

**TOWN OF NEW HARTFORD
CONNECTICUT**

Comprehensive Annual Financial Report

For the Fiscal Year Ended

June 30, 2018

Prepared By
Finance Department
New Hartford
New Hartford, Connecticut 06057

TOWN OF NEW HARTFORD

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Introductory Section

TOWN OF NEW HARTFORD

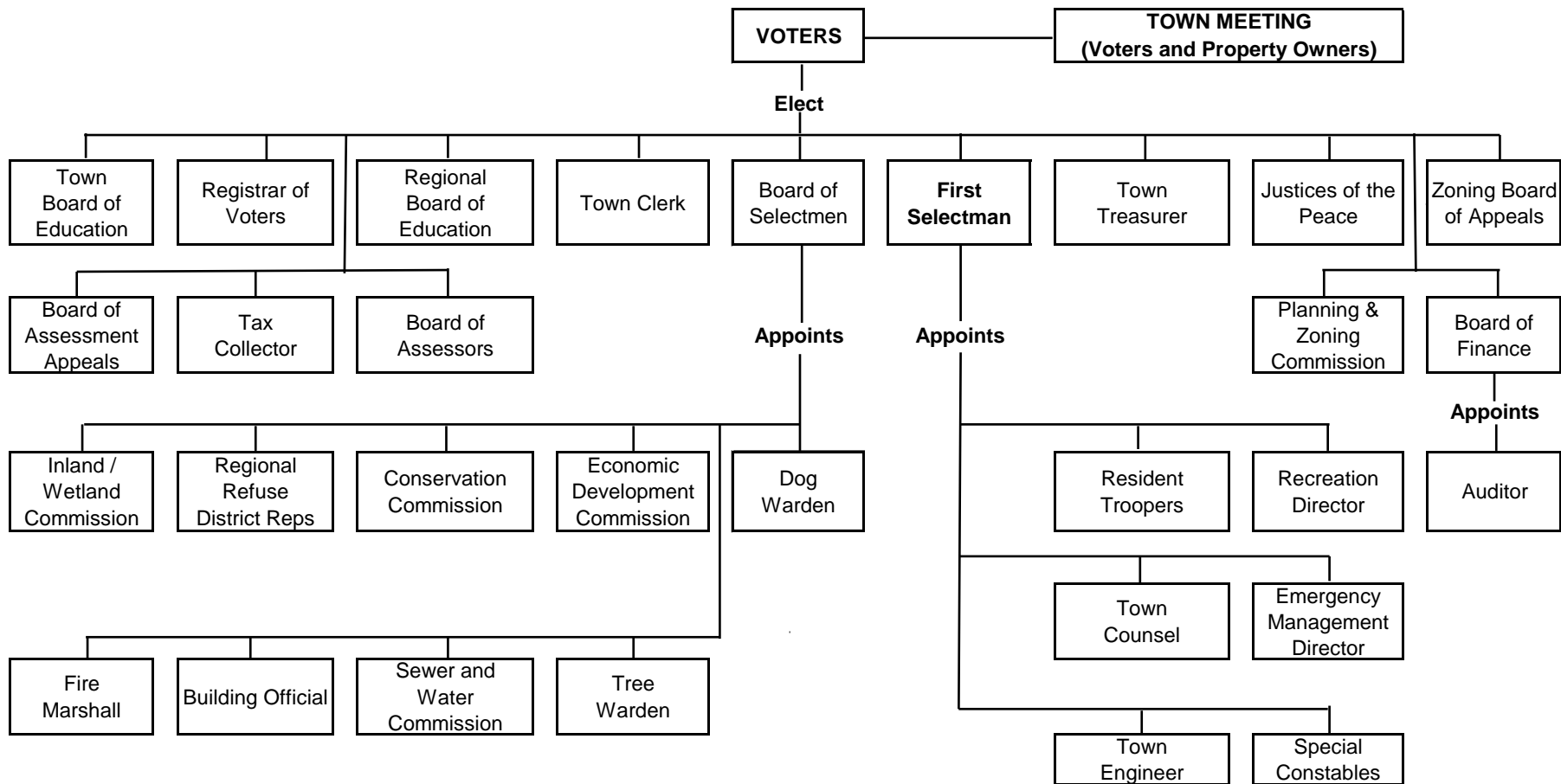
Principal Officials

June 30, 2018

<u>Office</u>	<u>Name</u>	<u>Manner of Selection</u>	<u>Term</u>
First Selectman	Daniel V. Jerram	Elected	2 years
Selectman	Eric Claman	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	Cory Iacino	Appointed	Indefinite
Board of Finance - Chair	James Fitzgerald	Elected	6 years
Board of Education - Chair	Tim Goff	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, 2017

Christopher P. Morrill

Executive Director/CEO



January 28, 2019

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Profile of the Government - Continued

The school building (NWR7) was 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. Last year the Town completed the preservation of the Butler Farm a 95 acre preservation project that included an 8 acre riverfront parcel that will be used for development of a trail. 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 slowed significantly in recent years but there has been a recent uptick in permit issuance and new construction. Supporting new initiatives to foster new economic development remains a priority of the Town and three new commercial developments (two were single buildings and one contained four new buildings) have been built on Route 44.

The Town's principal industries are manufacture of plumbing supplies, aircraft parts, electronic components, springs, industrial adhesives, motion control products, agriculture and plastics. 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.

Form of Government

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 30+ years.

Factors Affecting Financial Condition

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 Condition and Outlook

Local economic indicators have slowed considerably and remain at record low levels. Unemployment remains very high in New Hartford (local unemployment for the 2017/2018 fiscal year was 3.6%). Residential construction, the primary source of Grand List growth remains at relatively low levels. Only nine (9) permits were issued for new homes in 2017/2018 fiscal year with an estimated value of \$2,300,000. 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.

Grants totaling \$306,137 were received to off-set the total cost of acquiring the Butler Farm agricultural easement and riverfront trail. The total purchase price was \$477,360, with the town contributing \$171,222.

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 economic times have 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.

Long-Term Financial Planning

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 a new loan (bond) for the renovation of Ann Antolini School and replacement of Carpenter Road Bridge that totaled \$3,915,000. Debt service on this loan will cost residents and taxpayers roughly \$290,000 per year for the next 20 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.

Cash and Investment Management Policies and Practices

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.

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. 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.

Pension Trust Fund Operations

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 VOYA.

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. The Board of Selectmen review investment performance and asset allocation and make changes based on recommendations of our investment advisors (Hooker & Holcomb). 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 with a current pension fund balance of \$3,983,354 as of June 30, 2018 (balance was \$3,582,775 as of June 30, 2017). Annual pension contributions currently exceed \$260,000.

Independent Audit

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 2017-2018 Town audit. The independent auditor's report is included in this report.

Certificate of Achievement

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 all fiscal years between 2009 & 2018. 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.

Acknowledgments

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. Jerram, 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, 2018 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, 2018, 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 59-63 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, supplemental schedules and the schedule of expenditure of state awards 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, supplemental schedules and schedule of expenditures of state awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 3, 2019, 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
January 3, 2019

TOWN OF NEW HARTFORD, CT
Management's Discussion and Analysis
June 30, 2018

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, 2018.

Financial Highlights

- The assets of the Town of New Hartford, CT exceeded its liabilities at the close of the most recent fiscal year by \$23,382,597 (*net position*). Restricted net position is \$632,719 of which \$12,170 is restricted for Community Investment, \$487,731 is restricted for Community Development, \$117,998 is restricted for Town Hill Cemetery, \$10,463 is restricted for Historical Documents and \$4,357 is restricted for New Hartford Day.
- The Town of New Hartford, CT's, total net position decreased by \$170,178. This decrease is attributable primarily to losses in the Water and Sewer Fund.
- As of the close of the current fiscal year, the Town of New Hartford, CT's governmental funds reported combined ending fund balances of \$4,977,718, an increase of \$3,549,703 in comparison with the prior year. The increase was attributable to proceeds from financing of \$3,915,000. Of this amount, \$2,796,153 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 \$3,343,486 or 13.6% 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, 2018

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 and the Capital Projects Fund, which is considered to be a major fund. The remaining eleven funds are combined into a single aggregated presentation in the financial statements.

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, 2018

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 30-58 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 \$23,382,597 at the close of the most recent fiscal year.

	Governmental Activities		Business-Type Activities		Totals	
	2018	2017	2018	2017	2018	2017
Current and Other Assets	\$ 6,132,347	\$ 6,365,277	\$ 233,393	\$ 225,702	\$ 6,365,740	\$ 6,590,979
Capital Assets	19,228,578	19,219,380	10,143,059	10,430,235	29,371,637	29,649,615
Total Assets	25,360,925	25,584,657	10,376,452	10,655,937	35,737,377	36,240,594
Deferred Outflows of Resources	154,062	106,192	-	-	154,062	106,192
Long-term Liabilities	7,735,286	8,600,586	2,789,985	2,820,221	10,525,271	11,420,807
Other Liabilities	1,437,201	932,416	244,825	206,507	1,682,026	1,138,923
Total Liabilities	9,172,487	9,533,002	3,034,810	3,026,728	12,207,297	12,559,730
Deferred Inflows of Resources	301,545	234,281	-	-	301,545	234,281
Net Position:						
Net Investment in						
Capital Assets	13,405,590	12,967,824	9,520,794	9,790,577	19,762,711	19,503,070
Restricted	632,719	623,410	-	-	632,719	623,410
Unrestricted	2,002,646	2,332,332	(2,179,152)	(2,161,368)	2,987,167	3,426,095
Total Net Position	\$ 16,040,955	\$ 15,923,566	\$ 7,341,642	\$ 7,629,209	\$ 23,382,597	\$ 23,552,775

The restricted portion of the Town of New Hartford, CT's net position represents net position restricted for Community Investments (\$12,170), Small Cities Housing Rehabilitation (\$487,731), Town Hill Cemetery (\$117,998), and other purposes (\$14,820). The balance of *unrestricted net position* of \$2,987,167 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, 2018

Net position of governmental activities increased by \$117,389 during this fiscal year. This increase is primarily attributable to the cost savings on refinancing and proceeds from financing.

Net position of business-type activities decreased by \$287,567 during this fiscal year. This decrease is primarily attributable to operating expenses, depreciation and interest.

	Governmental Activities		Business-Type Activities		Totals	
	2018	2017	2018	2017	2018	2017
REVENUES						
<i>General Revenues:</i>						
Property Taxes	\$ 20,108,115	\$ 19,607,260	\$ -	\$ -	\$ 20,108,115	\$ 19,607,260
Unrestricted Grants	34,080	211,383	-	-	34,080	211,383
Investment Income	47,523	28,407	-	-	47,523	28,407
Other Income	65,992	117,299	-	-	65,992	117,299
<i>Program Revenues:</i>						
Charges for Services	659,894	640,903	657,993	600,183	1,317,887	1,241,086
Operating Grants and Contributions	4,798,381	5,102,903	-	-	4,798,381	5,102,903
Capital Grants and Contributions	295,730	106,216	-	-	295,730	106,216
Total Revenues	<u>26,009,715</u>	<u>25,814,371</u>	<u>657,993</u>	<u>600,183</u>	<u>26,667,708</u>	<u>26,414,554</u>
EXPENSES						
<i>Governmental Activities:</i>						
General Government	1,962,809	1,809,887	-	-	1,962,809	1,809,887
Public Safety	786,109	779,498	-	-	786,109	779,498
Highway	1,991,375	1,865,478	-	-	1,991,375	1,865,478
Planning and Development	218,913	197,353	-	-	218,913	197,353
Health and Welfare	193,629	213,615	-	-	193,629	213,615
Libraries	274,033	288,455	-	-	274,033	288,455
Parks and Recreation	336,612	301,870	-	-	336,612	301,870
Commissions and Agencies	74,843	194,602	-	-	74,843	194,602
Education	19,849,746	19,631,108	-	-	19,849,746	19,631,108
Interest Expense	142,638	116,543	-	-	142,638	116,543
<i>Business-Type Activities:</i>						
Water and Sewer System	-	-	1,007,179	1,011,545	1,007,179	1,011,545
Total Expenses	<u>25,830,707</u>	<u>25,398,409</u>	<u>1,007,179</u>	<u>1,011,545</u>	<u>26,837,886</u>	<u>26,409,954</u>
Change in Net Position Before Special Items and Transfers	179,008	415,962	(349,186)	(411,362)	(170,178)	4,600
Transfers	(61,619)	-	61,619	-	-	-
Change in Net Position	117,389	415,962	(287,567)	(411,362)	(170,178)	4,600
Beginning Net Position	15,923,566	15,507,604	7,629,209	8,040,571	23,552,775	23,548,175
Ending Net Position	<u>\$ 16,040,955</u>	<u>\$ 15,923,566</u>	<u>\$ 7,341,642</u>	<u>\$ 7,629,209</u>	<u>\$ 23,382,597</u>	<u>\$ 23,552,775</u>

TOWN OF NEW HARTFORD, CT
Management's Discussion and Analysis
June 30, 2018

Governmental Activities: Governmental activities increased the Town of New Hartford, CT's net position by \$117,389. Seventy-seven percent (77%) of the revenues of the Town were derived from property taxes, followed by twenty percent (20%) 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 tax collection and an increase in the Mill Rate
- Significant collection of past due taxes, fees and fines
- Significant increase in short term interest revenue due to improved management of funds
- The improved revenue performance negated the need for use of fund balance

For Governmental Activities, 77% of the Town's expenses relate to education, 4% relate to public safety and health and welfare, 8% relate to public works/capital outlay, and the remaining 11% relates to government and community services, administration, and other areas.

Major expense factors include:

- Increase in Education Expenses Region 7 assessments
- Decrease in Highway expenses including wages due to retirements
- Increases Highway maintenance expense

Other significant grant/projects included in governmental activities include:

- The continuation of Carpenter Road Bridge and the completion of the Antolini School Roof and ADA Renovation

Business-Type Activities: Business-type activities decreased the Town of New Hartford, CT's net position by \$287,567. 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 \$4,977,718, an increase of \$3,549,703 in comparison with the prior year. Included in this balance is \$2,796,153 which 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, 2018

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 \$2,796,153. 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 11 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 \$3,343,486. The remaining fund balance consists of \$17,936 restricted for the Waste Water Treatment Plant and \$29,450 for Prepaid Items.

The fund balance of the Town of New Hartford, CT's General Fund increased by \$1,049,119 during the current fiscal year.

General Fund Budgetary Highlights

- Increased revenue and significant savings from operations, as a result of good management (from both the local BOE & General Government) provided a \$246,733 budget surplus resulting in an increase to the General Fund.
- Some projected Revenues did not meet expectations; however, total Revenues increased by \$54,241. A use of "prior year's surplus" in the amount of \$250,000 was budgeted; however, none was utilized to balance the budget.

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, 2018, amounts to \$29,371,637 (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 Antolini Roof and Renovation Projects
- Rotary Lift and Oil Separator Tanks for Highway Department
- Library Lighting
- 2017 Jeep Patriot
- Senior Van
- Electronic Upgrade for Boiler at the Town Hall
- Fire Alarm Panel
- Carpenter Road Bridge project in progress

<i>Governmental Activities:</i>	<u>2018</u>	<u>2017</u>
Land & Infrastructure	\$ 6,976,870	\$ 7,117,939
Construction in Progress	301,177	3,751,984
Building & Improvements	11,235,743	7,541,820
Vehicles	405,382	478,340
Machinery & Equipment	309,406	329,297
Total	<u>\$ 19,228,578</u>	<u>\$ 19,219,380</u>

TOWN OF NEW HARTFORD, CT
Management's Discussion and Analysis
June 30, 2018

<i>Business-type activities:</i>	<u>2018</u>	<u>2017</u>
Land and Infrastructure	\$ 11,507	\$ 11,507
Buildings and Improvements	9,944,987	10,230,966
Waterlines	162,752	169,464
Machinery & Equipment	23,813	18,298
	<u>\$ 10,143,059</u>	<u>\$ 10,430,235</u>

Additional information on the Town of New Hartford, CT's capital assets can be found in Note 3 on pages 41-42 of this report.

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

	<u>2018</u>	<u>2017</u>
Compensated absences	\$ 228,013	\$ 277,622
Net Pension Liability	1,400,129	1,488,404
USDA Loan	3,163,673	3,255,330
G.O. Bonds	3,943,890	32,100
Bond Anticipation Note	-	4,000,000
Bond Premium	237,988	156,556
Refunding Bond	1,670,000	2,045,000
Loans	593,375	657,558
Total	<u>\$ 11,237,068</u>	<u>\$ 11,912,570</u>

The Town of New Hartford, CT's total debt decreased by \$675,502 due to the November 2017 BAN net of debt refinancing and repayments. Additional information on the Town of New Hartford, CT's long-term debt can be found in Note 3 on pages 42-45 of this report.

Economic Factors and Next Year's Budgets and Rates

- The Town will use \$325,000 of fund balance to finance the subsequent year's budget.
- State grants are expected to continue to decline as the state budget continues in deficit.
- Current recession still has people cautious relative to spending.
- Slow growth in the Grand List will continue to place upward pressure on real estate taxes, although residential construction does appear to be holding steady at moderate levels.

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.

