | 39   | 37   | 31   | 32   | 32   | 33   | 34   |
| Education                  |      |      |      |      |      |      |      |      |      |      |
| Instructional Staff        | 70   | 70   | 70   | 75   | 70   | 62   | 53   | 52   | 52   | 50   |
| Non-Instructional Staff    | 30   | 29   | 32   | 35   | 33   | 35   | 45   | 41   | 38   | 35   |
| Total - Education          | 100  | 99   | 102  | 110  | 103  | 97   | 98   | 93   | 90   | 85   |
| TOTAL                      | 136  | 138  | 141  | 149  | 140  | 128  | 130  | 125  | 123  | 119  |

Source: Various Town Departments

**TOWN OF NEW HARTFORD**  
Operating Indicators By Function  
Last Ten Fiscal Years

| Function/Department                               | 2006           | 2007           | 2008                | 2009                | 2010             | 2011                | 2012                | 2013                | 2014       | 2015       |
|---|----------------|----------------|---------------------|---------------------|------------------|---------------------|---------------------|---------------------|------------|------------|
| <b>GENERAL GOVERNMENT</b>                         |                |                |                     |                     |                  |                     |                     |                     |            |            |
| Town Clerk  | 2,415          | 2,199          | 1,719               | 1,645               | 1,688            | 1,732               | 1,756               | 1,865               | 1,641      | 1,463      |
| Land Records Processed                            |                |                |                     |                     |                  |                     |                     |                     |            |            |
| Registrar of Voters                               | 4,669          | 4,711          | 4,798               | 4,878               | 4,844            | 4,853               | 4,722               | 5,144               | 4,952      | 4,674      |
| Number of Registered Voters                       | N/A            | N/A            | N/A                 | 94.78%              | N/A              | N/A                 | N/A                 | 85.04%              | N/A        | N/A        |
| Voter Turnout % - National Election               | N/A            | N/A            | N/A                 | N/A                 | N/A              | N/A                 | N/A                 | N/A                 | N/A        | N/A        |
| Voter Turnout % - State Election                  | 49.20%         | N/A            | 42.70%              | 94.78%              | 51.70%           | N/A                 | N/A                 | N/A                 | 50.54%     | 70.23%     |
| Voter Turnout % - Local Election                  |                |                |                     |                     |                  |                     |                     |                     |            |            |
| <b>PUBLIC SAFETY</b>                              |                |                |                     |                     |                  |                     |                     |                     |            |            |
| Police  |                |                |                     |                     |                  |                     |                     |                     |            |            |
| Number of 911 Call Responses                      | N/A            | N/A            | N/A                 | N/A                 | N/A              | N/A                 | N/A                 | N/A                 | N/A        | N/A        |
| Number of Physical Arrests                        | 78             | 59             | 73                  | N/A                 | N/A              | N/A                 | 83                  | 74                  | 49         | 64         |
| Number of Major Crimes                            | 54             | 60             | 46                  | N/A                 | N/A              | N/A                 | N/A                 | N/A                 | N/A        | N/A        |
| Number of Parking Violations                      | N/A            | N/A            | N/A                 | N/A                 | N/A              | N/A                 | N/A                 | N/A                 | N/A        | N/A        |
| Number of Traffic Stops                           | 1,249          | 785            | 1,026               | 848                 | 896              | 823                 | 724                 | 518                 | 684        | 1,047      |
| <b>Fire</b>                                       |                |                |                     |                     |                  |                     |                     |                     |            |            |
| Number of Fire Related Calls                      | N/A            | N/A            | N/A                 | N/A                 | N/A              | N/A                 | N/A                 | N/A                 | N/A        | N/A        |
| Number of Emergency Medical/Rescue Calls          | N/A            | N/A            | N/A                 | N/A                 | N/A              | N/A                 | N/A                 | N/A                 | N/A        | N/A        |
| Number of Fires Extinguished                      | N/A            | N/A            | N/A                 | N/A                 | N/A              | N/A                 | N/A                 | N/A                 | N/A        | N/A        |
| Ambulance   |                |                |                     |                     |                  |                     |                     |                     |            |            |
| Number of Ambulance Calls                         | N/A            | N/A            | N/A                 | N/A                 | N/A              | N/A                 | N/A                 | N/A                 | N/A        | N/A        |
| <b>COMMUNITY MAINTENANCE</b>                      |                |                |                     |                     |                  |                     |                     |                     |            |            |
| Building Department                               | 739            | 727            | 698                 | 540                 | 587              | 622                 | 773                 | N/A                 | N/A        | N/A        |
| Number of Inspections Conducted                   | 535            | 468            | 413                 | 443                 | 421              | 472                 | 496                 | 501                 | 506        | N/A        |
| Number of Building Permits Issued                 |                |                |                     |                     |                  |                     |                     |                     |            |            |
