

GREATER HARTFORD TRANSIT DISTRICT
HARTFORD, CONNECTICUT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2017



*Greater
Hartford
Transit District*

One Union Place • Hartford, CT 06103 • (860) 247-5329

GREATER HARTFORD TRANSIT DISTRICT
HARTFORD, CONNECTICUT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2017

Prepared by:
Accounting Department

**GREATER HARTFORD TRANSIT DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
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INTRODUCTORY SECTION



December 15, 2017

Members of the Board of Directors
Greater Hartford Transit District
Hartford, Connecticut

The State of Connecticut statutes require that the Greater Hartford Transit District (the "District") publish within six months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended June 30, 2017.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Blum, Shapiro & Company, P.C., Certified Public Accountants, have issued an unmodified (clean) opinion on the District's financial statements for the year ended June 30, 2017. The independent auditor's report is located at the front of the financial section of this report. Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the District

The District is a regional governmental unit formed under the provisions of Chapter 103a of the Connecticut General Statutes. There are currently sixteen member towns: Bloomfield, East Hartford, East Windsor, Enfield, Farmington, Granby, Hartford, Manchester, Newington, Rocky Hill, Simsbury, South Windsor, Vernon, West Hartford, Wethersfield and Windsor. Each member town appoints one to four Directors according to population, who collectively form the Board of Directors, which is the policy-making body of the District. The day-to-day affairs of the District are managed by the Executive Director and her staff.

The District has broad powers to acquire, operate, finance, plan, develop, maintain and otherwise provide forms of land transportation and related services including the development or renewal of transportation centers and parking facilities. It has the power to issue revenue and general obligation bonds. The agency also serves a pass-through function for federal, state and private grants for the purpose of acquiring transportation equipment or providing transportation services. The District adopts an annual budget which serves as a foundation for the District's financial planning and control.

The agency owns and operates Hartford Union Station, provides ADA Paratransit service to the Greater Hartford and Greater New Britain regions, and has oversight responsibilities for the CT Drug & Alcohol and the Statewide Insurance Consortium programs.

Economic Impact

The economic condition of the District is dependent on various factors, and we continuously seek funding opportunities through federal grants and state financing to support projects and programs benefitting those in our urbanized zoning area. Other aspects affecting the District's general economic condition include; providing employment opportunities through projects that the District oversees, contracting with a variety of vendors, supporting new transit-related projects for municipalities through grant opportunities, increasing the attractiveness of the area for tourists and visitors by continuously improving amenities at Hartford Union Station. The other critical areas which contribute to economic impact include; providing the disabled and elderly community mobility to jobs, shopping, and recreation through the ADA Paratransit service, and enhancing the effectiveness of transit service programs through the efficiencies generated by transportation coordination.

Long-Term Financial and Capital Planning Approach

The District's long term financial and capital planning approach is characterized by a wide range of projections incorporating operational and financial analysis and evaluation. The District utilizes a process for Capital Planning that is structured and utilizes a consistent approach for determining the organization's needs over both short and long-term periods. In the confines of that planning process the management staff collaboratively pinpoints where repairs and upgrades need to be made, calculating the estimated costs of those requirements, prioritizes the capital needs, looks at funding scenarios that demonstrate the impact of different spending levels on those proposed capital expenditures, identifies and addresses risks to the agency, and develops a capital plan and budget that will sustain the facilities and support their function for years to come.

Major Initiatives

In September 2017 the District culminated a the eighteen-month portion of the construction project with the grand opening of its new ADA Paratransit Operations and Maintenance Facility, located at 148 Roberts Street in East Hartford, Connecticut. Prior to the constructing of this 37,000 sq foot facility which sits on approximately 5.6 acres, the District had operated its ADA paratransit service out of a leased facility in Hartford, Connecticut. The Roberts Street location was selected through a detailed analysis of commercial properties available within a 10-mile radius of the Downtown Hartford area. The criteria for selecting this site included; location near to the center of the service area for efficient dispatching; easy access to the highway, sufficient space to accommodate the system's current and future operational needs, suitable zoning for the proposed use, low impact on the environment, cost of the parcel, surrounding land uses, etc... The District oversees one of the largest paratransit operations in New England and provides over 500,000 passenger trips annually. The success of this project was funded with the financial support from the Federal Transit Administration and the Connecticut Department of Transportation.

The District submitted a proposal in response to an RFP and was re-awarded the Statewide Drug & Alcohol Testing Program (Consortium) contract. Over forty member locations across CT are served under the auspice of the Consortium, which is coordinated by the District. Members secure testing and program support services as well as a variety of resources and training to assist in the effective operation of drug and alcohol testing programs under CFR Parts 40 and 655 as dictated by the Federal Transit Administration.

The District submitted a proposal in response to an RFP and was re-awarded the Statewide Insurance Consortium Program contract. On behalf of the State of Connecticut Department of Transportation, the District serves as Administrator of the Insurance Consortium which procures general automobile, property damage and excess automobile liability insurance on behalf of twelve transit districts in the state.

Section 5307 Urbanized Area formula fund spending included activities for; the replacement of ADA paratransit vehicles that have met their useful life, preventive maintenance necessary to keep Union Station in a state of good repair, and the purchase of capital equipment and services to support the paratransit operations.

The District had an excellent outcome in regard to the FTA Triennial Review with only one finding. The deficiency was found with the FTA requirements for Title VI. The GHTD has four subrecipients that are implementing FTA-funded projects. These are: the City of Hartford, the Town of Mansfield, the Town of Enfield, and the City of New Britain. Although the District collected Title VI Policies and Complaint procedures from each of these subrecipients, other general reporting requirements of FTA Circular 4702.1B, Chapter III were missing, including the submission of a Title VI Program that had been approved by each entity's governing board. The District has been working with each city/town to resolve the finding and will submit the resolutions back to the FTA for approval by the December 2017 deadline.

Negotiated a new long-term restaurant lease for the leasehold on the southeast side of Union Station. The new restaurant has been operating since May 2017.

Brownstone Restoration Project (Phase I). The District issued bid documents and awarded a contract to restore specific areas of the brownstone at Union Station. The actual work will not begin until the 2nd quarter of 2018 with a tentatively scheduled completion date of late 3rd quarter 2018.

Working with the City of Hartford, the District oversaw the activities related to the development of the Sigourney Street Station – Connectivity Improvements Project. This project included a series of improvements in the vicinity of the Sigourney Street Station of the New Britain-Hartford Bus Rapid Transit Project (CTfastrak) to enhance access to the station for residents and employees in the station area. This project has now been completed and the grant closed out.

The District's oversight as fiscal agent for the Intermodal Triangle Project (TIGER IV grant funding) is substantially complete. This project was meant to strengthen the region's economic and employment core by improving downtown intermodal connections and increasing transit access through the downtown area including the construction of a Transit Center at Union Station.

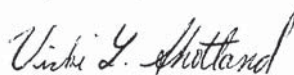
The District is working with the City of New Britain and serving as fiscal administrator for an FTA Bus Livability Grant which will help to improve the Main Street overpass of Route 72 transforming a desolate highway bridge into a walkable and bikeable link between two sections of the downtown area.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting for the Comprehensive Annual Financial Report (CAFR) to the District for its Fiscal Year End 2016. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized CAFR that satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.

I would like to thank all members of the District's staff who have assisted and contributed to the preparation of this report, as well as the members of the District Board for their interest and continued support in the ongoing efforts of the agency.