Basic Financial Statements

TOWN OF NEW HARTFORD

Statement of Net Position
June 30, 2018

	Primary Government		
	<u>Governmental</u>	<u>Business-type</u>	<u>Total</u>
	<u>Activities</u>	<u>Activities</u>	
Assets			
Current Assets			
Cash and Cash Equivalents	\$ 4,902,490	\$ 44,559	\$ 4,947,049
State and Federal Grants Receivable	273,558	-	273,558
Taxes and Assessments Receivable	348,610	188,834	537,444
Other Receivables	-	-	-
Interest Receivable	72,001	-	72,001
Prepaid Expenses	29,450	-	29,450
Inventories	930	-	930
Total Current Assets	<u>5,627,039</u>	<u>233,393</u>	<u>5,860,432</u>
Noncurrent Assets:			
Restricted for Wastewater Treatment Plant Project			
Cash and Cash Equivalents	17,936	-	17,936
Loans Receivable	371,458	-	371,458
Investments	115,914	-	115,914
Capital Assets:			
Nondepreciable Assets	5,742,657	11,507	5,754,164
Depreciable Buildings and Equipment, net	<u>13,485,921</u>	<u>10,131,552</u>	<u>23,617,473</u>
Total Noncurrent Assets	<u>19,733,886</u>	<u>10,143,059</u>	<u>29,876,945</u>
Total Assets	<u>\$ 25,360,925</u>	<u>\$ 10,376,452</u>	<u>\$ 35,737,377</u>
Deferred Outflows of Resources			
Deferred Pension Outflows	<u>154,062</u>	-	<u>154,062</u>
	<u>154,062</u>	-	<u>154,062</u>
Liabilities			
Current Liabilities			
Accounts Payable	\$ 747,034	\$ 87,155	\$ 834,189
Accrued Expenses	67,486	-	67,486
Refundable Advance	68,554	-	68,554
Current Portion of Interfund Advances	(113,638)	113,638	-
Current Portion of Other Advances	(26,000)	26,000	-
Current Portion of Notes, Bonds and Leases	<u>693,765</u>	<u>18,032</u>	<u>711,797</u>
Total Current Liabilities	<u>1,437,201</u>	<u>244,825</u>	<u>1,682,026</u>
Non-Current Liabilities			
Internal Balances USDA Debt	(2,099,552)	2,099,552	-
Internal Balances - Other Advances	(86,200)	86,200	-
Noncurrent Portion of Loans, Bonds and Leases	8,520,909	604,233	9,125,142
Net Pension Liability	<u>1,400,129</u>	-	<u>1,400,129</u>
Total Noncurrent Liabilities	<u>7,735,286</u>	<u>2,789,985</u>	<u>10,525,271</u>
Total Liabilities	<u>9,172,487</u>	<u>3,034,810</u>	<u>12,207,297</u>
Deferred Inflows of Resources			
Deferred Pension Inflows	<u>301,545</u>	-	<u>301,545</u>
Net Position			
Net Investment in Capital Assets	13,405,590	9,520,794	19,762,711
Restricted for Community Investment	12,170	-	12,170
Restricted for Community Development	487,731	-	487,731
Restricted for Town Hill Cemetery-Expendable	117,998	-	117,998
Restricted for Other Purposes	14,820	-	14,820
Unrestricted	<u>2,002,646</u>	<u>(2,179,152)</u>	<u>2,987,167</u>
Total Net Position	<u>\$ 16,040,955</u>	<u>\$ 7,341,642</u>	<u>\$ 23,382,597</u>

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, 2018

Functions/programs	Program revenues				Net (expense) revenue and changes in net position		
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Primary government</u>		
					<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Primary government:							
Governmental activities							
General Government	\$ 1,962,809	\$ 121,526	\$ 4,395	\$ 44,000	\$ (1,792,888)	\$ -	\$ (1,792,888)
Public Safety	786,109	14,802	-	-	(771,307)	-	(771,307)
Highway	1,991,375	-	524,090	-	(1,467,285)	-	(1,467,285)
Planning and Development	218,913	107,803	3,750	26,484	(80,876)	-	(80,876)
Health and Welfare	193,629	-	-	-	(193,629)	-	(193,629)
Libraries	274,033	-	-	-	(274,033)	-	(274,033)
Parks and Recreation	336,612	197,488	-	-	(139,124)	-	(139,124)
Commissions/Agencies	74,843	-	-	-	(74,843)	-	(74,843)
Education	19,849,746	218,275	4,266,146	225,246	(15,140,079)	-	(15,140,079)
Interest Expense	142,638	-	-	-	(142,638)	-	(142,638)
Total governmental activities	<u>25,830,707</u>	<u>659,894</u>	<u>4,798,381</u>	<u>295,730</u>	<u>(20,076,702)</u>	<u>-</u>	<u>(20,076,702)</u>
Business-type activities							
Water and sewer system	<u>1,007,179</u>	<u>657,993</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(349,186)</u>	<u>(349,186)</u>
Total business-type activities	<u>1,007,179</u>	<u>657,993</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(349,186)</u>	<u>(349,186)</u>
Total primary government	<u>\$ 26,837,886</u>	<u>\$ 1,317,887</u>	<u>\$ 4,798,381</u>	<u>\$ 295,730</u>	<u>(20,076,702)</u>	<u>(349,186)</u>	<u>(20,425,888)</u>
General revenues:							
Property taxes levied for general purposes					20,108,115	-	20,108,115
Grants not restricted to specific purpose					34,080	-	34,080
Unrestricted Investment income					47,523	-	47,523
Other Income					65,992	-	65,992
Total general revenues					<u>20,255,710</u>	<u>-</u>	<u>20,255,710</u>
Transfers					<u>(61,619)</u>	<u>61,619</u>	<u>-</u>
Total general revenues and transfers					<u>20,194,091</u>	<u>61,619</u>	<u>20,255,710</u>
Change in net position					117,389	(287,567)	(170,178)
Net position - beginning					<u>15,923,566</u>	<u>7,629,209</u>	<u>23,552,775</u>
Net position - ending					<u>\$ 16,040,955</u>	<u>\$ 7,341,642</u>	<u>\$ 23,382,597</u>

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

TOWN OF NEW HARTFORD

Balance Sheet Governmental Funds June 30, 2018

	<u>General</u>	<u>Capital Projects</u>	Nonmajor Governmental <u>Funds</u>	<u>Total</u>
Assets				
Cash and Cash Equivalents	\$ 4,367,021	\$ 232,991	\$ 302,478	\$ 4,902,490
Investments	-	-	115,914	115,914
State and Federal Grants Receivable	7,278	266,280	-	273,558
Property Taxes Receivable, Net	348,610	-	-	348,610
Prepaid Items	29,450	-	-	29,450
Interfund Receivables	156,983	484,296	29,910	671,189
Internal Loans - WPCA	112,200	-	-	112,200
Inventories	-	-	930	930
Restricted for Wastewater Treatment Plant Project				
Cash and Cash Equivalents	17,936	-	-	17,936
Loans Receivable	-	-	371,458	371,458
Total Assets	<u>\$ 5,039,478</u>	<u>\$ 983,567</u>	<u>\$ 820,690</u>	<u>\$ 6,843,735</u>
Liabilities and Fund Balances				
Liabilities:				
Accounts Payable	\$ 686,606	\$ 32,288	\$ 28,140	\$ 747,034
Accrued Expenses	67,486	-	-	67,486
Unearned Revenue	68,554	-	-	68,554
Interfund Payables	514,206	-	156,983	671,189
Total Liabilities	<u>1,336,852</u>	<u>32,288</u>	<u>185,123</u>	<u>1,554,263</u>
Deferred Inflows of Resources				
Deferred Taxes	311,754	-	-	311,754
Total Deferred Inflows of Resources	<u>311,754</u>	<u>-</u>	<u>-</u>	<u>311,754</u>
Fund balances:				
Nonspendable:				
Inventories	-	-	930	930
Prepaid Items	29,450	-	-	29,450
Restricted for:				
Capital Projects	17,936	-	-	17,936
New Hartford Day	-	-	4,357	4,357
Historical Documents	-	-	10,463	10,463
Town Hill Cemetery	-	-	117,998	117,998
Small Cities Housing Rehabilitation	-	-	487,731	487,731
Community Investment	-	-	12,170	12,170
Committed to:				
Debt Service	-	-	47,021	47,021
Dog Fund	-	-	4,646	4,646
Cafeteria	-	-	8,278	8,278
Recreation & Senior Center	-	-	63,962	63,962
Open Space	-	-	-	-
Capital Projects	-	951,279	-	951,279
Assigned (See Note 8)	547,333	-	-	547,333
Unassigned	2,796,153	-	(121,989)	2,674,164
Total Fund Balances	<u>3,390,872</u>	<u>951,279</u>	<u>635,567</u>	<u>4,977,718</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 5,039,478</u>	<u>\$ 983,567</u>	<u>\$ 820,690</u>	<u>\$ 6,843,735</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, 2018

Fund balances reported in governmental funds Balance Sheet \$ 4,977,718

**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.

Interest on taxes 72,001

Long-term Interfund Advances 2,213,190

Certain Changes related to the pension are deferred and amortized over time 154,062

Governmental funds report the effects of premiums when debt is issued, whereas it is deferred and amortized in the statement of activities 19,570

Deferred Inflows (301,545)

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

Capital Assets 44,035,990

Accumulated Depreciation (24,807,412)

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.

Property taxes 311,754

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

General obligation bonds and notes payable (9,006,231)

Compensated absences (228,013)

Pension liability (1,400,129)

Net position of governmental activities \$ 16,040,955

TOWN OF NEW HARTFORD

Statement of Revenues, Expenditures, and Changes in Fund Balances Governmental Funds For the Year Ended June 30, 2018

	<u>General</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Revenues				
Property Taxes	\$ 20,236,342	\$ -	\$ -	\$ 20,236,342
Unrestricted Grants and Contributions	34,080	-	-	34,080
Operating Grants and Contributions	4,290,852	-	38,726	4,329,578
Capital Grants and Contributions	-	269,246	26,484	295,730
Charges for Services	352,589	-	307,305	659,894
Other Income	65,992	-	-	65,992
Investment Earnings	39,730	365	7,428	47,523
Total Revenues	<u>25,019,585</u>	<u>269,611</u>	<u>379,943</u>	<u>25,669,139</u>
Expenditures				
Current				
General Government	1,687,464	133,939	6,552	1,827,955
Public Safety	762,096	-	19,082	781,178
Highway	1,568,570	-	-	1,568,570
Planning and Development	202,705	-	-	202,705
Health and Welfare	179,911	-	-	179,911
Libraries	274,033	-	-	274,033
Parks and Recreation	78,244	-	224,595	302,839
Commissions/Agencies	70,138	-	4,705	74,843
Education	19,017,629	-	123,662	19,141,291
Debt Service	676,865	-	-	676,865
Capital Expenditures	-	872,406	171,223	1,043,629
Total Expenditures	<u>24,517,655</u>	<u>1,006,345</u>	<u>549,819</u>	<u>26,073,819</u>
Excess/(deficiency) of revenues over expenditures	501,930	(736,734)	(169,876)	(404,680)
Other Financing Sources/(Uses)				
Proceeds from Financing	-	3,915,000	-	3,915,000
Unamortized Premium on Financing	-	101,002	-	101,002
Transfers In	860,620	300,000	13,431	1,174,051
Transfers Out	(313,431)	(922,239)	-	(1,235,670)
Total Other Financing Sources/(Uses)	<u>547,189</u>	<u>3,393,763</u>	<u>13,431</u>	<u>3,954,383</u>
Net Change in Fund Balances	1,049,119	2,657,029	(156,445)	3,549,703
Fund Balances - Beginning	<u>2,341,753</u>	<u>(1,705,750)</u>	<u>792,012</u>	<u>1,428,015</u>
Fund Balances - Ending	<u>\$ 3,390,872</u>	<u>\$ 951,279</u>	<u>\$ 635,567</u>	<u>\$ 4,977,718</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, 2018

Net Change in Fund Balances - Total Governmental Funds. \$ 3,549,703

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>	724,157
<i>Depreciation Expense</i>	(714,959)

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.

(128,227)

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>WPCA contribution made for debt repayment</i>	(55,910)
<i>WPCA adjusted contribution due for debt repayment</i>	103,910
<i>General obligation bond principal payments</i>	516,657
<i>Premium on BAN</i>	19,570
<i>Issuance of GO Bond</i>	(3,915,000)
<i>Premium on GO Bond</i>	(101,002)

Amortization of deferred inflows, outflows related to pension benefits and changes in net pension obligation

68,881

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.

49,609

Change in Net Position of Governmental Activities: \$ 117,389

TOWN OF NEW HARTFORD

Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual General Fund

For the Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		Actual Amounts	Over
	<u>Original</u>	<u>Amended</u>	<u>Budgetary Basis</u>	<u>(Under)</u>
Revenues				
Taxes	\$ 19,902,485	\$19,902,485	\$ 20,236,342	\$ 333,857
Intergovernmental Revenue	3,556,232	3,556,232	3,472,586	(83,646)
Fees, Fines, and Permits	212,400	212,400	220,589	8,189
Rental Income	132,000	132,000	132,000	-
Other Revenue	80,575	80,575	96,686	16,111
Investment Earnings	10,000	10,000	39,730	29,730
Surplus to Finance Budget	250,000	250,000	-	(250,000)
Total Revenues	<u>24,143,692</u>	<u>24,143,692</u>	<u>24,197,933</u>	<u>54,241</u>
Expenditures				
Current				
General Government	1,742,536	1,742,536	1,678,131	(64,405)
Public Safety	784,296	784,296	756,114	(28,182)
Highways	1,618,441	1,618,441	1,558,097	(60,344)
Planning and Development	217,365	217,365	195,612	(21,753)
Health and Welfare	180,073	180,073	179,911	(162)
Libraries	274,033	274,033	274,033	-
Parks and Recreation	82,905	82,905	75,740	(7,165)
Commissions/Agencies	98,726	98,726	79,439	(19,287)
Education	18,152,538	18,152,538	18,160,721	8,183
Debt Service				
Principal	463,771	463,771	466,657	2,886
Interest	229,008	229,008	226,745	(2,263)
Capital Expenditures				
Total Capital Expenditures	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>-</u>
Total Expenditures	<u>24,143,692</u>	<u>24,143,692</u>	<u>23,951,200</u>	<u>(192,492)</u>
Excess/(Deficiency) of Revenues				
Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	246,733	<u>\$ 246,733</u>
Fund Balances, beginning			\$ 3,228,540	
Less: Use of Fund Balance to Finance Budget			-	
Fund Balances, ending			<u>\$ 3,475,273</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, 2018

Enterprise Fund
Water Pollution Control Authority**Assets**

Current assets:

Cash	\$ 44,559
Accounts receivable, net	188,834
Total current assets	<u>233,393</u>

Noncurrent assets:

Land	11,507
Property, plant, and equipment, net of depreciation	10,131,552
Total noncurrent assets	<u>10,143,059</u>

Total Assets	<u>10,376,452</u>
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Deferred Outflows of Resources	<u>-</u>
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Liabilities

Current liabilities:

Accounts payable & Accrued interest	87,155
Current portion of USDA portion of interfund advances	113,638
Current portion of other advances	26,000
Current portion of long-term debt	18,032
Total current liabilities	<u>244,825</u>

Noncurrent liabilities:

Interfund Advances-USDA Debt	2,099,552
Interfund Advances-Other	86,200
Long-term notes payable	604,233
Total noncurrent liabilities	<u>2,789,985</u>

Total Liabilities	<u>3,034,810</u>
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Deferred Inflows of Resources	<u>-</u>
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Net Position

Net Investment in Capital Assets	9,520,794
Unrestricted	<u>(2,179,152)</u>

Total Net Position	<u>\$ 7,341,642</u>
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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, 2018

Enterprise Fund
Water Pollution Control Authority

OPERATING REVENUES

Charges for services:	
Usage assessments	\$ 650,686
Other Operating Income	<u>7,307</u>
Total Operating Revenues	<u>657,993</u>

OPERATING EXPENSES

General operations	164,061
Plant management fees	295,994
Repairs and maintenance	98,216
Depreciation	<u>356,607</u>
Total operating expenses	<u>914,878</u>
Operating income/(loss)	(256,885)

NONOPERATING REVENUES/(EXPENSES)

Interest expense	<u>(92,301)</u>
Total nonoperating revenue/(expenses)	<u>(92,301)</u>

Income/(Loss) before Transfers	<u>(349,186)</u>
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Transfers:

Transfers In	<u>61,619</u>
	<u>61,619</u>

Change in net position	(287,567)
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Total net position - beginning	<u>7,629,209</u>
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Total net position - ending	<u><u>\$ 7,341,642</u></u>
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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, 2018

Enterprise Fund
Water Pollution Control Authority

Cash flows from operating activities:

Receipts from customers	\$ 652,364
Payments to suppliers	<u>(577,545)</u>
Net cash provided by operating activities	<u>74,819</u>

Cash flows from noncapital financing activities:

-

Cash flows from capital and related financing activities:

Interfund Transfer for asset acquisition	61,619
Other Advances from Town	112,200
Purchase of capital assets	(69,431)
Principal paid on capital debt	(84,844)
Interest paid on capital debt	<u>(92,301)</u>
Net cash used by capital and related financing activities	<u>(72,757)</u>

Cash flows from investing activities:

-

Net decrease in cash and cash equivalents	2,062
Balances - beginning of the year	<u>42,497</u>
Balances - end of the year	<u>\$ 44,559</u>
Displayed as: Cash	<u>\$ 44,559</u>

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

Operating income/(loss)	\$ (256,885)
Adjustments to reconcile income to net cash provided (used) by operating activities:	
Depreciation expense	356,607
Change in assets and liabilities:	
Accounts Receivable, net	(5,629)
Accounts Payable & Accrued Interest	<u>(19,274)</u>
Net cash provided by operating activities	<u>\$ 74,819</u>

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, 2018

	Pension <u>Trust Fund</u>	Private Purpose Trust Fund - <u>Neighbors</u>	Agency <u>Funds</u>
Assets			
Cash and Cash Equivalents	\$ 96,102	\$ 11,072	\$ 57,785
Investments:			
Fixed Income	1,511,010	-	-
Stocks	2,296,045	-	-
Alternative Investments	80,197	-	-
Total Assets	<u>3,983,354</u>	<u>11,072</u>	<u>57,785</u>
 Deferred Outflows of Resources	 <u>-</u>	 <u>-</u>	 <u>-</u>
 Liabilities and Net Position			
Liabilities:			
Fiduciary Deposits	-	-	57,785
Total Liabilities	<u>-</u>	<u>-</u>	<u>57,785</u>
 Deferred Inflows of Resources	 <u>-</u>	 <u>-</u>	 <u>-</u>
 Net Position			
Held in Trust for Others	-	11,072	-
Restricted for Pension Benefits	3,983,354	-	-
Total Net Position	<u>\$ 3,983,354</u>	<u>\$ 11,072</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, 2018

	<u>Pension Trust Fund</u>	<u>Private Purpose Trust Fund - Neighbors</u>
Additions		
Contributions	\$ -	\$ 23,322
Employer Contributions	<u>288,414</u>	<u>-</u>
Total Contributions	<u>288,414</u>	<u>23,322</u>
Investment Income:		
Net Appreciation in Fair Value of Investments	118,536	-
Interest and Dividends	163,084	-
Less Investment expense, other than from securities lending	<u>(8,000)</u>	<u>-</u>
Net Income from investing, other than from securities lending	<u>273,620</u>	<u>-</u>
Other Income	<u>5,684</u>	<u>-</u>
Total Additions	<u>567,718</u>	<u>23,322</u>
Deductions		
Assistance to Individuals	-	23,839
Benefit payments, including refunds of member contributions	163,230	-
Administrative Expenses	<u>3,909</u>	<u>-</u>
Total Deductions	<u>167,139</u>	<u>23,839</u>
Net Increase in Fiduciary Net Position	400,579	(517)
Net Position - Beginning	<u>3,582,775</u>	<u>11,589</u>
Net Position - Ending	<u>\$ 3,983,354</u>	<u>\$ 11,072</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 and chief administrative officer of the Town. The First Selectman creates the town's general government operating budget and submits it to the Board of Finance. The Board of Finance, as the budget-making authority, is responsible for reviewing submitted budget requests, revising 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 *Capital Projects Fund* accounts and reports financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

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.