| Public Works                                      |                |                |                     |                     |                  |                     |                     |                     |            |            |
| Number of Snow Operations                         | N/A            | N/A            | N/A                 | N/A                 | N/A              | N/A                 | N/A                 | N/A                 | N/A        | N/A        |
| Miles of Street Reconstructed                     | N/A            | N/A            | N/A                 | N/A                 | N/A              | N/A                 | N/A                 | N/A                 | N/A        | N/A        |
| <b>UMAN AND CULTURAL</b>                          |                |                |                     |                     |                  |                     |                     |                     |            |            |
| Parks & Recreation                                |                |                |                     |                     |                  |                     |                     |                     |            |            |
| Number of instructional programs conducted        | 48             | 47             | 51                  | 48                  | 57               | 60                  | 61                  | 65                  | N/A        | N/A        |
| Number of Members at Senior Center                | N/A            | N/A            | N/A                 | N/A                 | N/A              | N/A                 | N/A                 | N/A                 | N/A        | N/A        |
| Library   |                |                |                     |                     |                  |                     |                     |                     |            |            |
| Volumes in Collection**                           | 30,000         | 30,000         | 30,000              | 30,000              | 30,000           | 30,000              | 30,000              | 30,000              | 30,000     | 30,000     |
| Registered Borrowers                              | N/A            | N/A            | N/A                 | N/A                 | N/A              | N/A                 | N/A                 | N/A                 | N/A        | N/A        |
| Transit District                                  |                |                |                     |                     |                  |                     |                     |                     |            |            |
| Number of Dial-A-Ride Trips                       | 1,334          | 2,025          | 980                 | 662                 | 873              | 861                 | 1,141               | 747                 | 542        | 684        |
| <b>EDUCATION</b>                                  |                |                |                     |                     |                  |                     |                     |                     |            |            |
| Average Class Size                                | 19             | 18             | 17                  | 18                  | 18               | 21                  | 22                  | 21                  | 20         | 19         |
| Elementary Schools                                | x              | x              | x                   | x                   | x                | x                   | x                   | x                   | x          | x          |
| Middle School*                                    | x              | x              | x                   | x                   | x                | x                   | x                   | x                   | x          | x          |
| High School*                                      | x              | x              | x                   | x                   | x                | x                   | x                   | x                   | x          | x          |
| SAT Scores*                                       |                |                |                     |                     |                  |                     |                     |                     |            |            |
| Math/Verbal                                       |                |                |                     |                     |                  |                     |                     |                     |            |            |
| CAPT Scores                                       |                |                |                     |                     |                  |                     |                     |                     |            |            |
| % at goal (average of tests taken in Grade 10) *  | x              | x              | x                   | x                   | x                | x                   | x                   | x                   | x          | x          |
| <b>CMT Scores</b>                                 |                |                |                     |                     |                  |                     |                     |                     |            |            |
| % at goal: Grade 3 - Reading/Writing/Math         | 82.9/78.9/84.2 | 74.1/73.8/76.5 | 83.3/85.4/90.6      | 86.7/86.9/96.4      | 84.9/89.7/94.2   | 74.4/81.4/88.4      | 84.1/85.5/91.5      | 76.5/75.9/80.2      | x/x/x      | x/x/x      |
| % at goal: Grade 4 - Reading/Writing/Math         | 80.2/78.0/71.4 | 78.7/81.3/80.0 | 75.9/72.4/79.3      | 85.3/81.8/91.8      | 74.4/75.9/80.2   | 85.2/92.0/94.3      | 78.4/84.1/89.7      | 86.6/78.0/87.8      | x/x/x      | x/x/x      |
| % at goal: Grade 5 - Reading/Writing/Math/Science | 83.5/89.4/81.2 | 80.4/83.7/83.7 | 84.9/82.2/90.4/80.8 | 82.6/79.3/83.7/70.1 | 84.0/87.5/94.7/x | 80.2/87.4/91.9/75.9 | 85.5/90.7/93.0/87.2 | 72.2/68.9/89.9/78.9 | x/x/x/86.4 | x/x/x/87.2 |
| % at goal: Grade 6 - Reading/Writing/Math         | 86.0/84.9/80.6 | 85.4/82.9/90.2 | 86.8/70.8/88.8      | 90.0/87.1/94.3      | 80.9/66.7/77.5   | 91.7/79.8/91.8      | 91.1/78.0/91.1      | 94.3/84.1/88.6      | x/x/x      | x/x/x      |
| % at goal: Grade 7 - Reading/Writing/Math*        | x/x/x          | x/x/x          | x/x/x               | x/x/x               | x/x/x            | x/x/x               | x/x/x               | x/x/x               | x/x/x      | x/x/x      |
| % at goal: Grade 8 - Reading/Writing/Math*        | x/x/x          | x/x/x          | x/x/x               | x/x/x               | x/x/x            | x/x/x               | x/x/x               | x/x/x               | x/x/x      | x/x/x      |

Source: Various Town Departments

\* New Hartford Schools are only grades K-6; students go on to attend a Regional School District upon completion of 6th grade.