Respectfully Submitted,



Vicki L. Shotland
Executive Director



Government Finance Officers Association

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

Presented to

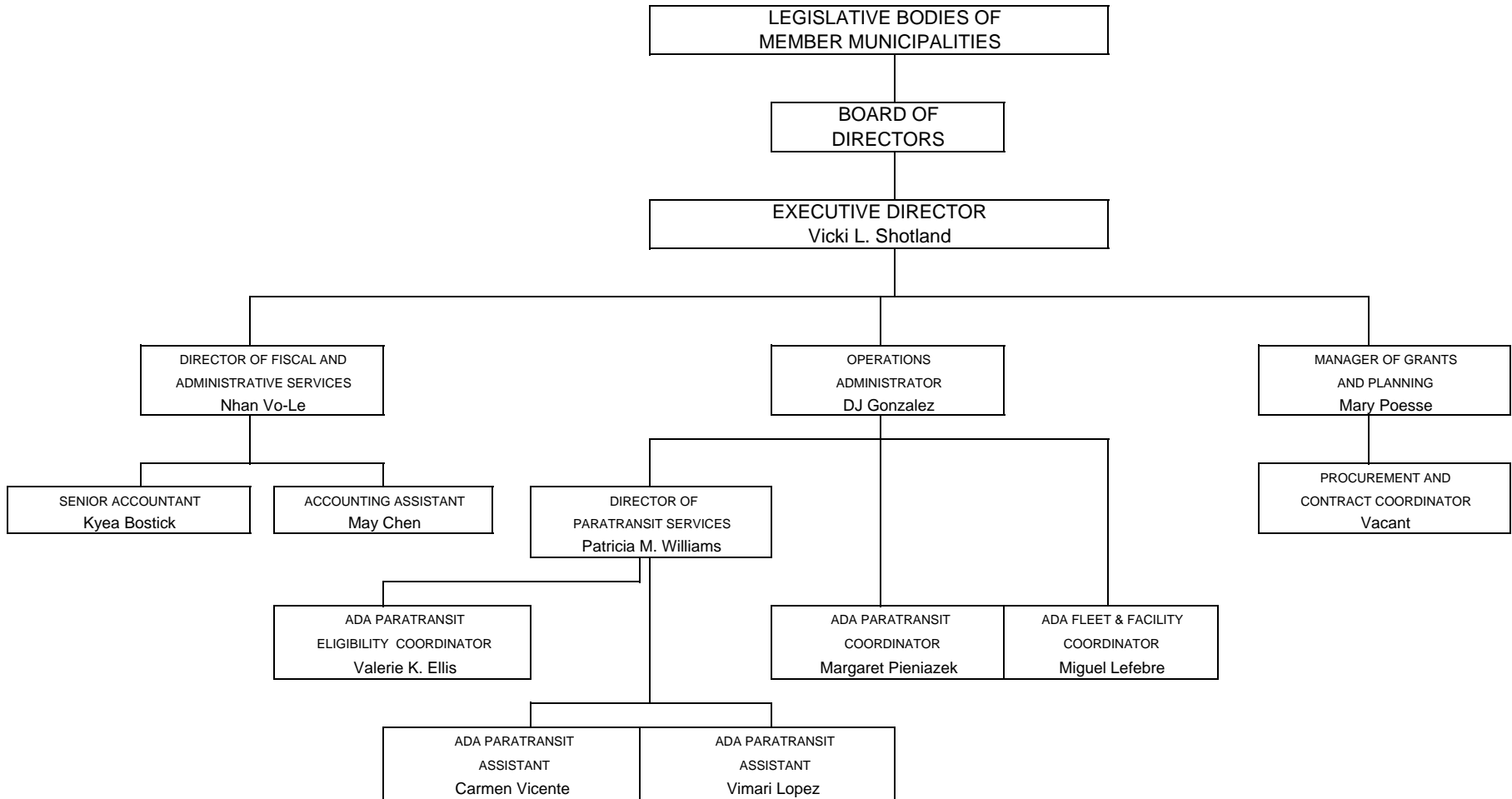
**Greater Hartford Transit District
Connecticut**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2016

Executive Director/CEO

**GREATER HARTFORD TRANSIT DISTRICT
ORGANIZATION CHART
AS OF JUNE 30, 2017**



**GREATER HARTFORD TRANSIT DISTRICT
BOARD OF DIRECTORS
2017**

Member Town		Representation/Director	Primary Occupation	Committee Assignment
Bloomfield	1	Joan Gamble	Artist/Community Volunteer	Nominating
East Hartford	2	Peter J. Bonzani Marilyn Pet	Operating Engineer Attorney	
East Windsor	1	Gilbert Hayes	Community Volunteer	Transportation
Enfield	2	Stephen F. Mitchell Kevin Mooney	Engineer Financial Services	
Farmington	2	Kathleen Eagen Vacant	Town Manager	
Granby	1	Mark W. Lockwood	Businessman	
Hartford	4	Nicholas Addamo Jennifer Cassidy Frank Lord Kevin McKernan	Community Volunteer Community Volunteer	Personnel
Manchester	2	James R. McCavanagh Paul McNamara	Real Estate Businessman	Nominating
Newington	2	John M. Kelly William G. Hall	Attorney Community Volunteer	Personnel, Nominating
North Granby	1	Mark W. Lockwood		
Rocky Hill	1	Kenneth D. Goldberg	Consultant	
Simsbury	1	Ferguson R. Jansen	Business Executive	Personnel
South Windsor	2	Gary S. Pitcock Vacant	Businessman	
Vernon	2	Mary A. Oliver Vacant	Financial Services	Audit
West Hartford	2	Richard F. Messenger A. David Giordano	Community Volunteer Businessman	Personnel Audit, Personnel
Wethersfield	2	Brendan T. Flynn Peter Gardow	Attorney Engineer	Audit
Windsor	2	Ricardo Quintero David Raney	Community Volunteer Educator	

Executive Director
Vicki L. Shotland

Officers
June 30, 2017

Chairman	Stephen F. Mitchell
Vice Chairman	Frank Lord
Secretary	James R. McCavanagh
Assistant Secretary	Peter J. Bonzani
Treasurer	Brendan T. Flynn
Assistant Treasurer	Mary A. Oliver

FINANCIAL SECTION



Accounting | Tax | Business Consulting

Independent Auditors' Report

To the Board of Directors
Greater Hartford Transit District
Hartford, Connecticut

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the Greater Hartford Transit District as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Greater Hartford Transit District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities and each major fund of the Greater Hartford Transit District as of June 30, 2017 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 4 through 10 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Greater Hartford Transit District's basic financial statements. The introductory section, combining special revenue fund schedule and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining special revenue fund schedule is the responsibility of management and was derived from and relates 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 special revenue fund schedule is 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 December 15, 2017 on our consideration of the Greater Hartford Transit District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Greater Hartford Transit District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Greater Hartford Transit District's internal control over financial reporting and compliance.

Blum, Shapiro & Company, P.C.

West Hartford, Connecticut
December 15, 2017

**GREATER HARTFORD TRANSIT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017**

The management of the Greater Hartford Transit District (the District) offers readers this narrative overview and analysis of the District's financial activities for the fiscal year ended June 30, 2017. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

FINANCIAL HIGHLIGHTS

- As of June 30, 2017, the District's assets exceeded its liabilities by \$29,487,791 and \$8,233,537 for the governmental activities and the business-type activities, respectively.
- At the end of fiscal year 2017, the District's total net position increased by \$14,485,984; governmental activities increased by \$14,439,841 and business-type activities increased by \$46,143.
- At the close of the fiscal year 2017, the District's governmental funds, which includes General and Special Revenue Funds, reported combined ending fund balances of \$892,924, an increase of \$63,776 in comparison to fiscal year 2016. Of which, \$782,646 represents unassigned fund balance for the General Fund.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District'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 District's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the District'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 of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the District's net position 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 cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the District that are principally supported by 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 District include purchased transportation, transportation projects and general administration. The business-type activities of the District include a transportation center and a public parking lot.

The government-wide financial statements can be found on pages 11-12 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 District, 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 District can be divided into two categories: governmental funds and proprietary 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 District maintains two individual 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 Special Revenue Fund, both of which are considered to be major funds.

The District adopts an annual appropriated budget for its General Fund and Special Revenue Fund. A budgetary comparison statement has been provided for the General Fund and Special Revenue Fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 13-17 of this report.

Proprietary Funds

The District maintains three enterprise-type funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The District uses enterprise funds to account for its transportation center, public and private, and for its parking lot.

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 three enterprise funds which are considered to be major funds of the District.

The basic proprietary fund financial statements can be found on pages 18-20 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 21-34 of this report.

Other Information

Supplemental, combining and individual fund statements and schedules can be found on pages 35-36 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 and an important determinant of its ability to finance services in the future. In the case of the District, assets exceeded liabilities by \$37,721,328 as of June 30, 2017.