TOWN OF NEW HARTFORD

Notes to the Financial Statements

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.

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.

The Short-Term Investment Fund (STIF) is a money market investment pool managed by the Cash Management Division of the State Treasurer's Office created by Section 3-27 of the Connecticut General Statutes (CGS). Pursuant to CGS 3-27a through 3-27f, the State, municipal entities, and political subdivisions of the State are eligible to invest in the fund. The fund is considered a "2a7-like" pool and reports its investments at amortized cost (which approximates fair value). The pool is rated AAAm by Standard & Poor. This is the highest rating for money market funds and investment pools. The pooled investment funds' risk category cannot be determined since the Town does not own identifiable securities but invests as a shareholder of the investment pool.

TOWN OF NEW HARTFORD

Notes to the Financial Statements

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 lien-ed each year prior to June 30. Assessments for real and personal property, including motor vehicles, are computed at seventy percent of the market value.

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.

Fair Value of Financial Instruments

In accordance with ASC 820-10, the Town is required to measure the fair value of its assets and liabilities under a three-level hierarchy, as follows:

Level 1: Quoted market prices for identical assets or liabilities to which an entity has access to at the measurement date.

Level 2: Inputs and information other than quoted market indices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include:

- a. Quoted prices for similar assets or liabilities in active markets.
- b. Quoted prices for identical or similar assets in markets that are not active;
- c. Observable inputs other than quoted prices for the assets or liability;
- d. Inputs derived principally from, or corroborated by, observable market data by correlation or by other means.

Level 3: Unobservable inputs for the asset or liability. Unobservable inputs should be used to measure the fair value to the extent that observable inputs are not available.

Observable inputs reflect the assumptions market participants would use in pricing the asset or liability developed from sources independent of the reporting entity; and *unobservable inputs* reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

Investments are carried at fair value based on Level 1 and Level 2 observable inputs and are presented in Note 3. Certificates of Deposits are presented as Level 2 assets as they are reported at period statement balances, which approximate value at year end.

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.

TOWN OF NEW HARTFORD

Notes to the Financial Statements

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, donated works of art and similar items, and capital assets received in a service concession arrangement should be reported at acquisition value rather than fair value.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is 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.

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.

TOWN OF NEW HARTFORD

Notes to the Financial Statements

Deferred outflows/inflows of resources: 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 reports Deferred Pension Expense in this category. as no items that qualify for reporting in this category. Deferred pension expense results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension expense over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active and inactive employees).

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 reports advance property tax collections in the government-wide statement of net position and in the governmental funds balance sheet. Advance property tax collections represent taxes inherently associated with a future period. This amount is recognized during the period in which the revenue is associated. Also, for governmental funds, the Town reports unavailable revenue, which arises only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from several sources: property taxes, special assessments, school building grants, and other receivables. These amounts are deferred and recognized as an inflow of resources in the period during which the amounts become available. Also, within the government-wide statement of net position the Town reports as deferred inflows amounts representing the net difference between expected and actual results, changes in assumptions and projected and actual earnings of its pension plans. The amounts will be amortized over a five-year closed period beginning in the year in which the difference occurred.

Fund Balance 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. Debt to be repaid by governmental activities, whose proceeds were used to acquire capital assets reported by business-type activities, is not included in the calculation of net investment in capital assets in the governmental activities or business-type activities columns, but is included in the total column.

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.

TOWN OF NEW HARTFORD
Notes to the Financial Statements

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.
- The Board of Finance is authorized to approve line-item transfer requests for all appropriations within and 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, 2018 is presented as follows:

	Revenues	Expenditures	Other Financing Sources (Uses)	Net Change
Balance, Budgetary Basis	\$ 24,197,933	\$ 23,951,200	\$ -	\$ 246,733
Adjustments for Timing Differences;				
Grant Revenue	(29,311)	-	-	(29,311)
Other Income	(16,537)	29,094	-	(45,631)
Basis Differences:				
CT Teacher's Retirement	863,266	863,266	-	-
Transfers	-	(313,431)	547,189	860,620
Entity Differences:				-
Other Expenditures	4,234	(12,474)	-	16,708
Balance, GAAP Basis	<u>\$ 25,019,585</u>	<u>\$ 24,517,655</u>	<u>\$ 547,189</u>	<u>\$ 1,049,119</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 (Section 7-402). Deposits may be made in a “qualified public depository” as defined by Statute or in amounts not exceeding the Federal Deposit Insurance Corporation insurance limit in an “out of state bank”, as defined by the Statutes, which is not a qualified public depository. The following is a summary of cash and cash equivalents at June 30, 2018.

Detailed Cash Notes on all Funds

	Governmental <u>Funds</u>	Fiduciary <u>Funds</u>	Proprietary <u>Funds</u>	<u>Total</u>
Demand Accounts	\$ 1,840,935	\$ 68,857	\$ 44,559	\$ 1,954,351
Cash Equivalents	3,061,555	-	-	3,061,555
Restricted Cash	17,936	\$ -	\$ -	\$ 17,936
Total	<u>\$ 4,920,426</u>	<u>\$ 68,857</u>	<u>\$ 44,559</u>	<u>\$ 5,033,842</u>

Deposits

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 \$4,989,283 and the bank balance was \$5,517,864. Of the bank balance, Federal Depository Insurance Corporation covered \$503,786. As of June 30, 2018, \$2,011,436 of the Town’s bank balance of \$2,515,222 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 1,760,292
Uninsured and collateral held by pledging bank's	
Trust department, not in Town's name	251,144
	<u>\$ 2,011,436</u>

Cash Equivalents

The Town’s cash equivalents (Short-term Investment Fund “STIF”) amounted to \$3,061,555. STIF is rated AAA by Standards & Poor’s and has an average maturity of under 60 days.

Investments

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, 2018, the Town’s special revenue and fiduciary funds held \$ 4,099,269 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.

TOWN OF NEW HARTFORD
Notes to the Financial Statements

As of June 30, 2018, the Town had the following investments:

	Fair Value	Investment Maturities	
		Less Than 1 yr.	1-5 yrs.
Short-term Funds	\$ 96,498	\$ 96,498	\$ -
Mutual Funds	4,002,771	N/A	N/A
Total Investments	<u>\$ 4,099,269</u>	<u>\$ 96,498</u>	<u>\$ -</u>

The following is a schedule of assets measured at Fair Value.

		Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<u>Description</u>	<u>June 30, 2018</u>			
Cash	\$ 96,498	\$ 96,498	\$ -	\$ -
Equity Mutual Funds	73,648	73,648	-	-
Stocks	2,296,045	2,296,045	-	-
Exchange Traded Funds	32,664	32,664	-	-
Bond Funds	1,520,217	1,520,217	-	-
Alternative Investments	80,197	80,197	-	-
Total	<u>\$ 4,099,269</u>	<u>\$ 4,099,269</u>	<u>\$ -</u>	<u>\$ -</u>

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 Activities	Business-Type Activities	Total
Property Taxes*	\$ 358,610	\$ -	\$ 358,610
Water Assessments	-	193,834	193,834
Deferred Loans Receivable	371,458	-	371,458
State & Federal Grants	273,558	-	273,558
Total Receivables	<u>1,003,626</u>	<u>193,834</u>	<u>1,197,460</u>
Allowance for Tax Collection Losses	<u>(10,000)</u>	<u>(5,000)</u>	<u>(15,000)</u>
Totals	<u>\$ 993,626</u>	<u>\$ 188,834</u>	<u>\$ 1,182,460</u>

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

TOWN OF NEW HARTFORD
Notes to the Financial Statements

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not 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)	\$311,754	\$ -
Deferred grant revenue	<u>-</u>	<u>68,554</u>
	<u>\$311,754</u>	<u>\$ 68,554</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 Activities</u>
	<u>Nonmajor Funds</u>
Food inventory	\$ 930
Total	<u>\$ 930</u>

Interfund Transfers, Receivables and Payables

	<u>Transfer to</u>				
<u>Transfers From</u>	<u>General Fund</u>	<u>Capital Projects</u>	<u>Non-Major Funds</u>	<u>Enterprise Fund</u>	<u>Total</u>
General Fund	\$ -	\$ 300,000	\$ 13,431	\$ -	\$ 313,431
Capital Projects	<u>860,620</u>	<u>-</u>	<u>-</u>	<u>61,619</u>	<u>922,239</u>
	<u>\$ 860,620</u>	<u>\$ 300,000</u>	<u>\$ 13,431</u>	<u>\$ 61,619</u>	<u>\$ 1,235,670</u>

Interfund balances represent amounts recognized but not yet received by the appropriate funds. The composition of interfund balances as of June 30, 2018 is as follows:

	<u>Due To:</u>				
<u>Due From:</u>	<u>Non-Major Funds</u>	<u>Capital Projects</u>	<u>Non-Major</u>	<u>General Fund</u>	<u>Total</u>
General Fund	\$ 29,910	\$ 484,296	\$ 156,983	\$ -	\$ 671,189
WPCA	<u>-</u>	<u>-</u>	<u>-</u>	<u>112,200</u>	<u>112,200</u>
	<u>\$ 29,910</u>	<u>\$ 484,296</u>	<u>\$ 156,983</u>	<u>\$ 112,200</u>	<u>\$ 783,389</u>

Interfund receivable balances represent amounts held in the General Fund for Capital Projects, Historical Documents, School Cafeteria and Community Investment. Interfund payable balances represent balances owed to the General Fund from the WPCA for a working capital loan.

TOWN OF NEW HARTFORD
Notes to the Financial Statements

Capital Assets

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

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
<i>Governmental Activities:</i>				
Capital assets, not being depreciated				
Land	\$ 5,441,480	\$ -	\$ -	\$ 5,441,480
Construction in Progress	<u>3,751,984</u>	<u>37,266</u>	<u>(3,488,073)</u>	<u>301,177</u>
Total capital assets, not being depreciated	<u>9,193,464</u>	<u>37,266</u>	<u>(3,488,073)</u>	<u>5,742,657</u>
Capital assets, being depreciated				
Buildings & Improvements	20,712,562	4,023,218	-	24,735,780
Land Improvements	842,094	-	-	842,094
Infrastructure	8,771,769	-	-	8,771,769
Vehicles	2,040,154	72,550	-	2,112,704
Machinery & Equipment	1,459,237	73,910	-	1,533,147
Furniture & Fixtures	<u>292,559</u>	<u>5,286</u>	<u>-</u>	<u>297,845</u>
Total capital assets, being depreciated	<u>34,118,375</u>	<u>4,174,964</u>	<u>-</u>	<u>38,293,339</u>
Less accumulated depreciation for:				
Buildings & Improvements	13,695,974	288,537	-	13,984,511
Land Improvements	316,862	40,758	-	357,620
Infrastructure	7,095,310	141,069	-	7,236,379
Vehicles	1,561,814	145,508	-	1,707,322
Machinery & Equipment	1,212,492	73,598	-	1,286,090
Furniture & Fixtures	<u>210,007</u>	<u>25,489</u>	<u>-</u>	<u>235,496</u>
Total accumulated depreciation	<u>24,092,459</u>	<u>714,959</u>	<u>-</u>	<u>24,807,418</u>
Total capital assets, being depreciated	<u>10,025,916</u>	<u>3,460,005</u>	<u>-</u>	<u>13,485,921</u>
<i>Governmental Activities capital assets, net</i>	<u>\$ 19,219,380</u>	<u>\$ 3,497,271</u>	<u>\$ (3,488,073)</u>	<u>\$ 19,228,578</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	61,621	-	14,112,851
Water Lines	288,067	-	-	288,067
Machinery & Equipment	<u>121,729</u>	<u>7,812</u>	<u>-</u>	<u>129,541</u>
Total capital assets, being depreciated	<u>14,461,026</u>	<u>69,433</u>	<u>-</u>	<u>14,530,459</u>
Less accumulated depreciation for:				
Building & Improvements	3,820,265	347,598	-	4,167,863
Water Lines	118,603	6,712	-	125,315
Machinery & Equipment	<u>103,432</u>	<u>2,297</u>	<u>-</u>	<u>105,729</u>
Total accumulated depreciation	<u>4,042,300</u>	<u>356,607</u>	<u>-</u>	<u>4,398,907</u>
Total capital assets, being depreciated, net	<u>10,418,728</u>	<u>(287,174)</u>	<u>-</u>	<u>10,131,552</u>
<i>Business Activities capital assets, net</i>	<u>\$ 10,430,235</u>	<u>\$ (287,174)</u>	<u>\$ -</u>	<u>\$ 10,143,059</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	\$ 206,162
Public Safety	21,720
Highway	174,962
Planning & Development	15,891
Health & Welfare	13,718
Recreation	33,773
Education	248,733
Total	<u>\$ 714,959</u>
Business-type activities	
Water & Sewer	<u>\$ 356,607</u>

The Town has active construction projects as of June 30, 2018. The year-end total accumulated construction costs were:

	<u>2017</u>	<u>Additions</u>	<u>Reductions</u>	<u>2018</u>
Carpenter Road Bridge	\$ 263,911	\$ 37,266	\$ -	\$ 301,177
Antolini School Renovations	<u>3,488,073</u>	<u>-</u>	<u>(3,488,073)</u>	<u>-</u>
	<u>\$ 3,751,984</u>	<u>\$ 37,266</u>	<u>\$ (3,488,073)</u>	<u>\$ 301,177</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, which was completed in December 2017, involved 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 and refinanced with permanent debt in November 2017.

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 unequal 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 BAN was refinanced with long term financing during the year ended June 30, 2018. 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.

	<u>Interest Rate</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Original Amount at Issuance</u>	<u>Annual Principal</u>	<u>Principal Outstanding at June 30, 2018</u>
Governmental Activities:						
Refunding Bond	2-4%	11/16/16	09/01/26	2,045,000	\$155,000-375,000	1,670,000
GO Bond	3.-3.125%	11/17/17	11/15/37	3,915,000	\$175,000-220,000	3,915,000
USDA WPCA Note	3.25	09/15/10	09/15/40	3,594,000	\$61,657-190,455	3,163,673
Total Business-Type Bonds & Loans				<u>\$ 9,554,000</u>		<u>\$ 8,748,673</u>

TOWN OF NEW HARTFORD
Notes to the Financial Statements

	<u>Interest Rate</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Original Amount at Issuance</u>	<u>Annual Principal</u>	<u>Principal Outstanding at June 30, 2018</u>
Business-Type Activities:						
Loan - Prospect Street Sewers	4.5	07/16/96	07/16/26	96,300	3,210	28,890
Loan - Water System Improvements	4.5	07/19/00	07/19/40	591,360	8,974-29,896	463,435
Loan - Water System Improvements	4.5	06/27/02	06/27/42	165,730	2,408-8,249	129,940
Total Business-Type Bonds & Loans				<u>\$ 853,390</u>		<u>\$ 622,265</u>

Changes in long-term obligations for the year ended June 30, 2018, are as follows:

	<u>July 1, 2017</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2018</u>	<u>Due Within One Year</u>
Governmental Activities					
Compensated Absences	\$ 277,622	\$ 1,600	\$ (51,209)	\$ 228,013	\$ 32,454
Net Pension Liability	1,488,404	-	(88,275)	1,400,129	-
Note Payable	50,000	-	(50,000)	-	-
G.O. Bonds	2,045,000	3,915,000	(375,000)	5,585,000	545,000
Unamortized Premiums	156,556	101,002	(19,570)	237,988	21,675
USDA WPCA Note	3,255,330	-	(91,657)	3,163,673	94,636
Total	<u>\$ 7,272,912</u>	<u>\$ 4,017,602</u>	<u>\$ (675,711)</u>	<u>\$ 10,614,803</u>	<u>\$ 693,765</u>

	<u>July 1, 2017</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2018</u>	<u>Due Within One Year</u>
Business-type Activities					
Loans	<u>\$ 639,656</u>	<u>\$ -</u>	<u>\$ (17,391)</u>	<u>\$ 622,265</u>	<u>\$ 18,032</u>
Total	<u>\$ 639,656</u>	<u>\$ -</u>	<u>\$ (17,391)</u>	<u>\$ 622,265</u>	<u>\$ 18,032</u>

Short-term Obligations-Bond Anticipation Notes

The Town uses bond anticipation notes to fund construction costs prior to issuance of bonds. The following table summarizes changes in the Town's short-term obligations for the year ended June 30, 2018.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Bond Anticipation Notes	\$ 4,000,000	\$ -	\$ (4,000,000)	\$ -
Total	<u>\$ 4,000,000</u>	<u>\$ -</u>	<u>\$ (4,000,000)</u>	<u>\$ -</u>

The bond anticipation notes carried in interest rate of 2% and matured November 2017. Total interest incurred and expenses was \$79,778.