\*\* estimated by the Bakerville Library stating that the size of their collection is over 14,000 and there are two libraries in the Town.

N/A = not available

**TOWN OF NEW HARTFORD**  
Capital Asset Statistics By Function  
Last Ten Fiscal Years

Table 22

| Function/Department       | 2006 | 2007 | 2008 | 2009  | 2010  | 2011  | 2012  | 2013  | 2014  | 2015  |
|---------------------------|------|------|------|-------|-------|-------|-------|-------|-------|-------|
| <b>GENERAL GOVERNMENT</b> |      |      |      |       |       |       |       |       |       |       |
| Town Offices              | 1    | 1    | 1    | 1     | 1     | 1     | 1     | 1     | 1     | 1     |
| <b>PUBLIC SAFETY</b>      |      |      |      |       |       |       |       |       |       |       |
| Police                    | 6    | 7    | 7    | 6     | 6     | 6     | 6     | 3     | 3     | 4     |
| Police Cars               |      |      |      |       |       |       |       |       |       |       |
| Fire                      | 3    | 3    | 3    | 3     | 3     | 3     | 3     | 3     | 3     | 3     |
| Stations                  | 8    | 8    | 8    | 8     | 8     | 8     | 8     | 8     | 8     | 8     |
| Pieces of Equipment       |      |      |      |       |       |       |       |       |       |       |
| <b>TOWN MAINTENANCE</b>   |      |      |      |       |       |       |       |       |       |       |
| Public Works              |      |      |      |       |       |       |       |       |       |       |
| Miles of Town Streets     | N/A  | N/A  | N/A  | 81.7  | 82.6  | 82.6  | 82.6  | 82.6  | 82.6  | 82.6  |
| Miles of Highway          | N/A  | N/A  | N/A  | 18.36 | 18.36 | 18.36 | 18.36 | 18.36 | 18.36 | 18.36 |
| Streetslights             | N/A  | N/A  | N/A  | N/A   | N/A   | N/A   | N/A   | N/A   | N/A   | N/A   |
| Traffic Signals           | N/A  | N/A  | N/A  | N/A   | N/A   | N/A   | N/A   | N/A   | N/A   | N/A   |
| <b>HUMAN AND CULTURAL</b> |      |      |      |       |       |       |       |       |       |       |
| Leisure Services          |      |      |      |       |       |       |       |       |       |       |
| Senior Centers            | 1    | 1    | 1    | 1     | 1     | 1     | 1     | 1     | 1     | 1     |
| Parks                     | 4    | 4    | 4    | 4     | 4     | 4     | 4     | 4     | 4     | 4     |
| Acres of Park Land        | 206  | 206  | 206  | 206   | 206   | 206   | 206   | 206   | 206   | 206   |
| Playgrounds               | 3    | 3    | 3    | 3     | 3     | 3     | 3     | 3     | 3     | 3     |
| Tennis Courts             | 2    | 2    | 2    | 2     | 2     | 2     | 2     | 2     | 2     | 2     |
| Athletic Fields           | 6    | 6    | 6    | 6     | 6     | 6     | 6     | 6     | 6     | 6     |
| Basketball Courts         | 1    | 1    | 2    | 2     | 2     | 2     | 2     | 2     | 2     | 2     |
| Library                   |      |      |      |       |       |       |       |       |       |       |
| Branches                  | 2    | 2    | 2    | 2     | 2     | 2     | 2     | 2     | 2     | 2     |
| <b>EDUCATION</b>          |      |      |      |       |       |       |       |       |       |       |
| Education                 |      |      |      |       |       |       |       |       |       |       |
| Elementary Schools        | 3    | 3    | 3    | 3     | 3     | 3     | 3     | 3     | 3     | 3     |
| Middle Schools*           | N/A  | N/A  | N/A  | N/A   | N/A   | N/A   | N/A   | N/A   | N/A   | N/A   |
| High Schools*             | N/A  | N/A  | N/A  | N/A   | N/A   | N/A   | N/A   | N/A   | N/A   | N/A   |

Source(s): Various Town Departments

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