By far, the largest portion of the District's assets is its investment in capital assets (e.g., buildings, transportation vehicles and equipment). It is presented in the statement of net position less any related debt used to acquire those assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District's investment in its capital assets, net of accumulated depreciation, is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

NET POSITION JUNE 30, 2017 AND 2016

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Current and other assets	\$ 8,828,690	\$ 10,273,938	\$ 851,296	\$ 583,994	\$ 9,679,986	\$ 10,857,932
Capital assets, net of accumulated depreciation	29,773,817	15,264,885	7,698,032	7,892,145	37,471,849	23,157,030
Total assets	<u>38,602,507</u>	<u>25,538,823</u>	<u>8,549,328</u>	<u>8,476,139</u>	<u>47,151,835</u>	<u>34,014,962</u>
Current liabilities	7,935,766	9,444,790	182,748	135,033	8,118,514	9,579,823
Long-term liabilities outstanding	1,178,950	1,046,083	133,043	153,712	1,311,993	1,199,795
Total liabilities	<u>9,114,716</u>	<u>10,490,873</u>	<u>315,791</u>	<u>288,745</u>	<u>9,430,507</u>	<u>10,779,618</u>
Net position						
Net investment in capital assets	29,773,817	15,264,885	7,698,032	7,892,145	37,471,849	23,157,030
Unrestricted	<u>(286,026)</u>	<u>(216,935)</u>	<u>535,505</u>	<u>295,249</u>	<u>249,479</u>	<u>78,314</u>
Total Net Position	<u>\$ 29,487,791</u>	<u>\$ 15,047,950</u>	<u>\$ 8,233,537</u>	<u>\$ 8,187,394</u>	<u>\$ 37,721,328</u>	<u>\$ 23,235,344</u>

**CHANGES IN NET
JUNE 30, 2017 AND 2016**

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Revenues:						
Program revenues:						
Charges for services	\$ 168,476	\$ 499,358	\$ 1,359,659	\$ 1,512,059	\$ 1,528,135	\$ 2,011,417
Operating grants and contributions	20,186,468	19,638,316			20,186,468	19,638,316
Capital grants and contributions	24,293,792	17,748,508	619,632	388,172	24,913,424	18,136,680
General revenues:						
Member Town contribution	84,631	77,329			84,631	77,329
Miscellaneous	1,409	303			1,409	303
Unrestricted investment earnings	12,154	8,258			12,154	8,258
Total revenues	<u>44,746,930</u>	<u>37,972,072</u>	<u>1,979,291</u>	<u>1,900,231</u>	<u>46,726,221</u>	<u>39,872,303</u>
Expenses:						
Purchased transportation	17,549,848	18,193,141			17,549,848	18,193,141
Transit projects	9,622,023	10,355,460			9,622,023	10,355,460
Insurance consortium	3,135,218	3,411,998			3,135,218	3,411,998
Transportation center			1,768,284	1,712,061	1,768,284	1,712,061
Parking lot			164,864	189,718	164,864	189,718
Total expenses	<u>30,307,089</u>	<u>31,960,599</u>	<u>1,933,148</u>	<u>1,901,779</u>	<u>32,240,237</u>	<u>33,862,378</u>
Change in net position	14,439,841	6,011,473	46,143	(1,548)	14,485,984	6,009,925
Net position at beginning of year	<u>15,047,950</u>	<u>9,036,477</u>	<u>8,187,394</u>	<u>8,188,942</u>	<u>23,235,344</u>	<u>17,225,419</u>
Net Position at End of Year	<u>\$ 29,487,791</u>	<u>\$ 15,047,950</u>	<u>\$ 8,233,537</u>	<u>\$ 8,187,394</u>	<u>\$ 37,721,328</u>	<u>\$ 23,235,344</u>

The District's net position increased by \$14,485,984 during the fiscal year with net position of governmental activities increasing by \$14,439,841 and business-type activities increasing by \$46,143. The increase in the net position of governmental activities is due primarily to grant-funded transit projects.

Governmental Activities

Approximately 99.4% of the revenues were derived from operating and capital grants and contributions. Key elements are as follows:

- Operating grants and contributions increased by \$548,152 primarily as a result of an increase in ADA passenger trips provided at the Greater New Britain Area. Capital grants and contributions increased by \$6,545,284. This increase is primarily a result of grant received during fiscal year 2017 for costs related to the construction of the new ADA Paratransit Maintenance and Operations Facility.

Business-Type Activities

Business-type activities increased the District's net position by \$46,143. This increase primarily reflects higher capital contributions in association with Union Station Brownstone building improvement and other various projects; partially off-set by a slight reduction in rental income and daily parking fees plus increased legal fees due to lease negotiations.

Financial Analysis of the Government's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the District'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 June 30, 2017, the District's governmental funds (General Fund and Special Revenue Funds) reported combined ending fund balances of \$892,924, an increase of \$63,776 in comparison with the prior year.

The General Fund is the chief operating fund of the District. At the end of the fiscal year 2017, the General Fund total fund balance was \$892,924. Of which, \$782,646 is entirely unassigned.

The Special Revenue Fund has a fund balance of zero at the end of the year, showing no change from the prior year.

Proprietary Funds

The District's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Overall, proprietary fund net position totaled \$8,233,537 at the end of the fiscal year:

- Public Transportation Center Fund - Total net position was \$6,743,196. Of which, \$2,469,366 was reported as unrestricted net position or 36.6% of the total net position.
- Private Transportation Center Fund - Total net position and unrestricted net position deficiency were (\$919,587) and (\$4,056,199), respectively.
- Parking Lot Fund - Total net position was \$2,409,928. Of which, \$2,122,338 was reported as unrestricted net position or 88.1% of the total net position.

The total increase in net position for all funds was \$46,143. Other factors concerning the finances of these three funds have already been addressed in the discussion of the District's business-type activities.

General Fund Budgetary Highlights

Budget revenues and transfers decreased by \$45,108 or 31.5% between the original budget and the final amended budget. This was primarily due to the accounting for disposed vehicle revenue which is recorded as unearned revenue rather than General Fund revenue and will be used to purchase transit assets.

Capital Asset and Debt Administration

Capital Assets

The District's net investment in capital assets for its governmental and business-type activities as of June 30, 2017 amounted to \$29,773,817 and \$7,698,032, respectively. This investment in capital assets included buildings, transportation vehicles, equipment and the parking lot. The District's net investment in capital assets increased by \$14,314,819 for fiscal year 2017.

Major capital asset events during the current fiscal year included the following:

- Construction activities and administration services of Bushnell Park North and Asylum/Pearl/Statehouse Square.
- Construction of pedestrian and streets improvements along the Hartford Triangle Transit Corridor which encompasses Asylum Street, Pearl Street, High Street, Church Street, Main Street, American Row, and Central Row. This includes curbing, sidewalks, pedestrian signals, fencing, and landscaping, etc.
- Construction activities and administration services of Sigourney Street Station including installation of curbing, sidewalk, sidewalk ramps, pedestrian lighting and landscaping features, fencing, retaining wall, etc.
- Transit enhancements including installation of four passenger waiting shelters and ancillary equipment in Wethersfield.
- Construction activities and administration services for the new ADA Operations and Maintenance Facility at 148 Roberts Street.
- Delivery and acceptance of 75 gasoline and diesel buses for ADA service.
- Purchase and installation of 75 Mobile Data Terminals for the new ADA Paratransit Vehicles.
- Computer system upgrades and Firewall for ADA Paratransit Facility.
- Preparation of Construction documents for Union Station Brownstone Building Improvement Phase I.

CAPITAL ASSETS, Net of Depreciation JUNE 30, 2017 AND 2016

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Construction in progress	\$ 19,092,625	\$ 7,801,278	\$ 900,163	\$ 751,495	\$ 19,992,788	\$ 8,552,773
Land	1,403,248	1,403,148	300,000	300,000	1,703,248	1,703,148
Buildings and improvements	2,074,095	3,090,835	6,204,335	6,504,973	8,278,430	9,595,808
Parking lot			200,828	225,706	200,828	225,706
Equipment	7,203,849	2,969,624	92,706	109,971	7,296,555	3,079,595
Total	<u>\$ 29,773,817</u>	<u>\$ 15,264,885</u>	<u>\$ 7,698,032</u>	<u>\$ 7,892,145</u>	<u>\$ 37,471,849</u>	<u>\$ 23,157,030</u>

Additional information on the District's capital assets can be found in Note 3 on pages 27-28 of this report.

Long-Term Debt

The District's debt consists of other postemployment benefits (OPEB) liabilities and termination benefits.