TOWN OF NEW HARTFORD
Notes to the Financial Statements

Advance Refunding of Debt

On November 16, 2016, General Obligation Bonds were issued to refund an earlier issue. This refunding resulted in an economic gain as well as savings from refunding. The economic gain realized in the refunding was \$45,000 and the savings resulting from the refunding was as follows:

Cash flow requirements to service old debt	\$ 2,489,049
Less: Cash flow requirements for new debt	<u>(2,360,005)</u>
Net Savings from refunding	<u>\$ 129,044</u>

Interest Expense

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

Business-Type Activities:

Water Pollution Control Authority	<u>\$ 92,301</u>
Total interest expense Business-Type Activities	<u>\$ 92,301</u>

Debt Service Requirements

Debt service requirements on long-term debt at June 30, 2018, are as follows:

Year Ending	<u>Governmental activities</u>		<u>Business-type activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2019	\$ 639,636	\$ 266,053	\$ 18,032	\$ 27,656
2020	437,711	252,094	19,249	26,843
2021	445,887	238,669	19,970	25,998
2022	449,166	225,038	20,725	25,122
2023	452,551	209,654	21,514	24,213
2024-2028	2,337,515	810,862	117,476	106,180
2029-2033	1,715,263	502,162	130,393	79,821
2034-2038	1,715,833	240,747	162,495	48,824
2039-2043	555,111	36,441	112,411	11,694
Total	<u>\$ 8,748,673</u>	<u>\$ 2,781,720</u>	<u>\$ 622,265</u>	<u>\$ 376,351</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%. The note was modified for the NHWPCA to make decreased payments for fiscal years 2015-2018, then revert to the original agreement, and then make increased payments for the last 5 years. The note requires total principal and interest payments of \$197,455 due annually through 2040. The final payment of \$196,645 is due September 15, 2040. The interest rate on the note is 3.25%.

This Town also loaned NHWPCA \$130,000 which was due in in March 2014. The agreement was modified to propose the NHWPCA repay in annual installments of \$13,000, paid in quarterly installments of \$3,250 beginning March 31, 2014.

TOWN OF NEW HARTFORD

Notes to the Financial Statements

Due to cash flow issues, the WPCA made one quarterly payment to cover each of the repayment agreements with the Town during the year ended June 30, 2018. The remaining quarterly payments have been temporarily suspended.

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 52.94%, 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	\$1,568,000
Town's Pro Rata %	<u>52.94%</u>
Town's Share	<u>\$ 830,100</u>

NOTE 4 – OPERATING LEASES

The Town has entered into several lease agreements for equipment. These leases require monthly payments from \$106 to \$474. These leases expire ranging from December 2019 to July 30, 2022. Total lease expense for 2017 was \$43,789. Future minimum lease payments under current agreements are as follows:

<u>Year</u>	<u>Amount</u>
2019	\$ 17,064
2020	16,428
2021	8,548
2022	3,701
2023	288

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.

TOWN OF NEW HARTFORD

Notes to the Financial Statements

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:

Active plan members	40
Inactive plan members or beneficiaries receiving benefits	28
Inactive plan members entitled to but not yet receiving benefits	<u>32</u>
Total plan participants	100

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% of final average compensation for the highest three consecutive calendar years out of the final ten years, multiplied by years of credited service (not to exceed 40). 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 \$288,414 was 16.17% 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.

TOWN OF NEW HARTFORD

Notes to the Financial Statements

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	2.00%
Core Fixed Income	38.00%
Large Capitalization Domestic Equity	33.00%
Mid/Small Cap Equity Domestic Equity	11.00%
International Equity	16.00%
Commodities	0.00%

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.

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

Russell Inv US Core Equity S	5.97%
Schwab S&P 500 Index	8.95%
Vanguard Mid-Cap Index-Adm	5.95%
Russell Investment Grade S	5.98%
PIMCO Total Return A	5.99%
Metropolitan West Total Return Bond I	5.99%

Money-weighted rate of return – The annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 7.35%. 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, 2017 (the most recent actuarial date) were as follows:

TOWN OF NEW HARTFORD

Notes to the Financial Statements

Schedule of Net Pension Liability

	<u>2018</u>
Total Pension Liability *	\$ 5,383,483
Plan Fiduciary net position	<u>3,983,354</u>
Net pension liability (asset)	1,400,129
Plan fiduciary net position as a percentage of total pension liability	73.99%
 Covered-employee payroll	 \$ 1,783,903
 Net pension liability as a % of covered employee payroll	 78.49%

* 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, 2017 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, 2015 valuation, a closed amortization period of 30 years was used. Significant actuarial assumptions used include (1) inflation of 2.75% (2) rate of return on investments of 7.5% per year, (3) projected salary increases of 3.50% per year, and (4) 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.

Discount Rate – The discount rate used to measure to total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that 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 7.25% as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	<u>1% Decrease</u> <u>Discount Rate</u> 6.25%	<u>Current</u> <u>Discount Rate</u> 7.25%	<u>1% Increase</u> <u>Discount Rate</u> 8.25%
Net pension liability as of June 30, 2018	\$1,941,737	\$1,400,129	\$932,672

TOWN OF NEW HARTFORD

Notes to the Financial Statements

Valuation Date and Roll Forward Process – The plan used the July 1, 2015 valuation to calculate the Actuarially Determined Employer Contribution for fiscal year ending June 30, 2018. The July 1, 2017 valuation directly calculated the July 1, 2017 Total Pension Liability. The July 1, 2017 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, 2018. The Pension Liability was also adjusted to reflect any material plan changes after the valuation.

Target Allocation and Expected Rate of Return Actuarial Valuation as of July 1, 2017

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return *</u>	<u>Weighting</u>
Commodities Broad Basket	2.00%	4.75%	0.10%
Diversified Emerging Markets	3.00%	6.50%	0.20%
Foreign Large Blend	6.00%	5.50%	0.33%
Foreign Large Growth	4.00%	5.50%	0.22%
High Yield Bond	6.00%	3.50%	0.21%
Inflation-Protected Bond	2.00%	0.50%	0.01%
Intermediate-Term Bond	18.00%	2.75%	0.50%
Large Blend	18.00%	4.75%	0.86%
Large Growth	8.00%	4.75%	0.38%
Large Value	8.00%	4.75%	0.38%
Mid-Cap Blend	6.00%	5.25%	0.32%
Money Market-Taxable	2.00%	-1.75%	-0.04%
Multisector Bond	8.00%	3.50%	0.28%
Small Blend	5.00%	5.25%	0.26%
World Blend	4.00%	1.75%	0.07%
	100.00%		4.08%
Long-Term Inflation Expectation			2.75%
Long-Term Expected Nominal Return			6.83%

* 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 6.25% and 7.25%. An expected rate of return 7.25% was used in the calculation of the liability in this report. The July 1, 2016 valuation was based on a rate of 7.5%.

TOWN OF NEW HARTFORD
Notes to the Financial Statements

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, 2018 the Town recognized pension expense of \$219,534. At June 30, 2017, the Town reported deferred outflows and inflows of resources related to pensions from the following sources:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(A)	(B)	(A) + (B)
Balance at June 30, 2017	\$ (5,071,179)	\$ 3,582,775	\$ (1,488,404)
Changes for the year:			
Service Cost	(163,936)	-	(163,936)
Interest	(386,623)	-	(386,623)
Net Investment Income	-	273,620	273,620
Contributions - Employer	-	288,414	288,414
Contributions - Member	-	-	-
Benefit Payments, including Refunds of Member Contributions	163,230	(163,230)	-
Administrative Expense	-	-	-
Other	-	1,774	1,774
Recognized in Total Pension Expense			
Differences Between Expected and Actual Assumptions	-	-	-
Changes of Assumptions	-	-	-
Differences Between Expected and Actual Earnings on Pension Plan	-	-	-
Deferred Outflows/Inflows of Resources			
Differences Between Expected and Actual Experience	249,300	-	249,300
Changes of Assumptions	(174,275)	-	(174,275)
Differences Between Projected and Actual Earnings on Pension Plan	-	-	-
Total Pension Expense	-	-	-
Net Changes	(312,304)	400,578	88,274
Balance at June 30, 2018	<u>\$ (5,383,483)</u>	<u>\$ 3,983,353</u>	<u>\$ (1,400,130)</u>
Plan fiduciary net position as a percentage of total pension liability			73.99%
Covered-Employee Payroll			\$ 1,783,903
Net pension liability as a percentage of covered-employee payroll			78.49%

TOWN OF NEW HARTFORD
Notes to the Financial Statements

	<u>Deferred Outflows/(Inflows) of Resources</u>		
	(Gains)/ <u>Losses</u>	Assumption <u>Changes</u>	Projected Net Investment <u>Income</u>
Balances at June 30, 2017	\$ (3,061)	\$ (188,667)	\$ 63,639
Recognized in Total Pension Expense			
Differences Between Expected and Actual Experience	76,936	-	-
Changes of Assumptions	-	21,895	-
Differences Between Projected and Actual Earnings on Pension Plan	-	-	(42,963)
Deferred Outflows/Inflows of Resources			
Differences Between Expected and Actual Experience	(249,300)	-	-
Changes of Assumptions	-	174,274	-
Differences Between Projected and Actual Earnings on Pension Plan	-	-	(237)
Balances at June 30, 2018	<u>\$ (175,425)</u>	<u>\$ 7,502</u>	<u>\$ 20,439</u>

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

June 30, 2019	\$ (74,103)
June 30, 2020	(32,884)
June 30, 2021	(40,447)
June 30, 2022	(49)

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% vested. Benefit terms may be amended by the Town. At June 30, 2018, there were 12 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 \$23,001. The Board of Education's required 5% contribution was \$4,049. Participant contributions were \$39,162 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. There are no assets accumulated in a GASB-compliant Trust. Plan provisions and contribution requirements are established and may be amended by the Town.

TOWN OF NEW HARTFORD

Notes to the Financial Statements

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 20 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 through December 31, 2017. The contribution rate was increased to 8.25% of their annual salary as of January 1, 2018 as required by section 10-183b(7) C.G.S. The State contributes amounts based on actuarial estimates.

The State's aggregate contribution to the plan for the fiscal year ended June 30, 2017 for all participating local governments was \$1,012,162. The amount of the contribution allocable to the Town was estimated to be \$863,266 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, 2017, teachers for the Town of New Hartford, CT contributed \$256,179 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. TRS issues a publicly available financial report that can be obtained at 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.

TOWN OF NEW HARTFORD

Notes to the Financial Statements

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 and investment earnings, 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. The rate was increased to 7% effective January 1, 2018.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2017, the Town reports no amounts for its proportionate share of the net pension liability, and related deferred outflows and inflows due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the Town were as follows:

Town's proportionate share of the net pension liability	\$ -
State's proportionate share of the net pension liability associated with the Town	<u>\$ 11,516,040</u>
Total	<u>\$ 11,516,040</u>

The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. At June 30, 2018 the Town has no proportionate share of the net pension liability. For the year ended June 30, 2018, the Town recognized benefits expense and contribution revenue of \$863,266 in the governmental funds for on-behalf amounts for the benefits provided by the state. In the Government-wide financial statements, the town recognized \$1,332,069 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, 2017, using the following actuarial assumptions, applied to all periods included in the measurement.

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

Mortality rates were based on the RPH-2014 White Collar Table with employee and annuitant rates blended from ages 50 to 80, projected to the year 2020 using the BB improvement scale.

TOWN OF NEW HARTFORD
Notes to the Financial Statements

Future Cost-of-Living increases for members who retire on or after September 1, 1992 are consistent with those provided for Social Security benefits on January 1 of the year granted, with a maximum of 6% per annum. If the return on assets in the previous year was less than 11.5%, the maximum increase is 3.0%, and if the return was less than 8.5%, the maximum increase is 1.0%.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Large cap U.S. Equities	21.00%	5.8%
Developed non-U.S. Equities	18.00%	6.6%
Emerging Markets (non-U.S.)	9.00%	8.3%
Real Estate	7.00%	5.1%
Private Equity	11.00%	7.6%
Alternative Investments	8.00%	4.1%
Core fixed-income	7.00%	1.3%
High-yield Bonds	5.00%	3.9%
Emerging Market Bond	5.00%	3.7%
Inflation linked Bond Funds	3.00%	1.0%
Cash	6.00%	0.4%
	<hr/>	
Total	100%	

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

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.

TOWN OF NEW HARTFORD

Notes to the Financial Statements

Connecticut Teacher's Retirement System - OPEB

Plan Description - Teachers, principals, superintendents or supervisors engaged in service of public schools are provided with benefits, including retiree health insurance, through the Connecticut Teachers' Retirement System—a cost sharing multiemployer defined benefit pension plan administered by the TRB. Chapter 167a of the State Statutes grants authority to establish and amend the benefit terms to the TRB. TRS issues a publicly available financial report that can be obtained at www.ct.gov.

Benefit Provisions - The Plan covers retired teachers and administrators of public schools in the State who are receiving benefits from the Plan. The Plan provides healthcare insurance benefits to eligible retirees and their spouses. Any member that is currently receiving a retirement or disability benefit through the Plan is eligible to participate in the healthcare portion of the Plan. Subsidized Local School District Coverage provides a subsidy paid to members still receiving coverage through their former employer and the TRB Sponsored Medicare Supplemental Plans provide coverage for those participating in Medicare, but not receiving Subsidized Local School District Coverage.

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

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.

Contributions - Per Connecticut General Statutes Section 10-183z (which reflects Public Act 79-436 as amended), contribution requirements of active employees and the State of Connecticut are amended and certified by the TRB and appropriated by the General Assembly. The State pays for one third of plan costs through annual appropriation in the General Fund.

School district employers are not required to make contributions to the Plan. The State of Connecticut's estimated allocated contribution to the Plan on behalf of the Town was \$16,991.

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

TOWN OF NEW HARTFORD

Notes to the Financial Statements

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

Inflation	2.75%
Real Wage Growth	0.50%
Wage Inflation	3.25%
Salary increases	3.25-6.50%, including inflation
Long-term investment rate of return	2.75%, net of OPEB plan investment expense, including inflation

Municipal bond index rate:

Measurement Date	3.56%
Prior Measurement Date	3.01%

The projected fiduciary net position is projected to be depleted in 2018.

Single equivalent interest rate

Measurement Date	3.56%, net of OPEB plan investment expense, including price inflation
Prior Measurement Date	3.01%, net of OPEB plan investment expense, including price inflation

Healthcare cost trend rates:

Pre-Medicare	7.25% for 2017 decreasing to an ultimate Rate of 5.00% by 2022
Medicare	7.25% for 2017 decreasing to an ultimate Rate of 5.00% by 2022

Mortality rates were based on the RPH-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80, projected to the year 2020 using the BB improvement scale.

Long-Term Rate of Return - The long-term expected rate of return on plan assets is reviewed as part of the GASB 75 valuation process. Several factors are considered in evaluation the long-term rate of return assumption, including the Plan's current asset allocations and a log-normal distribution analysis using the best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) for each major asset class.

The long-term expected rate of return was determined by weighing the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

TOWN OF NEW HARTFORD

Notes to the Financial Statements

The target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Expected 10-Year Geometric Real Rate of Return</u>	<u>Standard Deviation</u>
U.S. Treasuries (Cash Equivalents)	100.0%	0.04%	2.79%
Price inflation		2.75%	
Expected rate of return (Rounded nearest 0.25%)		2.75%	

Discount Rate - The discount rate used to measure the total OPEB liability was 3.56%. The projection of cash flows used to determine the discount rate was performed in accordance with GASB 75. The projection's basis was an actuarial valuation performed as of June 30, 2016.

In addition to the actuarial methods and assumptions of the June 30, 2016 actuarial valuation, the following actuarial methods and assumptions were used in the projection of cash flows:

- Total payroll for the initial projection year consists of the payroll of the active membership present on the valuation date. In subsequent projection years, total payroll was assumed to increase annually at a rate of 3.25%.
- Employee contributions were assumed to be made at the current member contribution rate. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- No future employer contributions were assumed to be made.
- For future plan members, contribution inflows were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.

Based on those assumptions, the plan's fiduciary net position was projected to be depleted in 2018 and, as a result, the Municipal Bond Index Rate was used in the determination of the single equivalent rate.

Sensitivity of the Net OPEB Liability to Changes in Healthcare Cost Trend Rates - The following presents the total OPEB liability, calculated using current cost trend rates, as well as what the Plan's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage point lower or 1-percentage point higher than current healthcare cost trend rates:

	<u>1% Lower Trend Rates</u>	<u>Current Trend Rates</u>	<u>1% Higher Trend Rates</u>
Initial Healthcare Cost Trend Rate	6.25%	7.25%	8.25%
Ultimate Healthcare Cost Trend Rate	4.00%	5.00%	6.00%
Total OPEB Liability	\$ 2,440,512	\$ 2,964,086	\$ 3,669,014

TOWN OF NEW HARTFORD
Notes to the Financial Statements

Sensitivity of the Net OPEB Liability to Changes in Discount Rates - The following presents the net OPEB liability, calculated using the current discount rate, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease (2.56%)	Current Discount Rate (3.56%)	1% Increase (4.56%)
Net OPEB liability	\$ 3,572,198	\$ 2,964,086	\$ 2,485,935

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

Town's proportionate share of the net OPEB Liability	\$ -
State's proportionate share of the net OPEB liability associated with the Town	<u>2,964,086</u>
Total	<u>\$ 2,964,086</u>

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

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.

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.

TOWN OF NEW HARTFORD
Notes to the Financial Statements

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, 2018:

General Fund:

Subsequent Year Budget	\$ 325,000
Return of Settlement Funds	50,833
Capital Improvements	171,500
Total	<u>\$ 547,333</u>

The Open Space Fund reported a negative fund balance of \$121,989 at June 30, 2018.

NOTE 9 – ADOPTION OF NEW ACCOUNTING STANDARD

Effective July 1, 2017, the Town adopted the provisions of Governmental Accounting Standard Board Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*. This statement establishes new accounting and financial reporting requirements for OPEB plans and replaces the requirements of GASB Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*, and GASB Statement No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-employer Plans*, for OPEB.