OUTSTANDING DEBT JUNE 30, 2017 AND 2016

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
OPEB	\$ 1,075,450	\$ 1,046,083	\$ 133,043	\$ 153,712	\$ 1,208,493	\$ 1,199,795
Termination benefit	103,500				103,500	-
Total	<u>\$ 1,178,950</u>	<u>\$ 1,046,083</u>	<u>\$ 133,043</u>	<u>\$ 153,712</u>	<u>\$ 1,311,993</u>	<u>\$ 1,199,795</u>

As of June 30, 2017, the District's governmental and business-type activities reported \$1,178,950 and \$133,043 in OPEB liabilities and termination benefits, respectively, an increase of \$112,198 from fiscal year 2016.

Economic Factors

Inflationary trends in the region compare favorably to national indices. This factor was considered in preparing the District's budget for the 2016-2017 fiscal year.

During fiscal year 2017, the unassigned fund balance in the General Fund increased to \$782,646.

Requests for Information

This financial report is designed to provide a general overview of the District'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: Greater Hartford Transit District, Attention: Director of Fiscal and Administrative Services, One Union Place, Hartford, CT 06103.

GREATER HARTFORD TRANSIT DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2017

	Governmental Activities	Business-Type Activities	Total
Assets:			
Cash and cash equivalents	\$ 3,975,237	\$	\$ 3,975,237
Receivables:			
Federal grants	2,174,882	36,913	2,211,795
State grants	2,070,627	23,280	2,093,907
Local agencies	1,273,353		1,273,353
Other	4,176	45,540	49,716
Internal balances	(745,563)	745,563	-
Other assets	75,978		75,978
Capital assets, nondepreciable	20,495,873	1,200,163	21,696,036
Capital assets, net of accumulated depreciation	9,277,944	6,497,869	15,775,813
Total assets	<u>38,602,507</u>	<u>8,549,328</u>	<u>47,151,835</u>
Liabilities:			
Accounts payable	7,587,941	167,255	7,755,196
Unearned revenue	216,253	15,493	231,746
Noncurrent liabilities:			
Due within one year	45,000		45,000
Due in more than one year	1,133,950	133,043	1,266,993
Total liabilities	<u>9,114,716</u>	<u>315,791</u>	<u>9,430,507</u>
Net Position:			
Net investment in capital assets	29,773,817	7,698,032	37,471,849
Unrestricted	(286,026)	535,505	249,479
Total Net Position	<u>\$ 29,487,791</u>	<u>\$ 8,233,537</u>	<u>\$ 37,721,328</u>

The accompanying notes are an integral part of the financial statements

GREATER HARTFORD TRANSIT DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017

Function/Program Activities	Expenses	Program Revenues			Net Revenue (Expense) and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
Purchased transportation	\$ 17,549,848	\$ 168,476	\$ 16,807,307	\$	\$ (574,065)	\$	\$ (574,065)
Insurance consortium	3,135,218		3,135,216		(2)		(2)
Transit projects	9,622,023		243,945	24,293,792	14,915,714		14,915,714
Total governmental activities	<u>30,307,089</u>	<u>168,476</u>	<u>20,186,468</u>	<u>24,293,792</u>	<u>14,341,647</u>	<u>-</u>	<u>14,341,647</u>
Business-type activities:							
Transportation center	1,768,284	1,014,948		605,643		(147,693)	(147,693)
Parking lot	164,864	344,711		13,989		193,836	193,836
Total business-type activities	<u>1,933,148</u>	<u>1,359,659</u>	<u>-</u>	<u>619,632</u>	<u>-</u>	<u>46,143</u>	<u>46,143</u>
Total	<u>\$ 32,240,237</u>	<u>\$ 1,528,135</u>	<u>\$ 20,186,468</u>	<u>\$ 24,913,424</u>	<u>14,341,647</u>	<u>46,143</u>	<u>14,387,790</u>
General revenues:							
Member town contributions					84,631		84,631
Unrestricted investment earnings					12,154		12,154
Miscellaneous income					1,409		1,409
Total general revenues					<u>98,194</u>	<u>-</u>	<u>98,194</u>
Change in Net Position					14,439,841	46,143	14,485,984
Net Position at Beginning of Year					<u>15,047,950</u>	<u>8,187,394</u>	<u>23,235,344</u>
Net Position at End of Year					<u>\$ 29,487,791</u>	<u>\$ 8,233,537</u>	<u>\$ 37,721,328</u>

The accompanying notes are an integral part of the financial statements

**GREATER HARTFORD TRANSIT DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2017**

	<u>General</u>	<u>Special Revenue</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and cash equivalents	\$ 3,975,237	\$	\$ 3,975,237
Federal grants receivable		2,174,882	2,174,882
State grants receivable		2,070,627	2,070,627
Due from other funds	3,925,874	2,352,711	6,278,585
Receivable from local agencies		1,273,353	1,273,353
Prepaid expenditures	<u>75,978</u>		<u>75,978</u>
Total Assets	\$ <u><u>7,981,265</u></u>	\$ <u><u>7,871,573</u></u>	\$ <u><u>15,852,838</u></u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 67,927	\$ 7,520,014	\$ 7,587,941
Due to other funds	7,020,414	3,734	7,024,148
Unearned revenue		<u>216,253</u>	<u>216,253</u>
Total liabilities	<u>7,088,341</u>	<u>7,871,573</u>	<u>14,959,914</u>
Fund Balances:			
Nonspendable	75,978		75,978
Assigned	34,300		34,300
Unassigned	<u>782,646</u>		<u>782,646</u>
Total fund balance	<u>892,924</u>	<u>-</u>	<u>892,924</u>
Total Liabilities and Fund Balances	\$ <u><u>7,981,265</u></u>	\$ <u><u>7,871,573</u></u>	\$ <u><u>15,852,838</u></u>

The accompanying notes are an integral part of the financial statements

**GREATER HARTFORD TRANSIT DISTRICT
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2017**

Amounts reported for governmental activities in the statement of net position (page 11) are different because of the following:

Fund balances - total governmental funds (page 13)	\$	892,924
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Governmental capital assets	\$	45,617,630	
Less accumulated depreciation		<u>(15,843,813)</u>	
			29,773,817

Liability for other postemployment benefits is not due and payable in the current year and, therefore, is not reported in the funds.		<u>(1,178,950)</u>
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Net Position of Governmental Activities (page 11)	\$	<u><u>29,487,791</u></u>
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The accompanying notes are an integral part of the financial statements

**GREATER HARTFORD TRANSIT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	<u>General</u>	<u>Special Revenue</u>	<u>Total Governmental Funds</u>
Revenues:			
Federal grants	\$	\$ 17,550,439	\$ 17,550,439
State grants		23,604,335	23,604,335
Contributions from member towns	84,631		84,631
Local share		3,237,186	3,237,186
Private local share		44,438	44,438
Interest income	12,154		12,154
Cash fares/Charter fees		168,476	168,476
Other revenue	1,409	43,862	45,271
Total revenues	<u>98,194</u>	<u>44,648,736</u>	<u>44,746,930</u>
Expenditures:			
Current:			
Project administration	24,770	1,777,049	1,801,819
Professional services	4,894	575,452	580,346
Purchased transportation	4,296	15,611,772	15,616,068
Insurance and claims		2,864,017	2,864,017
Capital outlay - tangible transit property		23,820,904	23,820,904
Total expenditures	<u>33,960</u>	<u>44,649,194</u>	<u>44,683,154</u>
Excess (Deficiency) of Revenues over Expenditures	<u>64,234</u>	<u>(458)</u>	<u>63,776</u>
Other Financing Sources (Uses):			
Transfers in	522	980	1,502
Transfers out	<u>(980)</u>	<u>(522)</u>	<u>(1,502)</u>
Total other financing sources (uses)	<u>(458)</u>	<u>458</u>	<u>-</u>
Net Change in Fund Balances	63,776	-	63,776
Fund Balances at Beginning of Year	<u>829,148</u>	<u>-</u>	<u>829,148</u>
Fund Balances at End of Year	<u>\$ 892,924</u>	<u>\$ -</u>	<u>\$ 892,924</u>

The accompanying notes are an integral part of the financial statements

**GREATER HARTFORD TRANSIT DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017**

Amounts reported for governmental activities in the statement of activities (page 12) are different due to the following:

Net change in fund balances - total governmental funds (page 15)	\$	63,776
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Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives.

Capital outlay	16,818,559
Depreciation expense	(2,309,627)

Governmental funds report other postemployment benefit costs when paid.

In the statement of activities other postemployment benefits costs are recognized when earned by employees.

(132,867)

Change in Net Position of Governmental Activities (page 12)	\$	<u>14,439,841</u>
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The accompanying notes are an integral part of the financial statements

**GREATER HARTFORD TRANSIT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS) -
GENERAL AND SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	General Fund				Special Revenue Fund			
	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Federal grants	\$	\$	\$	\$ -	\$ 11,199,889	\$ 17,550,439	\$ 17,550,439	\$ -
State grants				-	22,764,443	23,604,335	23,604,335	-
Contributions from member towns	83,278	84,631	84,631	-				-
Local/private share				-	2,352,297	3,281,624	3,281,624	-
Interest income	7,524	12,154	12,154	-				-
Fares				-	477,841	168,476	168,476	-
Sales/Misc other receipts	52,500	1,409	1,409	-		43,862	43,862	-
Total revenues	<u>143,302</u>	<u>98,194</u>	<u>98,194</u>	<u>-</u>	<u>36,794,470</u>	<u>44,648,736</u>	<u>44,648,736</u>	<u>-</u>
Expenditures:								
Current:								
Project administration	36,000	24,770	24,770	-	1,763,984	1,777,049	1,777,049	-
Professional services	10,000	4,894	4,894	-	579,637	575,452	575,452	-
FTA/State/GHTD transportation projects		4,296	4,296	-	34,450,849	18,475,789	18,475,789	-
Capital outlay				-		23,820,904	23,820,904	-
Total expenditures	<u>46,000</u>	<u>33,960</u>	<u>33,960</u>	<u>-</u>	<u>36,794,470</u>	<u>44,649,194</u>	<u>44,649,194</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>97,302</u>	<u>64,234</u>	<u>64,234</u>	<u>-</u>	<u>-</u>	<u>(458)</u>	<u>(458)</u>	<u>-</u>
Other Financing Sources (Uses):								
Transfers in		522	522	-		980	980	-
Transfers out		(980)	(980)	-		(522)	(522)	-
Total other financing sources (uses)	<u>-</u>	<u>(458)</u>	<u>(458)</u>	<u>-</u>	<u>-</u>	<u>458</u>	<u>458</u>	<u>-</u>
Net Change in Fund Balances	<u>\$ 97,302</u>	<u>\$ 63,776</u>	<u>63,776</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund Balance - Beginning of Year			<u>829,148</u>				<u>-</u>	
Fund Balance - End of Year			<u>\$ 892,924</u>				<u>\$ -</u>	

The accompanying notes are an integral part of the financial statements

GREATER HARTFORD TRANSIT DISTRICT
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2017

	Business-Type Activities - Enterprise Funds			
	Transportation Center		Parking	Total
	Public	Private	Lot	
Assets:				
Current assets:				
Federal grants receivable	\$ 23,186	\$ 13,727	\$	\$ 36,913
State grants receivable	12,366	10,914		23,280
Due from other funds	2,534,598		2,133,105	4,667,703
Other assets	20,294	25,246		45,540
Total current assets	2,590,444	49,887	2,133,105	4,773,436
Noncurrent assets:				
Capital assets, net of accumulated depreciation	4,273,830	3,136,612	287,590	7,698,032
Total assets	6,864,274	3,186,499	2,420,695	12,471,468
Liabilities:				
Current liabilities:				
Accounts payable	45,304	126,677	10,767	182,748
Due to other funds		3,922,140		3,922,140
Total current liabilities	45,304	4,048,817	10,767	4,104,888
Noncurrent liabilities:				
Other postemployment benefits	75,774	57,269		133,043
Total liabilities	121,078	4,106,086	10,767	4,237,931
Net Position:				
Net investment in capital assets	4,273,830	3,136,612	287,590	7,698,032
Unrestricted	2,469,366	(4,056,199)	2,122,338	535,505
Total Net Position	\$ 6,743,196	\$ (919,587)	\$ 2,409,928	\$ 8,233,537

The accompanying notes are an integral part of the financial statements

GREATER HARTFORD TRANSIT DISTRICT
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2017

	Business-Type Activities - Enterprise Funds			
	Transportation Center		Parking	Total
	Public	Private	Lot	
Operating Revenues:				
Rental income	\$ 419,456	\$ 573,496	\$	\$ 992,952
Parking fees	600		344,711	345,311
Other	21,396			21,396
Total operating revenues	<u>441,452</u>	<u>573,496</u>	<u>344,711</u>	<u>1,359,659</u>
Operating Expenses:				
Professional services	111,563	419,640	69,184	600,387
Overhead	138,578	461,424	47,600	647,602
Capital outlay	23,539	2,246		25,785
Depreciation	359,850	251,444	48,080	659,374
Total operating expenses	<u>633,530</u>	<u>1,134,754</u>	<u>164,864</u>	<u>1,933,148</u>
Operating Income (Loss)	<u>(192,078)</u>	<u>(561,258)</u>	<u>179,847</u>	<u>(573,489)</u>
Capital Contributions:				
Federal	198,374	283,654	11,191	493,219
State	56,475	67,140	2,798	126,413
Total capital contributions	<u>254,849</u>	<u>350,794</u>	<u>13,989</u>	<u>619,632</u>
Change in Net Position	62,771	(210,464)	193,836	46,143
Net Position at Beginning of Year	<u>6,680,425</u>	<u>(709,123)</u>	<u>2,216,092</u>	<u>8,187,394</u>
Net Position at End of Year	<u>\$ 6,743,196</u>	<u>\$ (919,587)</u>	<u>\$ 2,409,928</u>	<u>\$ 8,233,537</u>

The accompanying notes are an integral part of the financial statements

GREATER HARTFORD TRANSIT DISTRICT
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2017

	Business-Type Activities - Enterprise Funds			
	Transportation Center		Parking	Total
	Public	Private	Lot	
Cash Flows from Operating Activities:				
Receipts from customers and users	\$ 439,545	\$ 570,763	\$ 344,711	\$ 1,355,019
Payments for interfund services provided		173,004		173,004
Payments for interfund services used	(259,510)		(245,642)	(505,152)
Payments to suppliers	(227,942)	(811,168)	(102,324)	(1,141,434)
Payments to employees	(92,859)	1,803	(14,238)	(105,294)
Net cash used in operating activities	<u>(140,766)</u>	<u>(65,598)</u>	<u>(17,493)</u>	<u>(223,857)</u>
Cash Flows from Capital and Related Financing Activities:				
Receipts from federal and state grants	327,322	344,303	17,493	689,118
Purchase of capital assets	<u>(186,556)</u>	<u>(278,705)</u>		<u>(465,261)</u>
Net cash provided by capital and related financing activities	<u>140,766</u>	<u>65,598</u>	<u>17,493</u>	<u>223,857</u>
Net Increase (Decrease) in Cash and Cash Equivalents	-	-	-	-
Cash and Cash Equivalents at Beginning of Year	-	-	-	-
Cash and Cash Equivalents at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation of Operating Income (Loss) to Net Cash Used In Operating Activities:				
Operating income (loss)	\$ <u>(192,078)</u>	\$ <u>(561,258)</u>	\$ <u>179,847</u>	\$ <u>(573,489)</u>
Adjustments to reconcile operating income (loss) to net cash used in operating activities:				
Depreciation	359,850	251,444	48,080	659,374
Change in assets and liabilities:				
(Increase) decrease in amounts due from other funds	(259,510)		(245,642)	(505,152)
(Increase) decrease in other assets	(1,907)	(2,733)		(4,640)
Increase (decrease) in accounts payable	11,778	35,715	222	47,715
Increase (decrease) in amounts due to other funds		173,004		173,004
Increase (decrease) in other postemployment benefits liability	<u>(58,899)</u>	<u>38,230</u>		<u>(20,669)</u>
Total adjustments	<u>51,312</u>	<u>495,660</u>	<u>(197,340)</u>	<u>349,632</u>
Net Cash Used in Operating Activities	<u>\$ (140,766)</u>	<u>\$ (65,598)</u>	<u>\$ (17,493)</u>	<u>\$ (223,857)</u>
Noncash Investing, Capital and Financing Activities	\$ (72,373)	\$ 6,491	\$ (3,504)	(69,386)

The accompanying notes are an integral part of the financial statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Greater Hartford Transit District (the District) is a regional governmental unit formed under the provisions of Chapter 103a of the Connecticut General Statutes. The District currently serves sixteen member towns: Bloomfield, East Hartford, East Windsor, Enfield, Farmington, Granby, Hartford, Manchester, Newington, Rocky Hill, Simsbury, South Windsor, Vernon, West Hartford, Wethersfield and Windsor. Each member town appoints one to four Directors, according to population, who collectively form the Board of Directors, which is the policy-making body of the District. The day-to-day affairs of the District are managed by the Executive Director and her staff.