NOTE 10 – GASB PRONOUNCEMENTS ISSUED, BUT NOT YET EFFECTIVE

The Governmental Accounting Standards Board (GASB) is the standard setting board for governmental entities. The following are statements which have been approved by GASB, but are not yet effective:

- ***GASB Statement No. 83 – Certain Asset Retirement Obligations.*** This Statement establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflows of resources for asset retirement obligations. The pronouncement is effective for fiscal years beginning after June 15, 2018.

TOWN OF NEW HARTFORD
Notes to the Financial Statements

- ***GASB Statement No. 84 - Fiduciary Activities.*** This statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities.

This statement describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment funds, (3) private-purpose funds, and (4) custodial funds. Custodial funds generally should report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria. The requirements of this statement are effective for reporting periods beginning after December 15, 2018.

- ***GASB Statement No. 87- Leases.*** This statement improves the accounting and financial reporting for leases by governments. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.
- ***GASB Statement No. 88 - Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements.*** The primary objective of this statement is to improve the information that is disclosed in the notes to the financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. This statement defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date contractual obligation is established. This statement requires that additional essential information related to debt be disclosed in notes to the financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-subjective acceleration clauses. For notes to financial statements related to debt, this Statement also requires that existing and additional information be provided for direct borrowings and direct placements of debt separately from other debt. The requirements of this statement are effective for reporting periods beginning after June 15, 2018.
- ***GASB Statement No. 89 - Accounting for Interest Cost Incurred before the End of a Construction Period.*** The objectives of this statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred. As a result, interest cost before the end of a construction period will not be included in the historical cost of the capital asset. The requirements of this statement are effective for reporting periods beginning after December 15, 2019.

Required Supplementary Information

TOWN OF NEW HARTFORD
Schedule of Net Pension Liability and Related Ratios
For the Last 5 Fiscal Years

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total Pension Liability *					
Service Cost	\$ 163,936	\$ 159,157	\$ 170,833	\$ 155,489	\$ 149,509
Interest	386,623	359,230	342,348	322,788	300,559
Changes in benefit terms	-	-	-	-	-
Differences between expected and actual experience	(249,300)	-	(5,843)	-	-
Changes of assumptions	174,275	-	(441,420)	133,735	-
Benefit payments, including refunds of member contributions	<u>(163,230)</u>	<u>(152,792)</u>	<u>(157,716)</u>	<u>(158,991)</u>	<u>(144,348)</u>
Net change in total pension liability	312,304	365,595	(91,798)	453,021	305,720
Total pension liability - beginning	<u>5,071,179</u>	<u>4,705,584</u>	<u>4,797,382</u>	<u>4,344,361</u>	<u>4,038,641</u>
Total pension liability - ending (a)	<u>\$ 5,383,483</u>	<u>\$ 5,071,179</u>	<u>\$ 4,705,584</u>	<u>\$ 4,797,382</u>	<u>\$ 4,344,361</u>
Plan fiduciary net position					
Contributions - employer	\$ 288,414	\$ 281,633	\$ 263,543	\$ 263,543	\$ 231,114
Contributions - employee	-	-	-	-	-
Net investment income	273,620	401,509	(13,157)	49,354	378,155
Benefit payments, including refunds of member contributions	(163,230)	(152,792)	(157,716)	(158,991)	(144,348)
Administrative Expenses	-	-	-	-	-
Other	<u>1,774</u>	<u>1,373</u>	<u>558</u>	<u>291</u>	<u>6,956</u>
Net change in pension fiduciary net position	400,578	531,723	93,228	154,197	471,877
Plan fiduciary net position - beginning	<u>3,582,775</u>	<u>3,051,052</u>	<u>2,957,824</u>	<u>2,803,627</u>	<u>2,331,750</u>
Plan fiduciary net position - ending (b)	<u>\$ 3,983,353</u>	<u>\$ 3,582,775</u>	<u>\$ 3,051,052</u>	<u>\$ 2,957,824</u>	<u>\$ 2,803,627</u>
Net pension liability - ending: (a) - (b)	<u>\$ 1,400,130</u>	<u>\$ 1,488,404</u>	<u>\$ 1,654,532</u>	<u>\$ 1,839,558</u>	<u>\$ 1,540,734</u>
Plan fiduciary net position as a percentage of the total pension liability	73.99%	70.65%	64.84%	61.65%	64.53%
Covered payroll	\$ 1,783,903	\$ 1,919,240	\$ 1,845,423	\$ 1,708,040	\$ 1,642,346
Net pension liability as a percentage of covered payroll	78.49%	77.55%	89.66%	107.70%	93.81%

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

** Pension schedules in the required supplementary information are intended to show information for ten years. Additional information will be displayed as it becomes available.

See accountant's report.

TOWN OF NEW HARTFORD

Schedule of Contributions For the Last 5 Fiscal Years

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined contribution (ADEC)	\$ 288,415	\$ 281,633	\$ 257,906	\$ 253,343	\$ 208,104
Contributions in relation to the ADEC	<u>288,414</u>	<u>281,633</u>	<u>263,543</u>	<u>263,543</u>	<u>231,114</u>
Contribution deficiency (excess)	<u>1</u>	<u>-</u>	<u>(5,637)</u>	<u>(10,200)</u>	<u>(23,010)</u>
Covered payroll	1,783,903	1,919,240	1,845,423	1,708,040	1,642,346
Contributions as a percentage of covered payroll	16.17%	14.67%	14.28%	15.43%	14.07%

Notes to Schedule

Valuation Date:

7/1/2017

Methods and assumptions used to determine contribution rates:

Actuarial cost method

Entry Age Normal Cost Actuarial

Amortization method

Closed

Remaining amortization period

30 yrs.

Asset valuation method

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

Inflation

2.75%

Salary increases

3.50%

Investment rate of return

7.25%

Retirement Age

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

Mortality

RP2000 Combined Mortality projected using scale AA to the valuation date

* Pension schedules in the required supplementary information are intended to show information for ten years. Additional information will be displayed as it becomes available.

See accountant's report.

TOWN OF NEW HARTFORD
Schedule of Investment Returns
Last 5 Fiscal Years

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return, net of investment expense	7.35%	12.44%	-0.41%	1.73%	16.45%

See accountant's report.
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TOWN OF NEW HARTFORD
State Teacher's Retirement System
Proportionate Share of Net Pension Liability
June 30, 2018

<u>Schedule of Proportionate Share of Net Pension Liability</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Town's proportion of the net pension liability	0.00%	0.00%	0.00%	0.00%
Town's proportionate share of the net pension liability	\$ -	\$ -	\$ -	
State of Connecticut's proportionate share of the net pension associated with Town	11,516,040	12,149,511	10,022,228	9,263,541
Total	<u>\$11,516,040</u>	<u>\$ 12,149,511</u>	<u>\$ 10,022,228</u>	<u>\$ 9,263,541</u>
Town's covered-employee payroll	<u>\$ 3,305,535</u>	<u>\$ 3,493,688</u>	<u>\$ 3,424,590</u>	<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>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>55.93%</u>	<u>52.26%</u>	<u>59.50%</u>	<u>61.51%</u>

See accountant's report.

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, 2018

Change of benefit terms	None
Changes of assumptions	The total pension liability was determined by an actuarial valuation as of June 30, 2016.
Actuarial Cost Method	Entry Age
Amortization Period	Level percent of salary, closed
Remaining Amortization Period	20.4 years
Asset Valuation Method	4 year smoothed market
Inflation	3.00%
Salary Increases	3.75%-7.0% average, including inflation
Investment Rate of Return	8.50%, net of pension plan investment expense, including inflation

TOWN OF NEW HARTFORD
State Teacher's Retirement System
Proportionate Share of Net OPEB Liability
June 30, 2018

<u>Schedule of Proportionate Share of Net OPEB Liability</u>	<u>2018</u>
Town's proportion of the net OPEB liability	0.00%
Town's proportionate share of the net OPEB liability	\$ -
State of Connecticut's proportionate share of the net OPEB liability associated with Town	<u>2,964,086</u>
Total	<u>\$ 2,964,086</u>
Town's covered-employee payroll	<u>\$ 3,305,535</u>
Town's proportionate share of the net OPEB liability as a percentage of its covered -employee payroll.	<u>0.00%</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>1.79%</u>

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, 2018

Page 1 of 5

	Original Budget	Amended Budget	Actual	Over (Under)
Revenues				
Taxes				
Property Taxes	\$ 19,612,485	\$ 19,612,485	\$ 19,762,652	\$ 150,167
Property Taxes - Prior Years	190,000	190,000	311,987	121,987
Interest and Lien Fees	100,000	100,000	161,703	61,703
Total Taxes	<u>19,902,485</u>	<u>19,902,485</u>	<u>20,236,342</u>	<u>333,857</u>
Fees, Fines, and Permits				
Licenses and Permits	1,000	1,000	2,740	1,740
Copy Machine Fees	10,000	10,000	12,185	2,185
Town Clerk Fees	100,000	100,000	101,234	1,234
Building Inspector Fees	95,000	95,000	93,070	(1,930)
Zoning & Wetlands Fees	5,000	5,000	9,630	4,630
Burning Official Fees	1,300	1,300	1,680	380
Parking Tickets Fees	100	100	50	(50)
Total Fees, Fines, and Permits	<u>212,400</u>	<u>212,400</u>	<u>220,589</u>	<u>8,189</u>
Intergovernmental Revenue				
Telephone access line tax	19,750	19,750	15,327	(4,423)
Town Aid for Roads	269,713	269,713	269,918	205
LOCIP Grant	115,666	115,666	114,998	(668)
Lieu of taxes-Veteran	2,000	2,000	-	(2,000)
Lieu of taxes-Disabled	475	475	-	(475)
Adult Education	2,774	2,774	2,960	186
Pequot Grant	18,753	18,753	18,753	-
ECS Grant	2,710,014	2,710,014	2,709,346	(668)
Municipal Grant in Aid	139,174	139,174	139,174	-
Education Pass-through Grants	194,068	194,068	202,110	8,042
Special Education Excess Cost Grant	83,845	83,845	-	(83,845)
Total Intergovernmental Revenues	<u>3,556,232</u>	<u>3,556,232</u>	<u>3,472,586</u>	<u>(83,646)</u>
Other Revenues				
Rental Income	132,000	132,000	132,000	-
WPCA split 61%	33,075	33,075	16,537	(16,538)
CIRMA Equity Distribution	7,500	7,500	13,442	5,942
Miscellaneous	40,000	40,000	66,707	26,707
Total Other Revenues	<u>212,575</u>	<u>212,575</u>	<u>228,686</u>	<u>16,111</u>
Investment Earnings				
Short-Term Interest	10,000	10,000	39,730	29,730
Total Investment Income	<u>10,000</u>	<u>10,000</u>	<u>39,730</u>	<u>29,730</u>
Other Financing Sources				
Surplus to Finance Budget	250,000	250,000	-	(250,000)
Total Other Financing Sources	<u>250,000</u>	<u>250,000</u>	<u>-</u>	<u>(250,000)</u>
Total Revenues	<u>\$ 24,143,692</u>	<u>\$ 24,143,692</u>	<u>\$ 24,197,933</u>	<u>\$ 54,241</u>

See accountant's report.

TOWN OF NEW HARTFORD
Schedule of Revenues and Expenditures - Budget and Actual
For the Year Ended June 30, 2018

Page 2 of 5

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Over (Under)</u>
Expenditures				
General Government				
First Selectman	\$ 73,352	\$ 73,352	\$ 71,942	\$ (1,410)
Senior Bookkeeper	55,829	55,829	54,764	(1,065)
Bookkeeper Ass't	13,949	13,949	24,188	10,239
Admin. Asst./Welfare Admin.	61,654	61,654	59,614	(2,040)
Overtime/ Substitutes	3,000	3,000	2,330	(670)
Town Hall Janitorial Service	17,340	17,340	17,489	149
Administrative Expenses	12,000	12,000	11,029	(971)
Office Supplies and Equipment	21,000	21,000	19,147	(1,853)
Communications Expense	4,000	4,000	-	(4,000)
Town Hall Maintenance and Utilities:				
Telephone	13,000	13,000	12,921	(79)
Heating	15,000	15,000	11,035	(3,965)
Electricity	40,000	40,000	43,687	3,687
Other Utilities	10,000	10,000	10,696	696
Computer Maintenance	35,000	35,000	33,439	(1,561)
Interior Maintenance	39,000	39,000	35,689	(3,311)
Insurance				
Liability and Property	74,500	74,500	74,872	372
Workers' Compensation	91,000	91,000	94,785	3,785
Pension	137,000	137,000	142,341	5,341
Retirement/Benefits	26,000	26,000	23,001	(2,999)
Town's Share of FICA	125,000	125,000	133,001	8,001
Unemployment	5,000	5,000	-	(5,000)
Health	427,000	427,000	397,464	(29,536)
Longevity Pay	4,056	4,056	4,056	-
Town:				
Attorney	15,000	15,000	13,150	(1,850)
Engineer	15,000	15,000	5,207	(9,793)
Tax Collector:				
Salary	55,096	55,096	54,047	(1,049)
Assistant	19,061	19,061	17,549	(1,512)
Data Processing	9,000	9,000	8,377	(623)
Supplies and Expenses	7,200	7,200	6,951	(249)
Collection Expense	1,500	1,500	807	(693)
Assessor:				
Salary	47,794	47,794	46,953	(841)
Data Processing	18,070	18,070	17,520	(550)
Supplies and Expenses	5,050	5,050	4,883	(167)
Probate	5,790	5,790	5,248	(542)
Registrar Salary (D)	13,000	13,000	9,929	(3,071)
Registrar Salary (R)	13,000	13,000	11,105	(1,895)
Elections	24,000	24,000	19,168	(4,832)
Referendums	4,651	4,651	5,849	1,198

See accountant's report.

TOWN OF NEW HARTFORD
Schedule of Revenues and Expenditures - Budget and Actual
For the Year Ended June 30, 2018

Page 3 of 5

	Original <u>Budget</u>	Amended <u>Budget</u>	<u>Actual</u>	Over <u>(Under)</u>
Board of Finance				
Supplies and Expenses	1,200	1,200	2,279	1,079
Audit	26,651	26,651	26,651	-
Town Reports	1,000	1,000	350	(650)
Attorney Fees	10,000	10,000	-	(10,000)
Treasurer's Salary	7,223	7,223	7,085	(138)
Town Clerk:				
Salary	63,108	63,108	61,906	(1,202)
Clerical Salary	39,236	39,236	38,620	(616)
Supplies and Expenses	36,976	36,976	36,757	(219)
Town Clerk Training	250	250	250	-
Total General Government	1,742,536	1,742,536	1,678,131	(64,405)
Public Safety				
Constables	\$ 307,873	\$ 307,873	\$ 282,417	\$ (25,456)
Constables - Overtime	6,000	6,000	1,504	(4,496)
Resident State Troopers	143,224	143,224	146,605	3,381
Vehicle Expense	5,000	5,000	7,717	2,717
Supplies and Expenses	5,450	5,450	6,749	1,299
Street Lights	23,000	23,000	26,183	3,183
Fire Department:				
Fire Marshal	13,000	13,000	11,581	(1,419)
Deputy Fire Marshal	1,000	1,000	-	(1,000)
Fire Marshal Vehicle	1,800	1,800	1,800	-
Burning Official	1,600	1,600	1,260	(340)
Animal Control Fund	13,000	13,000	6,022	(6,978)
Local Emergency Planning	4,000	4,000	5,700	1,700
Litchfield County Dispatch	73,254	73,254	73,254	-
Paramedic Intercept	66,095	66,095	66,095	-
Ambulance Association	120,000	120,000	119,227	(773)
Total Public Safety	784,296	784,296	756,114	(28,182)
Highways				
Wages	\$ 518,441	\$ 518,441	\$ 495,544	\$ (22,897)
Overtime Wages	80,000	80,000	76,737	(3,263)
Supplies and Expenses	75,000	75,000	71,113	(3,887)
Equip. Maint. and Repair	110,000	110,000	120,705	10,705
Gas, Grease, and Oil	80,000	80,000	66,574	(13,426)
Telephone	3,000	3,000	2,997	(3)
Heating Oil	14,000	14,000	8,231	(5,769)
Electricity	8,000	8,000	8,183	183
Tree Removal	30,000	30,000	28,424	(1,576)
Road Maint. and Improvement	130,000	130,000	115,138	(14,862)
Snow Sand	70,000	70,000	63,008	(6,992)
Snow Salt/Liquid Calcium	80,000	80,000	83,259	3,259
Road Sweeping/Catchbasin Clean	5,000	5,000	6,300	1,300
Asphalt/Bituminous Paving	415,000	415,000	411,884	(3,116)
Total Highway	1,618,441	1,618,441	1,558,097	(60,344)

See accountant's report.