The District has broad powers to acquire, operate, finance, plan, develop, maintain and otherwise provide all forms of land transportation and related services including the development or renewal of transportation centers and parking facilities. It also has the power to issue revenue and general obligation bonds, although it has no power to levy taxes.

The District also serves as a pass-through entity for federal, state and private grants for the purpose of acquiring transportation equipment and providing transportation services.

Accounting principles generally accepted in the United States of America require that the reporting entity include the primary government, all organizations for which the primary government is financially accountable and other organizations which by the nature and significance of their relationship with the primary government would cause the financial statements to be incomplete or misleading if excluded. Blended component units, although legally separate entities, are, in substance, part of the government's operations; therefore, data from these units are combined with data of the primary government. Based on these criteria, there are no component units requiring inclusion in these financial statements.

Basis of Presentation

The accounting policies of the District conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below:

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 activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by member town contributions and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Certain indirect costs are included in the program expense reported for individual functions and activities. 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. Other items not properly included among program revenues are reported instead as general revenues.

GREATER HARTFORD TRANSIT DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. 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. Revenues are recognized as soon as they are both measurable and available as net current assets. Nongrant revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Federal and state grant revenues are considered to be available when eligible expenses have been incurred under the grants. All sources of revenue except interest become measurable when the District has rendered a service. Interest revenue is measurable when its rate becomes known.

Federal and state grants, member town contributions, local share, fares and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period.

Expenditures are generally recognized when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The District reports the following major governmental funds:

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

The *Special Revenue Fund* is used to account for the proceeds of federal and state grants that are legally restricted to expenditures for specified purposes. The major source of revenue for this fund is governmental grants.

The District reports the following major proprietary funds:

The *Transportation Center - Public and Private* funds are used to account for operation and maintenance of the public and private portions, respectively, of the Union Station facility.

The *Parking Lot* is used to account for operation and maintenance of the parking lot adjacent to Union Station.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the enterprise funds and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

GREATER HARTFORD TRANSIT DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are charges to customers for services. 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.

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

Cash Equivalents

For purposes of reporting cash flows, all savings, checking and money market accounts with an original maturity of less than 90 days are considered to be cash equivalents.

Capital Assets

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial individual cost of more than \$5,000 and an estimated useful life of more than two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

Equipment	7 years
Parking lot	20 years
Buildings and improvements	30 years
Passenger vans	4 years
Buses	12 years
Office equipment	5 years
Radios	5 years
ADA/DAR computer system	5 years
Company vehicles	5 years
Land and Union Station Transportation Center	40 years
Renovations of Union Station Transportation Center	40 years

Accumulated Unpaid Vacation, Sick Pay and Other Employee Benefit Amounts

Accumulated unpaid vacation, sick pay and other employee benefit amounts are accrued when incurred in the government-wide and proprietary fund financial statements (using the accrual basis of accounting). Such amounts are accrued in governmental funds (using the modified accrual basis of accounting) only if they have matured, for example, as a result of employee resignations and retirements.

Employees retiring after attaining the age of 62 with 10 years of service prior to retirement shall be eligible for payment at current pay rate up to ten days of accrued sick leave not taken. Accrued sick leave liability for eligible employees is recognized in the District's government-wide and proprietary fund financial statements. The District does not have a carryover vacation policy. Therefore, no liability for vacation has been recognized in the District's financial statements.

Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position.

Fund Equity

Equity in the government-wide financial statements and proprietary funds is defined as "net position" and is classified in the following categories:

Net Investment in Capital Assets

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

Unrestricted

This component consists of net position that does not meet the definition of "net investment in capital assets."

Equity in the governmental fund financial statements is defined as "fund balance" and is classified in the following categories:

Nonspendable Fund Balance

This represents amounts that cannot be spent due to form (e.g., inventories and prepaid amounts). There is currently \$75,978 in nonspendable fund balance for the District.

Restricted Fund Balance

This represents amounts constrained for a specific purpose by external parties, such as grantors, contributors or laws and regulations of their governments. There is currently no restricted fund balance for the District.

Committed Fund Balance

This represents amounts constrained for a specific purpose by a government using its highest level of decision-making authority (the District's Board of Directors). The Board of Directors may commit resources by resolution prior to the end of the fiscal year. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken to remove or revise the limitation. There is currently no committed fund balance for the District.

**GREATER HARTFORD TRANSIT DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

Assigned Fund Balance

For all governmental funds other than the General Fund, this represents any remaining positive amounts not classified as nonspendable, restricted or committed. For the General Fund, this includes amounts constrained for the intent to be used for a specific purpose by the Board of Directors. There is \$34,300 of assigned fund balance at June 30, 2017.

Unassigned Fund Balance

This represents fund balance in the General Fund in excess of nonspendable, restricted, committed and assigned fund balance. If another governmental fund has a fund balance deficit, it is reported as a negative amount in unassigned fund balance. There is \$782,646 of unassigned fund balance at June 30, 2017.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

During the last quarter of the fiscal year, the ensuing year's proposed operating budget, including proposed expenditures and the means of financing them, is compiled and prepared by the Executive Director. A public hearing is held on the budget. The proposed operating budget is then published in line item format in one or more local newspapers servicing the District and is submitted to the Board of Directors for acceptance and adoption.

The Executive Director has the authority to transfer budgeted amounts between published line items (object class: project administration, professional services, FTA/State/GHTD transportation projects and contingency); however, any revisions that alter the total expenditures plus transfers of a fund must have the prior approval of the District Board and are subject to public hearing.

A budget is adopted for the General and Special Revenue Funds on a basis consistent with accounting principles generally accepted in the United States of America. Appropriations are classified by object classes. Due to the nature and size of the organization, no breakdown by function or activity is made. The budget for the Special Revenue Fund is adopted on a generic basis for the fund as a whole rather than for the individual projects. Encumbrance accounting is not employed by the District because it is not considered necessary to assure effective budgetary control or to facilitate effective cash planning and control. Appropriations for all expenditures lapse at year end.

A budget is adopted for the Enterprise Funds on the accrual basis, except for debt principal and capital improvements, which are budgeted for on a cash basis.

GREATER HARTFORD TRANSIT DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

3. DETAILED NOTES ON ALL FUNDS

Deposits and Investments

The following is a summary of cash and cash equivalents at June 30, 2017:

Deposits:	
Demand accounts	\$ 140,087
Money market accounts	<u>3,733,584</u>
Total deposits	3,873,671
 Petty cash	 610
Cash equivalent:	
State Short-Term Investment Fund (STIF)	<u>100,956</u>
 Total Cash and Cash Equivalents	 \$ <u>3,975,237</u>

No cash or cash equivalents have maturity periods as all are available for immediate withdrawal.

Interest Rate Risk

The District is not subject to interest rate risk as all cash and cash equivalents maintain their dollar unit value and are not subject to declines in value.

Credit Risk

State statutes authorize the District to invest in obligations of the U.S. Treasury and U.S. agencies, bankers' acceptances, repurchase agreements, commercial paper rated A-1 by the Standard and Poor's or P-1 by Moody's Investor Service, the State Treasurer's investment pool, and certain other pooled investments, including the MBIA Class Plus Investment. The District does not have a policy relating to the credit risk of investments. As of June 30, 2017, the District's cash equivalent amounted to \$100,956 held in STIF, which was rated AAAm by Standard & Poor's.

Concentration of Credit Risk

The District's investment policy does not limit the investment in any one investment vehicle.