TOWN OF NEW HARTFORD
Schedule of Revenues and Expenditures - Budget and Actual
For the Year Ended June 30, 2018

Page 4 of 5

	Original Budget	Amended Budget	Actual	Over (Under)
Planning and Development				
Building Inspector	\$ 59,150	\$ 59,150	\$ 46,800	\$ (12,350)
Building Department Expense	3,450	3,450	3,118	(332)
Zoning:				
Officer	61,338	61,338	58,268	(3,070)
Zoning Secretary	4,000	4,000	3,625	(375)
Land Use Administrative Assistant	48,632	48,632	47,695	(937)
Printing Supplies and Expenses	9,000	9,000	7,753	(1,247)
Legal and Professional Fees	27,000	27,000	23,726	(3,274)
Inland Wetlands	3,000	3,000	3,227	227
Litchfield Co. Soil Conservation	1,795	1,795	1,400	(395)
Total Planning and Development	217,365	217,365	195,612	(21,753)
Health and Welfare				
Farmington Valley Health District	\$ 35,763	\$ 35,763	\$ 36,187	\$ 424
Foothills Visiting Nurse	15,000	15,000	15,000	-
Regional Refuse Disposal	126,080	126,080	126,080	-
Meals on Wheels	3,130	3,130	2,644	(486)
Agent for the Elderly	100	100	-	(100)
Total Health and Welfare	180,073	180,073	179,911	(162)
Libraries				
N. H. Free Public Library	\$ 223,141	\$ 223,141	\$ 223,141	\$ -
Bakerville Library	50,892	50,892	50,892	-
Total Libraries	274,033	274,033	274,033	-
Parks and Recreation				
Recreation Director	\$ 25,405	\$ 25,405	\$ 24,847	\$ (558)
Recreation Recording Secretary	1,000	1,000	-	(1,000)
Seasonal Help	8,000	8,000	3,806	(4,194)
General Recreation	1,500	1,500	43	(1,457)
Contracted Services	40,000	40,000	36,700	(3,300)
Sports Allocations	-	-	-	-
Propane	7,000	7,000	10,344	3,344
Total Parks and Recreation	82,905	82,905	75,740	(7,165)
Debt Service				
Principal	\$ 463,771	\$ 463,771	\$ 466,657	\$ 2,886
Interest	229,008	229,008	226,745	(2,263)
Total Debt Service	692,779	692,779	693,402	623

See accountant's report.

TOWN OF NEW HARTFORD
Schedule of Revenues and Expenditures - Budget and Actual
For the Year Ended June 30, 2018

Page 5 of 5

	Original Budget	Amended Budget	Actual	Over (Under)
Commissions/Other Agencies				
Conservation Commission	\$ 500	\$ 500	\$ 600	\$ 100
Open Space Board	500	500	500	-
Board of Tax Review	500	500	46	(454)
New Hartford Day	100	100	-	(100)
Historic District Commission	500	500	-	(500)
Senior Citizen Supplies	22,140	22,140	13,274	(8,866)
Senior Director	26,079	26,079	22,554	(3,525)
Northwest Transportation	1,162	1,162	1,162	-
Historical Society	500	500	-	(500)
Litchfield Hills CEO	5,411	5,411	5,411	-
Community Club	50	50	-	(50)
Town Hill Cemetery	100	100	-	(100)
Susan B. Anthony Project	2,500	2,500	2,500	-
Winchester Youth Service	1,000	1,000	1,000	-
Economic Development	8,000	8,000	6,523	(1,477)
COST	825	825	825	-
Standlift Cove	6,000	6,000	6,000	-
West Hill Lake Association	8,000	8,000	5,000	(3,000)
Torrington Water Co. Hydrants	10,744	10,744	10,744	-
CCM	4,115	4,115	3,300	(815)
Total Commissions/Other Agencies	98,726	98,726	79,439	(19,287)
Capital Expenditures				
Technology	\$ 10,000	\$ 10,000	\$ 10,000	\$ -
Revaluation	50,000	50,000	50,000	-
BOE Capital	32,000	32,000	32,000	-
Truck - Financed	55,000	55,000	55,000	-
Garage Equipment Lift System	35,000	35,000	35,000	-
Oil Separator Tanks	20,000	20,000	20,000	-
Land Use Vehicle	18,000	18,000	18,000	-
Senior Van	15,000	15,000	15,000	-
WPCA (Pine Meadow Well Rehab)	25,000	25,000	25,000	-
WPCA (Black Bridge Well Rehab)	40,000	40,000	40,000	-
Total Capital Expenditures	300,000	300,000	300,000	-
Education				
Elementary Education	\$ 7,840,948	\$ 7,840,948	\$ 7,824,223	\$ (16,725)
Adult Education Cooperative	2,845	2,845	9,120	6,275
Regional School District #7	10,114,677	10,114,677	10,114,677	-
Education Pass-through Grants	194,068	194,068	212,701	18,633
Total Education	18,152,538	18,152,538	18,160,721	8,183
Total Expenditures	\$ 24,143,692	\$ 24,143,692	\$ 23,951,200	\$ (192,492)
Excess of Revenues over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 246,733</u>	<u>\$ 246,733</u>

See accountant's report.

Nonmajor Governmental Funds

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.

Special Revenue Funds

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

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.

TOWN OF NEW HARTFORD

Page 1 of 2

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2018

	SPECIAL REVENUE FUNDS						
	Debt Service Fund	New Hartford Day	Dog Fund	Historical Documents Fund	School Cafeteria	Recreation Fund	Senior Center
Assets							
Cash and cash equivalents	\$ 47,021	\$ 4,357	\$ 11,793	\$ -	\$ 35,995	\$ 81,169	\$ 3,786
Investments	-	-	-	-	-	-	-
Grants Receivable	-	-	-	-	-	-	-
Deferred Loans Receivable	-	-	-	-	-	-	-
Interfund Receivables	-	-	-	10,463	7,277	-	-
Inventories	-	-	-	-	930	-	-
Total Assets	<u>\$ 47,021</u>	<u>\$ 4,357</u>	<u>\$ 11,793</u>	<u>\$ 10,463</u>	<u>\$ 44,202</u>	<u>\$ 81,169</u>	<u>\$ 3,786</u>
Liabilities and Fund Balances							
Liabilities:							
Accounts Payable	-	-	7,147	-	-	20,993	-
Interfund Payables	-	-	-	-	34,994	-	-
Due to State of CT	-	-	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>7,147</u>	<u>-</u>	<u>34,994</u>	<u>20,993</u>	<u>-</u>
Fund Balances							
Nonspendable	-	-	-	-	930	-	-
Restricted	-	4,357	-	10,463	-	-	-
Committed	47,021	-	4,646	-	8,278	60,176	3,786
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total Fund Balances	<u>47,021</u>	<u>4,357</u>	<u>4,646</u>	<u>10,463</u>	<u>9,208</u>	<u>60,176</u>	<u>3,786</u>
Total Liabilities and Fund Balances	<u>\$ 47,021</u>	<u>\$ 4,357</u>	<u>\$ 11,793</u>	<u>\$ 10,463</u>	<u>\$ 44,202</u>	<u>\$ 81,169</u>	<u>\$ 3,786</u>

See accountant's report.

TOWN OF NEW HARTFORD

Page 2 of 2

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2018

	SPECIAL REVENUE FUNDS			CAPITAL PROJECTS FUND	
	Town Hill Cemetery Fund	Small Cities Housing Rehabilitation	Open Space	Community Investment	Total
Assets					
Cash and cash equivalents	\$ 2,084	\$ 116,273	\$ -	\$ -	\$ 302,478
Investments	115,914	-	-	-	115,914
Grants Receivable	-	-	-	-	-
Deferred Loans Receivable	-	371,458	-	-	371,458
Interfund Receivables	-	-	-	12,170	29,910
Inventories	-	-	-	-	930
Total Assets	\$ 117,998	\$ 487,731	\$ -	\$ 12,170	\$ 820,690
Liabilities and Fund Balances					
Liabilities:					
Accounts Payable	-	-	-	-	28,140
Interfund Payables	-	-	121,989	-	156,983
Due to State of CT	-	-	-	-	-
Total Liabilities	-	-	121,989	-	185,123
Fund Balances					
Nonspendable	-	-	-	-	930
Restricted	117,998	487,731	-	12,170	632,719
Committed	-	-	-	-	123,907
Assigned	-	-	-	-	-
Unassigned	-	-	(121,989)	-	(121,989)
Total Fund Balances	117,998	487,731	(121,989)	12,170	635,567
Total Liabilities and Fund Balances	\$ 117,998	\$ 487,731	\$ -	\$ 12,170	\$ 820,690

See accountant's report.

TOWN OF NEW HARTFORD

Page 1 of 2

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2018

SPECIAL REVENUE FUNDS							
	<u>Debt Service Fund</u>	<u>New Hartford Day</u>	<u>Dog Fund</u>	<u>Historical Documents Fund</u>	<u>School Cafeteria</u>	<u>Recreation Fund</u>	<u>Senior Center</u>
Revenues							
Operating Grants and Contributions	\$ -	\$ 395	\$ -	\$ 4,000	\$ 34,331	\$ -	\$ -
Capital Grants and Contributions	-	-	-	-	-	-	-
Charges for Services	-	-	14,752	3,267	86,275	174,869	22,619
Other Income	-	-	-	-	-	-	-
Investments earnings	47	2	-	-	-	-	-
Total Revenues	<u>47</u>	<u>397</u>	<u>14,752</u>	<u>7,267</u>	<u>120,606</u>	<u>174,869</u>	<u>22,619</u>
Expenditures							
Current							
General government	-	1,199	-	5,353	-	-	-
Public safety	-	-	19,082	-	-	-	-
Parks and recreation	-	-	-	-	-	195,236	29,359
Commissions/agencies	-	-	-	-	-	-	-
Education	-	-	-	-	123,662	-	-
Debt Service	-	-	-	-	-	-	-
Capital Expenditures	-	-	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>1,199</u>	<u>19,082</u>	<u>5,353</u>	<u>123,662</u>	<u>195,236</u>	<u>29,359</u>
Excess/(Deficiency) of Revenues Over Expenditures	47	(802)	(4,330)	1,914	(3,056)	(20,367)	(6,740)
Other Financing Sources/(Uses)							
Proceeds from Financing	-	-	-	-	-	-	-
Transfers in	-	-	-	-	3,871	-	9,560
Transfers out	-	-	-	-	-	-	-
Total Other Financing Sources/(Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,871</u>	<u>-</u>	<u>9,560</u>
Net change in fund balances	47	(802)	(4,330)	1,914	815	(20,367)	2,820
Fund balances - beginning	<u>46,974</u>	<u>5,159</u>	<u>8,976</u>	<u>8,549</u>	<u>8,393</u>	<u>80,543</u>	<u>966</u>
Fund balances - ending	<u>\$ 47,021</u>	<u>\$ 4,357</u>	<u>\$ 4,646</u>	<u>\$ 10,463</u>	<u>\$ 9,208</u>	<u>\$ 60,176</u>	<u>\$ 3,786</u>

See accountant's report.

TOWN OF NEW HARTFORD

Page 2 of 2

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2018

	SPECIAL REVENUE FUNDS			CAPITAL PROJECTS FUNDS	
	Town Hill Cemetery Fund	Small Cities Housing Rehabilitation	Open Space	Community Investment	Total
Revenues					
Operating Grants and Contributions	\$ -	\$ -	\$ -	\$ -	\$ 38,726
Capital Grants and Contributions	-	-	26,484	-	26,484
Charges for Services	2,100	-	-	3,423	307,305
Other Income	-	-	-	-	-
Investments earnings	7,332	47	-	-	7,428
Total Revenues	<u>9,432</u>	<u>47</u>	<u>26,484</u>	<u>3,423</u>	<u>379,943</u>
Expenditures					
Current					
General government	-	-	-	-	6,552
Public safety	-	-	-	-	19,082
Parks and recreation	-	-	-	-	224,595
Commissions/agencies	4,705	-	-	-	4,705
Education	-	-	-	-	123,662
Debt Service	-	-	-	-	-
Capital Expenditures	-	-	171,223	-	171,223
Total Expenditures	<u>4,705</u>	<u>-</u>	<u>171,223</u>	<u>-</u>	<u>549,819</u>
Excess/(Deficiency) of Revenues Over Expenditures	4,727	47	(144,739)	3,423	(169,876)
Other Financing Sources/(Uses)					
Proceeds from Financing	-	-	-	-	-
Transfers in	-	-	-	-	13,431
Transfers out	-	-	-	-	-
Total Other Financing Sources/(Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,431</u>
Net change in fund balances	4,727	47	(144,739)	3,423	(156,445)
Fund balances - beginning	<u>113,271</u>	<u>487,684</u>	<u>22,750</u>	<u>8,747</u>	<u>792,012</u>
Fund balances - ending	<u>\$ 117,998</u>	<u>\$ 487,731</u>	<u>\$ (121,989)</u>	<u>\$ 12,170</u>	<u>\$ 635,567</u>

See accountant's report.

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, 2018

	AGENCY FUNDS			
	<u>Driveway Permits</u>	<u>Zoning Permits</u>	<u>Student Activities Fund</u>	<u>Total</u>
Assets				
Cash and Cash Equivalents	\$ 39,623	\$ 7,187	\$ 10,975	\$ 57,785
Investments:				
Short-Term Investments	-	-	-	-
Mutual Funds	-	-	-	-
Total Assets	<u>\$ 39,623</u>	<u>\$ 7,187</u>	<u>\$ 10,975</u>	<u>\$ 57,785</u>
Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Liabilities				
Fiduciary Deposits	<u>39,623</u>	<u>7,187</u>	<u>10,975</u>	<u>57,785</u>
Total Liabilities	<u>39,623</u>	<u>7,187</u>	<u>10,975</u>	<u>57,785</u>
Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Position				
Held in Trust for Pension Benefits	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Net Position	<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, 2018

	Balance <u>July 1, 2017</u>	<u>Additions</u>	<u>Deductions</u>	Balance <u>June 30, 2018</u>
<u>Driveway Permits</u>				
Assets:				
Cash	\$ 43,928	\$ 4,539	\$ 8,844	\$ 39,623
Total Assets	<u>43,928</u>	<u>4,539</u>	<u>8,844</u>	<u>39,623</u>
Liabilities				
Fiduciary Deposits	43,928	4,539	8,844	39,623
Total Liabilities	<u>\$ 43,928</u>	<u>\$ 4,539</u>	<u>\$ 8,844</u>	<u>\$ 39,623</u>
<u>Zoning Permits</u>				
Assets:				
Cash	\$ 7,187	\$ -	\$ -	\$ 7,187
Total Assets	<u>7,187</u>	<u>-</u>	<u>-</u>	<u>7,187</u>
Liabilities				
Fiduciary Deposits	7,187	-	-	7,187
Total Liabilities	<u>\$ 7,187</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,187</u>
<u>Student Activities Fund</u>				
Assets:				
Cash	\$ 9,082	\$ 38,703	\$ 36,810	\$ 10,975
Total Assets	<u>9,082</u>	<u>38,703</u>	<u>36,810</u>	<u>10,975</u>
Liabilities				
Fiduciary Deposits	9,082	38,703	36,810	10,975
Total Liabilities	<u>\$ 9,082</u>	<u>\$ 38,703</u>	<u>\$ 36,810</u>	<u>\$ 10,975</u>
<u>Total Agency Funds</u>				
Assets:				
Cash	\$ 60,197	\$ 43,242	\$ 45,654	\$ 57,785
Total Assets	<u>60,197</u>	<u>43,242</u>	<u>45,654</u>	<u>57,785</u>
Liabilities				
Fiduciary Deposits	60,197	43,242	45,654	57,785
Total Liabilities	<u>\$ 60,197</u>	<u>\$ 43,242</u>	<u>\$ 45,654</u>	<u>\$ 57,785</u>

See accountant's report.

Supplemental Schedules

TOWN OF NEW HARTFORD
Schedule of Property Taxes Levied, Collected and Outstanding
For the Year Ended June 30, 2018

List of 10/1:	Outstanding	Current	Lawful Corrections		Transfers	Collectible	Receipt	Receipt	Total	Outstanding
	<u>July 1, 2017</u>	<u>Levy</u>	<u>Additions</u>	<u>Deductions</u>	<u>to</u> <u>Suspense</u>	<u>Taxes</u>	<u>of</u> <u>Taxes</u>	<u>of</u> <u>Interest</u> <u>and Liens</u>	<u>Receipts</u>	<u>June 30, 2018</u>
2016		\$ 20,126,712	\$ 16,453	\$ 50,124	\$ (3,008)	\$ 20,090,033	\$ 19,865,440	\$ 40,683	\$ 19,906,123	\$ 224,593
2015	\$ 260,340	-	811	3,808	(4,103)	253,240	168,086	41,921	210,007	85,154
2014	107,981	-	399	181	(3,121)	105,078	71,641	26,372	98,013	33,437
2013	48,377	-	11	-	(1,980)	46,408	36,654	21,007	57,661	9,754
2012	31,856	-	-	-	(1,810)	30,046	27,607	20,493	48,100	2,439
2011	19,279	-	-	-	(1,549)	17,730	16,110	16,380	32,490	1,620
2010	6,781	-	-	-	(1,623)	5,158	3,675	4,775	8,450	1,483
2009	2,396	-	-	-	(1,554)	842	712	1,518	2,230	130
2008	780	-	-	-	(780)	-	-	189	189	-
2007	-	-	-	-	-	-	-	548	548	-
2006	-	-	-	-	-	-	-	506	506	-
2005	-	-	-	-	-	-	-	220	220	-
2004	-	-	-	-	-	-	-	253	253	-
2003	-	-	-	-	-	-	-	-	-	-
2002	-	-	-	-	-	-	-	250	250	-
2001	-	-	-	-	-	-	-	-	-	-
	<u>\$ 477,790</u>	<u>\$ 20,126,712</u>	<u>\$ 17,674</u>	<u>\$ 54,113</u>	<u>\$ (19,528)</u>	<u>\$ 20,548,535</u>	<u>\$ 20,189,925</u>	<u>\$ 175,115</u>	<u>\$ 20,365,040</u>	<u>\$ 358,610</u>

Net Grand List- October 1, 2016

Tax Rate: 30.276 mills

Total Suspense Collections	-	5,234	5,234
Total Collections	<u>\$ 20,189,925</u>	<u>\$ 180,349</u>	<u>\$ 20,370,274</u>

*total suspense interest collections of \$5,234 included in total receipt of interest & liens collected

See accountant's report.

TOWN OF NEW HARTFORD

Schedule of Debt Limitation

As of June 30, 2018

Total Prior Year Tax Collections - including interest and lien fees
Received by Treasurer

\$ 19,824,531

Reimbursement for revenue loss on:

Tax relief for elderly

-

Base

\$ 19,824,531**Debt limitation:**

	General <u>Purposes</u>	<u>Schools</u>	<u>Sewers</u>	Urban <u>Renewal</u>
2 1/4 times base	\$ 44,605,195	\$ -	\$ -	\$ -
4 1/2 times base	-	89,210,390	-	-
3 3/4 times base	-	-	74,341,991	-
3 1/4 times base	-	-	-	64,429,726
Total debt limitation	<u>44,605,195</u>	<u>89,210,390</u>	<u>74,341,991</u>	<u>64,429,726</u>

Indebtedness:

Bonds payable	4,791,527	793,473	-	-
Notes payable	-	-	-	-
USDA Note	-	-	3,163,673	-

Overlapping debt:

Regional School District No. 7	<u>-</u>	<u>830,100</u>	<u>-</u>	<u>-</u>
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Total Indebtedness	<u>4,791,527</u>	<u>1,623,573</u>	<u>3,163,673</u>	<u>-</u>
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Debt limitation in excess of
outstanding and authorized debt

\$ 39,813,668 \$ 87,586,817 \$ 71,178,318 \$ 64,429,726

NOTE:

In no case should this total indebtedness exceed
seven times the base \$19,824,531 or \$138,771,717.

See accountant's report.

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.

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

Table 1

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Governmental Activities:										
Net Investment in Capital Assets	\$ 10,358,650	\$ 10,236,647	\$ 10,921,448	\$ 11,155,435	\$ 12,124,042	\$ 12,513,900	\$ 13,359,082	\$ 12,910,546	\$ 12,967,824	\$ 13,405,590
Restricted	21,155	24,480	28,944	31,929	36,948	636,139	640,194	1,615,291	623,410	632,719
Unrestricted	<u>4,221,104</u>	<u>1,760,535</u>	<u>3,400,525</u>	<u>3,546,323</u>	<u>1,963,071</u>	<u>1,590,443</u>	<u>833,140</u>	<u>981,767</u>	<u>2,332,332</u>	<u>2,002,646</u>
Total Governmental Activities Net Position	<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>	<u>\$ 15,507,604</u>	<u>\$ 15,923,566</u>	<u>\$ 16,040,955</u>
Business-type Activities:										
Net Investment in Capital Assets	\$ 4,942,028	\$ 9,746,307	\$ 11,265,057	\$ 10,945,088	\$ 10,636,926	\$ 10,767,874	\$ 10,446,135	\$ 10,126,458	\$ 9,790,577	\$ 9,520,794
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	<u>47,118</u>	<u>(1,981,117)</u>	<u>(2,016,632)</u>	<u>(2,045,157)</u>	<u>(1,965,796)</u>	<u>(1,993,158)</u>	<u>(2,044,291)</u>	<u>(2,085,887)</u>	<u>(2,161,368)</u>	<u>(2,179,152)</u>
Total Business-type Activities Net Position	<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>	<u>\$ 8,040,571</u>	<u>\$ 7,629,209</u>	<u>\$ 7,341,642</u>
Primary Government:										
Net Investment in Capital Assets	\$ 15,300,678	\$ 19,982,954	\$ 22,186,505	\$ 22,100,523	\$ 19,167,283	\$ 19,779,931	\$ 20,385,138	\$ 20,385,138	\$ 20,385,138	\$ 20,385,138
Restricted	21,155	24,480	28,944	31,929	36,948	636,139	640,194	1,615,291	623,410	632,719
Unrestricted	<u>4,268,222</u>	<u>(220,582)</u>	<u>1,383,893</u>	<u>1,501,166</u>	<u>3,590,960</u>	<u>3,099,128</u>	<u>2,208,928</u>	<u>1,547,746</u>	<u>2,544,227</u>	<u>2,364,740</u>
Total Primary Government Net Position	<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>	<u>\$ 23,548,175</u>	<u>\$ 23,552,775</u>	<u>\$ 23,382,597</u>

TOWN OF NEW HARTFORD

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

Table 2

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Expenses										
Governmental Activities:										
General Government	\$ 2,095,182	\$ 2,185,561	\$ 2,257,962	\$ 1,940,123	\$ 1,858,404	\$ 1,692,211	\$ 2,272,452	\$ 1,879,103	\$ 1,809,887	\$ 1,962,809
Public Safety	670,923	638,618	738,279	616,213	621,356	611,487	655,616	742,342	779,498	786,109
Highways	1,655,437	1,636,007	1,834,330	1,535,240	1,564,137	1,701,028	1,804,175	1,833,059	1,865,478	1,991,375
Planning and Development	194,147	197,609	164,289	144,909	148,092	146,313	161,557	155,243	197,353	218,913
Health and Welfare	312,056	317,245	296,489	331,132	204,198	220,060	204,070	203,117	213,615	193,629
Libraries	269,007	259,000	259,000	263,000	268,000	272,000	280,000	285,600	288,455	274,033
Parks and Recreation	303,697	306,023	317,543	317,706	329,721	284,804	301,555	353,647	301,870	336,612
Commissions/Agencies	83,142	76,987	64,330	76,513	62,503	83,391	76,250	102,127	194,602	74,843
Education	16,399,158	16,307,462	16,341,565	16,837,641	17,543,708	18,094,896	18,270,620	18,905,910	19,631,108	19,849,746
Interest on Long-Term Debt	-	-	-	232,961	219,579	195,733	176,910	159,693	116,543	142,638
Total Governmental Activities Expenses	<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>	<u>24,619,841</u>	<u>25,398,409</u>	<u>25,830,707</u>
Business-Type Activities:										
Water and Sewer System	<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>	<u>1,055,465</u>	<u>1,011,545</u>	<u>1,007,179</u>
Total Business-Type Activities Expenses	<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>	<u>1,055,465</u>	<u>1,011,545</u>	<u>1,007,179</u>
Total Primary Government Expenses	<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>	<u>\$ 25,675,306</u>	<u>\$ 26,409,954</u>	<u>\$ 26,837,886</u>
Program Revenues										
Governmental Activities:										
Charges for Services:										
General Government	\$ 92,579	\$ 100,844	\$ 107,446	\$ 115,562	\$ 129,867	\$ 109,571	\$ 111,026	\$ 139,335	\$ 126,151	\$ 121,526
Parks and Recreation	148,265	174,387	162,076	180,775	180,819	185,591	189,482	223,558	176,137	197,488
Education	123,278	163,073	117,464	110,907	98,401	148,500	148,323	121,954	197,917	218,275
Other Activities	90,281	72,900	87,996	83,986	100,975	103,326	95,250	128,055	140,698	122,605
Operating Grants and Contributions	4,523,354	4,314,244	4,392,255	4,827,438	4,551,503	4,947,624	4,748,459	4,728,849	5,102,903	4,798,381
Capital Grants and Contributions	<u>522,606</u>	<u>89,973</u>	<u>1,450,936</u>	<u>117,896</u>	<u>130,370</u>	<u>146,071</u>	<u>294,645</u>	<u>549,794</u>	<u>106,216</u>	<u>295,730</u>
Total Governmental Activities Program Revenues	<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>5,587,185</u>	<u>5,891,545</u>	<u>5,850,022</u>	<u>5,754,005</u>
Business-type Activities:										
Charges for Services:										
Water and Sewer System	557,660	625,768	617,682	666,939	722,010	741,298	702,157	718,642	600,183	657,993
Capital Grants and Contributions	<u>1,329,210</u>	<u>-</u>	<u>2,697,580</u>	<u>-</u>	<u>-</u>	<u>455,891</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Business-type Activities Program Revenues	<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>	<u>718,642</u>	<u>600,183</u>	<u>657,993</u>
Total Primary Government Program Revenues	<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>	<u>\$ 6,610,187</u>	<u>\$ 6,450,205</u>	<u>\$ 6,411,998</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)

Table 2

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Net (Expense)/Revenue										
Governmental Activities	\$ (16,482,386)	\$ (17,009,091)	\$ (15,955,614)	\$ (16,858,874)	\$ (17,627,763)	\$ (17,661,240)	\$ (18,616,020)	\$ (18,728,296)	\$ (19,548,387)	\$ (20,076,702)
Business-type Activities	<u>1,187,131</u>	<u>(41,478)</u>	<u>2,437,805</u>	<u>(312,554)</u>	<u>(228,801)</u>	<u>103,787</u>	<u>(372,872)</u>	<u>(336,823)</u>	<u>(411,362)</u>	<u>(349,186)</u>
Total Primary Government Net Expense	<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>	<u>\$ (19,065,119)</u>	<u>\$ (19,959,749)</u>	<u>\$ (20,425,888)</u>
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes	\$ 16,925,370	\$ 16,845,097	\$ 16,990,778	\$ 17,274,591	\$ 17,928,524	\$ 18,065,221	\$ 18,237,621	\$ 19,222,996	\$ 19,607,260	\$ 20,108,115
Grants Not Restricted for Specific Purpose	273,707	232,686	236,197	222,749	455,629	96,757	97,629	75,692	211,383	34,080
Unrestricted Investment Income	16,921	37,123	30,162	43,584	26,823	29,189	12,159	13,542	28,407	47,523
Gain on Disposal of Fixed Assets	-	-	-	-	-	-	-	14,981	-	-
Rental Income	42,849	44,319	45,901	47,278	48,933	-	-	-	-	-
Other Income	95,612	88,141	27,261	73,393	100,365	86,293	67,740	51,823	117,299	65,992
Special Item-Return of Unexpended Grant	-	-	-	(455,891)	-	-	-	-	-	-
Transfers	<u>(20,000)</u>	<u>(2,817,522)</u>	<u>954,570</u>	<u>35,940</u>	<u>-</u>	<u>201</u>	<u>-</u>	<u>24,450</u>	<u>-</u>	<u>(61,619)</u>
Total Governmental Activities	<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>	<u>19,403,484</u>	<u>19,964,349</u>	<u>20,194,091</u>
Business-type Activities:										
Unrestricted Investment Income	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-
Transfers	<u>20,000</u>	<u>2,817,522</u>	<u>(954,570)</u>	<u>(35,940)</u>	<u>-</u>	<u>(201)</u>	<u>-</u>	<u>(24,450)</u>	<u>-</u>	<u>61,619</u>
Total Business-type Activities	<u>20,000</u>	<u>2,817,522</u>	<u>(954,570)</u>	<u>(35,940)</u>	<u>-</u>	<u>(201)</u>	<u>-</u>	<u>(24,450)</u>	<u>-</u>	<u>61,619</u>
Total Primary Government	<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>	<u>\$ 19,379,034</u>	<u>\$ 19,964,349</u>	<u>\$ 20,255,710</u>
Change in Net Position										
Governmental Activities	\$ 852,073	\$ (2,579,247)	\$ 2,329,255	\$ 382,770	\$ 932,511	\$ 616,421	\$ (200,871)	\$ 675,188	\$ 415,962	\$ 117,389
Business-type Activities	<u>1,207,131</u>	<u>2,776,044</u>	<u>1,483,235</u>	<u>(348,494)</u>	<u>(228,801)</u>	<u>103,586</u>	<u>(372,872)</u>	<u>(361,273)</u>	<u>(411,362)</u>	<u>(287,567)</u>
Total Primary Government	<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>	<u>\$ 313,915</u>	<u>\$ 4,600</u>	<u>\$ (170,178)</u>

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

Table 3

	<u>2009</u>	<u>2010</u>	<u>2011**</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
General Fund:										
Reserved	\$ -	\$ 3,939,455	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	<u>3,394,424</u>	<u>3,519,887</u>	-	-	-	-	-	-	-	29,450
Nonspendable			-	-	-	-	-	-	-	-
Restricted			452,090	17,542	17,542	17,865	17,883	1,024,177	17,918	17,936
Committed			-	-	-	-	-	-	-	-
Assigned			464,312	858,333	792,140	999,022	1,069,364	422,333	472,333	547,333
Unassigned			<u>3,082,427</u>	<u>3,083,829</u>	<u>3,194,256</u>	<u>2,442,778</u>	<u>1,919,270</u>	<u>2,497,535</u>	<u>1,851,502</u>	<u>1,935,533</u>
Total General Fund	<u>\$ 3,394,424</u>	<u>\$ 7,459,342</u>	<u>\$ 3,998,829</u>	<u>\$ 3,959,704</u>	<u>\$ 4,003,938</u>	<u>\$ 3,459,665</u>	<u>\$ 3,006,517</u>	<u>\$ 3,944,045</u>	<u>\$ 2,341,753</u>	<u>\$ 2,530,252</u>
All Other Governmental Funds:										
Reserved	\$ 222,936	\$ 300,136	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special Revenue Funds	671,589	788,271	-	-	-	-	-	-	-	-
Capital Projects Funds	<u>-</u>	<u>-</u>	-	-	-	-	-	-	-	-
Nonspendable			3,177	2,051	472,412	469,019	446,235	418,448	417,100	930
Restricted			464,373	543,574	157,417	172,329	196,719	192,857	207,252	632,719
Committed			318,673	401,303	289,285	790,083	423,342	409,945	135,934	1,935,806
Assigned			188,267	182,222	99,614	-	-	-	-	-
Unassigned			<u>-</u>	<u>-</u>	<u>(110,172)</u>	<u>(61,292)</u>	<u>(48,180)</u>	<u>(7,254)</u>	<u>(1,674,024)</u>	<u>(121,989)</u>
Total All Other Governmental Funds	<u>\$ 894,525</u>	<u>\$ 1,088,407</u>	<u>\$ 974,490</u>	<u>\$ 1,129,150</u>	<u>\$ 908,556</u>	<u>\$ 1,370,139</u>	<u>\$ 1,018,116</u>	<u>\$ 1,013,996</u>	<u>\$ (913,738)</u>	<u>\$ 2,447,466</u>

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

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Revenues										
Taxes	\$ 16,773,343	\$ 16,857,985	\$ 17,002,857	\$ 17,308,285	\$ 17,782,201	\$ 17,985,887	\$ 18,230,946	\$ 19,105,372	\$ 19,856,873	\$ 20,236,342
Investment Income	16,599	36,801	29,836	43,258	26,497	28,874	12,159	13,542	28,407	47,523
Fees and Charges	454,403	511,204	474,982	491,230	510,062	546,988	544,081	612,902	640,903	659,894
Intergovernmental Revenue	5,366,019	4,633,785	6,149,577	5,168,083	5,080,569	5,190,452	5,287,314	5,387,895	4,927,618	4,659,388
Contributions	15,759	3,118	-	-	-	-	-	-	-	-
Other	138,461	132,460	73,162	120,671	149,298	86,293	67,740	66,804	117,299	65,992
Total Revenues	<u>22,764,584</u>	<u>22,175,353</u>	<u>23,730,414</u>	<u>23,131,527</u>	<u>23,548,627</u>	<u>23,838,494</u>	<u>24,142,240</u>	<u>25,186,515</u>	<u>25,571,100</u>	<u>25,669,139</u>
Expenditures										
General Government	\$ 1,530,397	\$ 1,612,520	\$ 1,580,523	\$ 1,585,276	\$ 1,563,846	\$ 1,602,052	\$ 1,724,351	\$ 1,639,205	\$ 1,632,700	\$ 1,827,955
Public Safety	650,705	625,235	584,985	606,213	613,637	596,726	634,275	715,068	741,946	781,178
Highways	1,284,493	1,506,589	1,493,270	1,464,743	1,487,442	1,526,042	1,670,141	1,556,910	1,631,628	1,568,570
Planning and Development	178,883	155,878	144,366	128,590	132,650	135,820	147,345	141,684	184,341	202,705
Health and Welfare	291,490	290,699	269,942	319,288	288,890	206,340	190,352	189,396	189,895	179,911
Libraries	269,007	259,000	259,000	263,000	268,000	272,000	280,000	285,600	288,455	274,033
Commissions/Other Agencies	83,142	76,987	64,330	76,513	65,503	83,391	76,250	316,087	264,809	302,839
Parks and Recreation	278,762	261,540	266,589	288,181	293,088	267,333	263,802	102,127	194,602	74,843
Education	15,859,842	16,071,401	16,276,498	16,704,697	17,386,193	18,056,763	18,264,708	18,726,311	18,917,773	19,141,291
Capital Outlay	1,583,668	246,961	1,069,740	289,638	810,160	492,731	1,072,501	2,105,964	2,546,211	1,043,629
Debt Service										
Principal	500,000	500,000	601,000	601,000	596,000	486,454	446,776	453,312	409,162	450,120
Interest	249,772	235,821	343,171	232,961	219,579	195,733	176,910	164,213	252,338	226,745
Total Expenditures	<u>22,760,161</u>	<u>21,842,631</u>	<u>22,953,414</u>	<u>22,560,100</u>	<u>23,724,988</u>	<u>23,921,385</u>	<u>24,947,411</u>	<u>26,395,877</u>	<u>27,263,860</u>	<u>26,073,819</u>
Excess of Revenues Over (Under) Expenditures	4,423	332,722	777,000	571,427	(176,361)	(82,891)	(805,171)	(1,209,362)	(1,692,760)	(404,680)
Other Financing Sources (Uses)										
Issuance of Debt	-	-	-	-	-	-	-	100,000	2,045,000	-
Proceeds from Sale of Bonds	438,000	-	-	-	-	-	-	-	-	-
Proceeds from Bond Anticipation Notes	-	8,900,000	3,594,000	-	-	-	-	2,000,000	-	3,915,000
Proceeds from Premiums Received	-	-	-	-	-	-	-	18,320	207,734	101,002
Repayment of Refinanced Debt	-	-	-	-	-	-	-	-	(2,090,000)	-
Repayment of Bond Anticipation Notes	-	-	(8,900,000)	-	-	-	-	-	(2,000,000)	-
Contributions to Enterprise Funds	(20,000)	(4,973,922)	-	-	-	-	-	-	-	-
Transfer from Enterprise Funds	-	-	954,570	-	-	201	-	24,450	-	-
Transfers Out	(1,052,273)	(442,000)	(350,872)	(353,000)	(412,300)	(782,128)	(508,191)	(634,932)	(532,290)	(375,050)
Transfers In	1,052,273	442,000	350,872	353,000	412,300	782,128	508,191	634,932	532,290	313,431
Total Other Financing Sources (Uses)	<u>418,000</u>	<u>3,926,078</u>	<u>(4,351,430)</u>	<u>-</u>	<u>-</u>	<u>201</u>	<u>-</u>	<u>2,142,770</u>	<u>(1,837,266)</u>	<u>3,954,383</u>
Special Item										
Return of Unexpended Grant	-	-	-	(455,891)	-	-	-	-	-	-
Net Change in Fund Balances	<u>\$ 422,423</u>	<u>\$ 4,258,800</u>	<u>\$ (3,574,430)</u>	<u>\$ 115,536</u>	<u>\$ (176,361)</u>	<u>\$ (82,690)</u>	<u>\$ (805,171)</u>	<u>\$ 933,408</u>	<u>\$ (3,530,026)</u>	<u>\$ 3,549,703</u>
Debt Service as a Percentage of Noncapital Expenditures	3.5%	3.4%	4.3%	3.7%	3.6%	2.9%	2.6%	2.5%	2.7%	2.7%