Custodial Credit Risk

In the case of deposits, this represents the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk. As of June 30, 2017, \$6,396,652 of the District's bank balance was exposed to custodial credit risk as follows: \$500,000 was insured, \$258,786 was uninsured, with collateral held by the pledging bank's trust department, not in the District's name, and \$5,637,866 was uninsured and uncollateralized.

Custodial credit risk of an investment is the risk that, in the event of the failure of the counterparty (the institution that pledges collateral or repurchase agreement securities to the District or that sells investments to or buys them for the District), the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District does not have a policy for custodial credit risk for investments. At June 30, 2017, the District had no uninsured and unregistered securities held by the counterparty or by its trust department or agent that were not in the District's name.

GREATER HARTFORD TRANSIT DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

Receivables

Receivables consist of grants receivable from the federal government and State of Connecticut, and amounts due from local agencies for services provided. Based on historical experience, management believes these receivables are fully collectible and, therefore, has not provided for an allowance for uncollectible amounts.

Capital Assets

Capital asset activity for the year ended June 30, 2017 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital assets not being depreciated:				
Construction in progress	\$ 7,801,278	\$ 11,291,347	\$	\$ 19,092,625
Land	1,403,248			1,403,248
Total capital assets not being depreciated	<u>9,204,526</u>	<u>11,291,347</u>	<u>-</u>	<u>20,495,873</u>
Capital assets being depreciated:				
Buildings and improvements	11,306,237			11,306,237
Equipment	12,136,461	5,527,212	3,848,153	13,815,520
Total capital assets being depreciated	<u>23,442,698</u>	<u>5,527,212</u>	<u>3,848,153</u>	<u>25,121,757</u>
Less accumulated depreciation for:				
Buildings and improvements	8,966,852	265,290		9,232,142
Equipment	8,415,487	2,044,337	3,848,153	6,611,671
Total accumulated depreciation	<u>17,382,339</u>	<u>2,309,627</u>	<u>3,848,153</u>	<u>15,843,813</u>
Total capital assets being depreciated, net	<u>6,060,359</u>	<u>3,217,585</u>	<u>-</u>	<u>9,277,944</u>
Governmental Activities Capital Assets, Net	<u>\$ 15,264,885</u>	<u>\$ 14,508,932</u>	<u>\$ -</u>	<u>\$ 29,773,817</u>

GREATER HARTFORD TRANSIT DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

	<u>Beginning Balance</u>	<u>Increases/ Transfers</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-Type Activities:				
Capital assets not being depreciated:				
Construction in progress	\$ 751,495	\$ 161,808	\$ 13,140	\$ 900,163
Land	<u>300,000</u>			<u>300,000</u>
Total capital assets not being depreciated	<u>1,051,495</u>	<u>161,808</u>	<u>13,140</u>	<u>1,200,163</u>
Capital assets being depreciated:				
Buildings and improvements	15,693,015	310,451		16,003,466
Parking lot	1,118,921			1,118,921
Equipment	<u>201,873</u>	<u>6,142</u>		<u>208,015</u>
Total capital assets being depreciated	<u>17,013,809</u>	<u>316,593</u>	<u>-</u>	<u>17,330,402</u>
Less accumulated depreciation for:				
Buildings and improvements	9,188,042	611,089		9,799,131
Parking lot	893,215	24,878		918,093
Equipment	<u>91,902</u>	<u>23,407</u>		<u>115,309</u>
Total accumulated depreciation	<u>10,173,159</u>	<u>659,374</u>	<u>-</u>	<u>10,832,533</u>
Total capital assets being depreciated, net	<u>6,840,650</u>	<u>(342,781)</u>	<u>-</u>	<u>6,497,869</u>
Business-Type Capital Assets, Net	<u>\$ 7,892,145</u>	<u>\$ (180,973)</u>	<u>\$ 13,140</u>	<u>\$ 7,698,032</u>

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

Governmental activities:	
Purchased transportation	\$ 351,674
Transit projects	1,872,531
General administration	<u>85,422</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 2,309,627</u>
Business-type activities:	
Transportation Center	\$ 611,294
Parking Lot	<u>48,080</u>
Total Depreciation Expense - Business-Type Activities	<u>\$ 659,374</u>

GREATER HARTFORD TRANSIT DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

Individual Fund Interfund Receivables, Payables and Transfers

The composition of interfund balances as of June 30, 2017 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Transportation Center - Private	\$ 3,922,140
Special Revenue Fund	General Fund	2,352,711
Transportation Center - Public	General Fund	2,534,598
General Fund	Special Revenue Fund	3,734
Parking Lot	General Fund	<u>2,133,105</u>
Total		<u>\$ 10,946,288</u>

Interfund receivable/payable balances are the result of pooled cash and investments, which are reported in the General Fund.

Interfund transfers were as follows:

	<u>Transfers In</u>		
	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total</u>
Transfers out:			
General Fund	\$ 522	\$ 980	\$ 980
Special Revenue Fund	<u>522</u>	<u>980</u>	<u>522</u>
Total	<u>\$ 522</u>	<u>\$ 980</u>	<u>\$ 1,502</u>

Transfers are used primarily to fund special revenue program deficits.

Long-Term Debt

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2017 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Other postemployment benefits	\$ 1,046,083	\$ 29,367	\$ -	\$ 1,075,450	\$ -
Termination benefit	<u> </u>	<u>103,500</u>	<u> </u>	<u>103,500</u>	<u>45,000</u>
Total Governmental Activities:	<u>\$ 1,046,083</u>	<u>\$ 132,867</u>	<u>\$ -</u>	<u>\$ 1,178,950</u>	<u>\$ 45,000</u>
Business-type activities:					
Other postemployment benefits	<u>\$ 153,712</u>	<u>\$ -</u>	<u>\$ 20,669</u>	<u>\$ 133,043</u>	<u>\$ -</u>

For the governmental activities, other postemployment benefits obligations are generally liquidated by the General Fund.

GREATER HARTFORD TRANSIT DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

Lease Commitments

On December 21, 1981, the District entered into a lease agreement with the State of Connecticut for approximately 1.4 acres of land adjacent to the Union Station Transportation Center for use as a parking lot. The term of the lease commenced on January 1, 1982 and runs for 40 years. A single payment of \$300 was made at the execution of the lease, and no additional payments are due as long as the land remains under the control of the District.

4. OTHER INFORMATION

Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; error and omissions; injuries to employees and the public; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks did not exceed commercial insurance coverage during the years ended June 30, 2017, 2016 and 2015.

In addition, as the owner of public transportation vehicles operated in both the public and private sectors, as well as the operator of an intermodal transportation center, the District is exposed to various risks of loss related to these activities. The District requires all public and private agencies operating the vehicles to purchase appropriate commercial insurance coverage through third-party carriers and to include the District as a loss payee.

Leases

The District's largest tenant is Amtrak, whose annual lease payment is based on actual space costs incurred with respect to the leased property.

Minimum future rental income to be received by the District from its operating leases in effect at June 30, 2017 is \$15,103,518 assuming future rental income for Amtrak is equal to the current year amount. Scheduled rental income under the terms of the lease agreements for the next five years and thereafter is as follows:

<u>Year Ending June 30</u>	
2018	\$ 1,076,880
2019	998,587
2020	874,043
2021	803,434
2022	503,500
Thereafter	10,847,074

Many of the leases in effect at June 30, 2017 contain an option to renew upon expiration.

GREATER HARTFORD TRANSIT DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

The following is a summary of property leased to others as of June 30, 2017:

Cost:	
Buildings and improvements	\$ 17,122,387
Less accumulated depreciation	<u>10,717,224</u>
Net Book Value	\$ <u>6,405,163</u>

Depreciation expense related to property leased to others totaled \$635,967 for the year ended June 30, 2017.

Contingent Liabilities

The District receives grants from state and federal governments for capital projects and operating assistance. These grants are subject to audit by grantors, which could result in the disallowance of costs and resulting liabilities to grantors. The District is not aware of any such liabilities.

Employee Retirement Plan

The District has established the Greater Hartford Transit District Simplified Employee Pension Plan as a qualified, defined contribution retirement plan that covers substantially all employees exceeding 21 years of age. All funds contributed to the plan are deposited to individual accounts in the name of each eligible employee within a qualified financial institution. The financial institutions are responsible for the administration of the accounts. The Board of Directors authorized the establishment of the plan and can make amendments to the plan and determine contribution requirements. The District administers the plan. Required and actual contributions made by the District to the plan were \$154,816 for the year ended June 30, 2017. There were no employee contributions made during the year.