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

Table 5

Grand List Year	Fiscal Year	Real Property						Personal Property		Less: Exemptions	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	Apartments	Other	Motor Vehicle					
2016	2018	\$ 517,014,122	\$ 26,733,840	\$ 7,036,680	\$ 13,999,985	\$ 17,019,720	\$ 69,090	\$ 30,170,355	\$ 59,430,540	\$12,901,453	\$ 658,572,879	30.28	\$ 940,818,399	70%
2015	2017	515,285,010	26,006,400	6,970,250	14,491,750	17,245,505	69,090	31,068,440	58,182,587	12,825,610	656,493,422	29.52	937,847,746	70%
2014	2016	513,211,520	25,871,440	6,960,450	15,244,865	17,211,795	69,090	30,848,860	57,409,728	13,918,685	652,909,063	29.04	932,727,233	70%
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	27.68	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	24.95	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	24.80	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	24.20	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	24.00	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	23.90	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	29.00	789,103,504	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 Year	NEW HARTFORD	REGIONAL SCHOOL DISTRICT 7	Total Direct and Overlapping
	Direct Rate		
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
2016	29.04	-	29.04
2017	29.52	-	29.52
2018	30.28	-	30.28

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, 201				Grand List as of October 1, 200		
		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	\$ 11,365,910	1	1.73%		\$ 6,738,326	3	1.22%
Connecticut Light & Power	Power Company	10,359,610	2	1.57%		9,029,410	1	1.63%
Home Depot USA, Inc.	Retail Tools and Maintenance Materials	7,337,012	3	1.11%		8,383,540	2	1.52%
Ski Sundown	Ski Area	2,822,510	4	0.43%		1,875,950	5	0.34%
Zahnradfabrik LLC	Real Estate Property Management	1,820,070	5	0.28%		1,691,130	7	0.31%
Marandino	Individual	1,526,050	6	0.23%		1,615,320	8	0.29%
Hitchcock Properties LLC	Real Estate Property Management	1,525,930	7	0.23%		1,312,500	9	0.24%
PNL Nutmeg, LLC	Manufacturer	1,441,500	8	0.22%				
Fortissimo, LLC	Retail	1,215,550	9	0.18%		1,217,580	10	0.22%
Altra Industrial Motion	Manufacturer	1,191,350	10	0.18%				
Perry Technology Corporation	Retail	-		0.00%		4,418,170	4	0.80%
Rutsky	Indicidual					1,813,920	6	0.33%
		\$ 40,605,492		6.17%		\$ 38,095,846		6.90%

Source: Assessor's Office, Town of New Hartford

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

Table 8

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
2009	29.00	16,876,463	16,649,176	98.7%	220,897	16,870,073	100.0%
2010	23.90	16,726,035	16,447,947	98.3%	232,620	16,680,567	99.7%
2011	24.00	16,913,359	16,648,060	98.4%	223,203	16,871,263	99.8%
2012	24.20	17,201,545	16,965,763	98.6%	212,579	17,178,342	99.9%
2013	24.80	17,815,716	17,498,226	98.2%	281,442	17,779,668	99.8%
2014	24.95	17,943,205	17,675,720	98.5%	237,099	17,912,819	99.8%
2015	27.68	18,143,764	17,840,536	98.3%	222,156	18,062,692	99.6%
2016	29.04	19,079,697	18,787,961	98.5%	235,276	19,023,237	99.7%
2017	29.52	19,510,965	19,235,749	98.6%	168,086	19,403,835	99.5%
2018	30.28	20,126,712	19,865,440	98.7%	-	19,865,440	98.7%

Source: Tax Collector Reports

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

Table 9

							Other Debt					
Fiscal Year	Governmental Activities		Business Type Activities				Governmental Activities		Business Type Activities	Total Primary Government Debt	Total Debt per Capita	Percentage of Personal Income ²
	General Obligation Bonds	Bond Anticipation Notes	General Obligation Bonds	Percentage of Actual Taxable Value of Property ¹	Total Primary Government Bonded Debt	Bonded Debt per Capita	USDA Note	Capital Lease and Loans	Sewer Notes			
2018	\$ 5,724,931	\$ -	\$ -	0.61%	\$ 5,724,931	\$ 850	\$ 3,163,673	\$ -	\$ 622,265	\$ 9,510,869	\$ 1,413	3.67%
2017	2,201,556	4,000,000	-	0.66%	6,201,556	917	3,255,330	50,000	639,659	10,146,545	1,500	4.08%
2016	2,460,000	2,018,320	-	0.48%	4,478,320	657	3,344,102	100,000	659,652	8,582,074	1,260	3.34%
2015	2,830,000	-	20,000	0.31%	2,850,000	414	3,430,079	19,500	675,850	6,975,429	1,013	2.70%
2014	3,190,000	-	40,000	0.32%	3,230,000	466	3,513,350	37,955	678,479	7,459,784	1,077	2.76%
2013	3,645,000	-	60,000	0.36%	3,705,000	537	3,594,000	-	694,507	7,993,507	1,158	2.73%
2012	4,241,000	-	80,000	0.43%	4,321,000	628	3,594,000	-	709,099	8,624,099	1,253	3.41%
2011	4,842,000	-	105,000	0.49%	4,947,000	710	3,594,000	-	723,618	9,264,618	1,329	3.64%
2010	5,443,000	8,900,000	130,000	1.45%	14,473,000	2,149	-	-	737,251	15,210,251	2,258	7.42%
2009	5,943,000	-	155,000	0.77%	6,098,000	905	-	-	750,569	6,848,569	1,017	3.34%

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

¹ See Table 5 for taxable property value data

² See Table 16 for personal income and population data.

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

Table 10

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Debt limitation	\$ 119,117,327	\$ 117,889,170	\$ 119,524,370	\$ 121,581,929	\$ 124,470,437	\$ 126,290,486	\$ 127,775,816	\$ 133,916,559	\$ 133,917,098	\$ 138,771,717
Total net debt applicable to limit	\$ 9,570,579	\$ 17,542,645	\$ 7,756,015	\$ 8,352,087	\$ 9,716,111	\$ 8,853,680	\$ 8,035,572	\$ 9,393,477	\$ 10,496,504	\$ 9,578,773
Legal debt margin	\$ 109,546,748	\$ 100,346,525	\$ 111,768,355	\$ 113,229,842	\$ 114,754,326	\$ 117,436,806	\$ 119,740,244	\$ 124,523,082	\$ 123,420,594	\$ 129,192,944
Total net debt applicable to the limit as a percentage of debt limit	8.03%	14.88%	6.49%	6.87%	7.81%	7.01%	6.29%	7.01%	7.84%	6.90%

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 2018 debt limit can be found on page 79 of this Report.

TOWN OF NEW HARTFORD
Direct and Overlapping Governmental Activities Debt
As of June 30, 2018

Table 11

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable¹</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes:			
Regional School District Number 7	\$ 1,568,000	52.94%	\$ 830,099
Subtotal, overlapping debt			<u>830,099</u>
Town of New Hartford direct debt			<u>8,748,673</u>
Total direct and overlapping debt			<u>\$ 9,578,772</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.

¹The 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

WPCA Notes						
Fiscal Year	Service Charges and Other	Less: Operating Expenses	Net Available Revenue	Debt Service		
				Principal	Interest	Coverage
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
2016	721	602	119	36	98	0.89
2017	600	564	36	20	91	0.32
2018	658	558	100	17	92	0.92

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, 2018

Table 13

<u>Fiscal</u> <u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	550,000	166,425	716,425
2020	340,000	152,350	492,350
2021	345,000	142,100	487,100
2022	345,000	131,750	476,750
2023	345,000	119,750	464,750
2024	385,000	107,150	492,150
2025	385,000	93,950	478,950
2026	375,000	82,500	457,500
2027	380,000	71,150	451,150
2028	220,000	61,350	281,350
2029	220,000	54,750	274,750
2030	220,000	48,150	268,150
2031	220,000	41,550	261,550
2032	180,000	35,550	215,550
2033	180,000	30,150	210,150
2034	180,000	24,750	204,750
2035	180,000	19,350	199,350
2036	180,000	13,950	193,950
2037	180,000	8,438	188,438
2038	180,000	2,812	182,812
Total	<u>\$ 5,590,000</u>	<u>\$ 1,407,925</u>	<u>\$ 6,997,925</u>

TOWN OF NEW HARTFORD
Annual Self-Supporting Water and Sewer Debt Maturity Schedule
As of June 30, 2018

Table 14

<u>Fiscal</u> <u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	18,558	27,656	46,214
2020	19,249	26,843	46,092
2021	19,970	25,998	45,968
2022	20,725	25,122	45,847
2023	21,514	24,213	45,727
2024	22,337	23,270	45,607
2025	23,198	22,291	45,489
2026	24,096	21,275	45,371
2027	25,036	20,221	45,257
2028	22,809	19,123	41,932
2029	23,835	18,131	41,966
2030	24,907	17,095	42,002
2031	26,028	16,013	42,041
2032	27,199	14,882	42,081
2033	28,424	13,700	42,124
2034	29,703	12,465	42,168
2035	31,039	11,174	42,213
2036	32,436	9,826	42,262
2037	33,896	8,416	42,312
2038	35,421	6,943	42,364
2039	37,015	5,403	42,418
2040	28,854	3,795	32,649
2041	26,917	2,116	29,033
2042	19,099	380	19,479
Total	<u>\$ 622,265</u>	<u>\$ 376,351</u>	<u>\$ 998,616</u>

TOWN OF NEW HARTFORD
Long-Term Debt Ratios
For the Year Ended June 30, 2018

Table 15

1 Population	6,733
2 Net Taxable Grand List (10/1/16)	\$658,572,879
Estimated Full Value (70%)	\$940,818,399
1 Equalized Net Taxable Grand List (2016)	\$940,818,399
1 Money Income per Capita (2016)	\$38,472

	Total Direct Debt <u>\$ 5,585,000</u>	Total Net Direct Debt <u>\$ 5,585,000</u>	Total Overall Net Debt <u>\$ 6,415,100</u>
Per Capita	\$829.50	\$829.50	\$952.78
Ratio to Net Taxable Grand List	0.85%	0.85%	0.97%
Ratio to Estimated Full Value	0.59%	0.59%	0.68%
Ratio to Equalized Net Taxable Grand List	0.59%	0.59%	0.68%
Debt per Capita to Money Income per Capita	2.16%	2.16%	2.48%

1 State of Connecticut Municipal Fiscal Indicators, (2012-2016 American Community Survey)

2 Revalued 10/1/13

TOWN OF NEW HARTFORD

Table 16

**Presentation of Intergovernmental Revenues as a Percentage of General Fund Revenues
As of June 30, 2018**

	<u>General Fund</u>	<u>Governmental Funds</u>
Intergovernmental Revenue	\$ 4,324,932	\$ 4,659,388
Total Revenue	\$ 25,019,585	\$ 25,669,139
Percent Intergovernmental	17.29%	18.15%

TOWN OF NEW HARTFORD
Enumeration of Outstanding Bond Authorizations
As of June 30, 2018

Table 17

Project	Authorized	Debt Issued	(Grants/ Paydowns)	Authorized/Unissued		
				General Purpose	School	Sewer
Ann Antolini School	\$ 4,751,000	\$ 3,507,155	\$ 579,146	\$ -	\$ 664,699	\$ -
Carpenter Road Bridge	759,000	407,845	3,500	347,655	-	-
New Hartford Elementary School	2,822,552	1,744,000	1,025,000	-	53,552	-
Wastewater Facility	3,118,000	-	796,000	-	-	2,322,000
Open Space	2,579,000	1,443,000	980,000	156,000	-	-
Phillips Farm Easement	755,000	438,000	-	317,000	-	-
WWTP Upgrade	8,950,000	3,594,000	4,596,716	-	-	759,284
	<u>\$ 23,734,552</u>	<u>\$ 11,134,000</u>	<u>\$ 7,980,362</u>	<u>\$ 820,655</u>	<u>\$ 718,251</u>	<u>\$ 3,081,284</u>

Source:
Official Statement, G.O. Bonds Issue of 2017

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

Table 18

Fiscal Year	Population¹	Personal Income (thousands of dollars)	Per Capita Personal Income²	Median Age	School Enrollment⁴	Unemployment Rate³
2018	6,733	\$ 259,032	\$ 38,472	44	456	3.5%
2017	6,764	248,706	36,769	45	443	4.3%
2016	6,812	257,214	37,759	44	473	4.7%
2015	6,886	257,956	37,461	44	494	4.3%
2014	6,924	263,791	38,098	44	545	5.6%
2013	6,901	292,457	42,379	44	569	7.2%
2012	6,882	253,086	36,775	43	582	6.6%
2011	6,970	254,182	36,468	43	608	7.6%
2010	6,736	204,970	30,429	43	625	7.6%
2009	6,736	204,970	30,429	43	616	7.2%

¹ State of Connecticut Department of Economic and Community Development

² State of Connecticut Municipal Fiscal Indicators, (2012-2016 American Community Survey)

³ State of Connecticut Department of Labor

⁴ New Hartford Board 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	2018			2009		
		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	2.6%	N/A	N/A	N/A
New Hartford Board of Education	Board of Education	88	3	2.3%	110	1	3.0%
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%	39	2	1.1%
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	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
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	1	2	2	2	2	2	2	2	2	2
Assessor	2	2	2	2	2	2	2	1	1	1
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	2	2	2	2	2	2	2	2
Police	3	3	3	3	2	3	4	4	4	4
Community Maintenance										
Building Official	1	1	1	1	1	1	1	1	1	1
Land Use	2	2	1	1	1	1	1	1	1	1
Zoning Enforcement Officer	1	1	1	1	1	1	1	1	1	1
Public Works	11	8	7	8	8	8	8	9	9	9
Human and Cultural										
Leisure Services	2	2	0	0	1	1	1	1	1	1
Human & Leisure Services	1	1	0	0	0	0	0	0	0	0
Total - Town	39	37	31	32	32	33	34	34	34	34
Education										
Instructional Staff	75	70	62	53	52	52	50	47	47	46
Non-Instructional Staff	35	33	35	45	41	38	35	39	38	42
Total - Education	110	103	97	98	93	90	85	86	85	88
TOTAL	149	140	128	130	125	123	119	120	119	122

Source: Various Town Departments

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

Table 21

Function/Department	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
GENERAL GOVERNMENT										
Town Clerk										
Land Records Processed	1,645	1,688	1,732	1,756	1,865	1,641	1,463	1,502	1,536	1,452
Registrar of Voters										
Number of Registered Voters	4,878	4,844	4,853	4,722	5,144	4,952	4,674	4,662	4,655	5,124
Voter Turnout % - National Election	94.78%	N/A	N/A	N/A	85.04%	N/A	N/A	N/A	N/A	N/A
Voter Turnout % - State Election	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Voter Turnout % - Local Election	94.78%	51.70%	N/A	N/A	N/A	50.54%	70.23%	86.56%	N/A	N/A
PUBLIC SAFETY										
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	N/A	N/A	N/A	83	74	49	64	54	50	54
Number of Major Crimes	N/A	N/A	N/A	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	848	896	823	724	518	684	1,047	966	729	768
Fire										
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
COMMUNITY MAINTENANCE										
Building Department										
Number of Inspections Conducted	540	587	622	773	N/A	N/A	N/A	N/A	N/A	N/A
Number of Building Permits Issued	443	421	472	496	501	506	N/A	N/A	436	483
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	< 2 miles	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
HUMAN AND CULTURAL										
Parks & Recreation										
Number of instructional programs conducted	48	57	60	61	65	N/A	N/A	N/A	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	662	873	861	1,141	747	542	684	950	610	947
EDUCATION										
Average Class Size										
Elementary Schools	18	18	21	22	21	20	19	18	18	18
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	x	x	x	x	x	x	x	x	x	x
CAPT Scores										
% at goal (average of tests taken in Grade 10) *	x	x	x	x	x	x	x	x	x	x
CMT Scores										
% at goal: Grade 3 - Reading/Writing/Math	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	x/x/x	x/x/x	x/x/x
% at goal: Grade 4 - Reading/Writing/Math	86.3/81.6/91.8	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	x/x/x	x/x/x	x/x/x
% at goal: Grade 5 - Reading/Writing/Math/Science	82.6/79.3/83.7/70.1	84.0/87.5/94.7/x	80.2/87.4/91.9/75.9	89.5/90.7/93.0/87.2	72.2/68.9/89.9/78.9	x/x/x/86.4	x/x/x/87.2	x/x/x/x	x/x/x/x	x/x/x/x
% at goal: Grade 6 - Reading/Writing/Math	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	x/x/x	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	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
GENERAL GOVERNMENT										
Town Offices	1	1	1	1	1	1	1	1	1	1
PUBLIC SAFETY										
Police										
Police Cars	6	6	6	6	3	3	4	4	4	4
Fire										
Stations	3	3	3	3	3	3	3	3	3	3
Pieces of Equipment	8	8	8	8	8	8	8	8	8	8
TOWN MAINTENANCE										
Public Works										
Miles of Town Streets	81.7	82.6	82.6	82.6	82.6	82.6	82.6	82.6	82.6	82.6
Miles of Highway	18.36	18.36	18.36	18.36	18.36	18.36	18.36	18.36	18.36	18.36
Streetlights	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
HUMAN AND CULTURAL										
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	2	2	2	2	2	2	2	2	2	2
Library										
Branches	2	2	2	2	2	2	2	2	2	2
EDUCATION										
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

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