Other Postemployment Benefits - Retiree Health Plan

Plan Description

The Retiree Health Plan (RHP) is a single-employer defined benefit healthcare plan administered by the District. The current RHP provides medical and dental benefits to eligible retirees. During the prior fiscal year, the retirement benefits were modified to cover 50% of medical costs for 18 months following retirement from the former policy of 100% of medical cost for the employee's lifetime. Employees of the District are eligible to participate in the plan if they are at least 62 years old and have more than 10 years of service. Benefit provisions are established by the Executive Director.

The District has opted not to create a trust fund and to remain on a pay-as-you-go basis; therefore, there is no fund statement presented for the RHP on the financial statements. The District recognizes the annual insurance premiums and claims costs as expenditures or expenses, as appropriate. The other postemployment benefits liability has been liquidated primary by the special revenue fund in prior years.

GREATER HARTFORD TRANSIT DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

At June 30, 2017, plan membership consisted of the following:

	Retiree Health Plan
Retired members	2
Active plan members	9
Total Participants	<u>11</u>

Funding Policy

The contribution requirements of plan members and the District are determined by the Executive Director. Retired plan members and beneficiaries currently receiving benefits do not contribute towards the cost of health insurance premiums.

Annual OPEB Cost and Net OPEB Obligations

The District's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution (ARC), an amount determined using the Alternative Measurement Method permitted by GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years.

The following table shows the components of the District's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the District's net OPEB obligation:

	Retiree Health Plan
Annual required contribution	\$ 24,262
Interest on net OPEB obligation	41,994
Adjustment to annual required contribution	<u>(39,993)</u>
Annual OPEB cost	26,263
Contributions made	<u>(17,565)</u>
Change in net OPEB obligation	8,698
Net OPEB obligation at beginning of year	<u>1,199,795</u>
Net OPEB Obligation at End of Year	<u>\$ 1,208,493</u>

The net OPEB obligation is reported as \$1,075,450 and \$133,043 between governmental and business-type activities, respectively.

GREATER HARTFORD TRANSIT DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

Three-Year Trend Information

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation (asset) for the fiscal years ended June 30, 2017, 2016, 2015, is presented below.

<u>Fiscal Year Ended</u>		<u>Annual OPEB Cost (AOC)</u>	<u>Actual Contribution</u>	<u>Percentage of AOC Contributed</u>	<u>Net OPEB Obligation</u>
June 30, 2017	\$	26,263	\$ 17,565	67.00%	\$ 1,208,493
June 30, 2016		25,437	22,388	88.00	1,199,795
June 30, 2015		221,854	22,863	10.30	1,196,746

The schedule of funding progress, presented below, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

<u>Valuation Date</u>		<u>Actuarial Value of Assets (A)</u>	<u>Actuarial Accrued Liability (AAL) (B)</u>	<u>Unfunded AAL (UAAL) (B-A)</u>	<u>Funded Ratio (A/B)</u>	<u>Covered Payroll (C)</u>	<u>UAAL as a % of Covered Payroll [(B-A)/C]</u>
June 30, 2016	\$	-	\$ 475,036	\$ 475,036	0%	\$ 1,055,318	45%
June 30, 2013		-	1,450,059	1,450,059	0	819,984	177
June 30, 2012		-	1,272,916	1,272,916	0	756,785	168

The following is a schedule of employer contributions to the plan.

<u>Fiscal Year Ended</u>		<u>Annual Required Contribution</u>	<u>Annual Percentage Contributed</u>
June 30, 2017	\$	24,262	72.40%
June 30, 2016		23,442	95.50
June 30, 2015		225,307	10.10

Actuarial Valuations

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as accrual results are compared with past expectations and new estimates are made about the future.

GREATER HARTFORD TRANSIT DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

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

In the June 30, 2016 actuarial valuation, the entry age actuarial cost method was used. The annual healthcare cost trend rate is 4% initially, increasing to 4.5% in Year 2 and thereafter. The general inflation assumption is 3.5%. Projected salary increases are 3.5%. The discount rate baseline is 3.5%. The UAAL is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at July 1, 2016 was 30 years.

Termination Benefit

The District entered into an agreement with an employee on November 21, 2016 to establish a termination benefit plan with a monthly benefit of \$1,500 effective January 1, 2017, ending on September 1, 2021. The total amount of the benefit of \$85,500 is reported as a long-term liability in the governmental activities opinion unit. All funds set aside for this plan are recorded as assigned fund balance in the General Fund.

SUPPLEMENTAL COMBINING SCHEDULE

SPECIAL REVENUE FUND

ADA Program - to account for paratransit operations in participating communities under the Americans with Disabilities Act. The program is supported by the State of Connecticut, cash fares from riders and advertising income.

Drug and Alcohol Testing Consortium - to account for the administration of a Statewide Drug and Alcohol Testing Program in accordance with FTA regulatory requirements, covering nearly 37 locations and 2,259 employees. The program is supported 100% by the State of Connecticut.

Municipal DAR Grants - to account for municipal operating assistance provided by the State of Connecticut to the District, which administers the program and passes through the funds to local towns and agencies.

Buses, Equipment and Property - to account for the purchase of handicapped-accessible buses, administrative equipment and an operations center property used to support the ADA Paratransit Program. The program is funded 80% by FTA and 20% local match is funded by the State of Connecticut.

USTC, Sigourney Street and New Britain Livability - to account for improved pedestrian connections to Union Station that will create safe, convenient and attractive routes to the station from surrounding residential, shopping and employment districts. The program is funded 80% by FTA and 20% by the State of Connecticut.

Transportation Improvements Generating Economic Recovery (TIGER) - to account for improvements to downtown intermodal connections, including pedestrian, bike, taxi, bus, rail and air connections, through creation of intermodal hubs, transit-priority streets and Complete Green Streets.

Transit Enhancement Funding of Municipal Bus Shelters - to account for the procurement of bus shelters being installed in numerous municipalities within the Region. Single municipality shelter projects are funded 80% by the FTA and 20% local match is provided by the municipality. With regard to the Regional Bus Shelter Program, 80% is funded by FTA, 10% by benefitting municipalities and 10% by the State of Connecticut.

Statewide Transit District Insurance Consortium - to account for the administration of a Statewide Transit District Insurance Program providing Primary and Excess Automobile Liability, Collision/Physical Damage and Property Liability Insurance coverage. The program is supported 100% by the State of Connecticut.

Intermodal Centers - to account for Intermodal Center projects in the towns of Vernon, Enfield and Mansfield.

New Freedom Grant - to account for operation of a taxi voucher/debit card program for people with disabilities.

Federal Highway Program - STP Urban Grants - to account for federal surface transportation projects to enhance transportation alternatives and efficiencies on public roadways.

**GREATER HARTFORD TRANSIT DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES BY PROJECT
FOR THE YEAR ENDED JUNE 30, 2017**

	ADA Program	Drug and Alcohol Testing Consortium	Municipal DAR Grants	Buses, Equipment and Property	USTC, Sigourney Street and New Britain Livability	Transportation Improvements Generating Economic Recovery
Revenues:						
Federal grants	\$	\$	\$	\$	\$	\$
State grants	16,344,877	243,945	345,206	13,675,899	1,008,905	2,287,519
Local share				3,257,080	252,103	
Private contributions	44,438			157,602	363,981	2,578,521
Cash fares	168,476					
Miscellaneous	43,862					
Total revenues	<u>16,601,653</u>	<u>243,945</u>	<u>345,206</u>	<u>17,090,581</u>	<u>1,624,989</u>	<u>4,866,040</u>
Expenditures:						
Current:						
Project administration	1,197,062	54,102	14,259	263,283	55,140	85,511
Professional services	152,496	190,379		1,335		
Purchased transportation	15,252,065		330,947			
Insurance and claims						
Capital outlay - tangible transit property				16,826,354	1,569,357	4,780,532
Total expenditures	<u>16,601,623</u>	<u>244,481</u>	<u>345,206</u>	<u>17,090,972</u>	<u>1,624,497</u>	<u>4,866,043</u>
Excess (Deficiency) of Revenues over Expenditures	<u>30</u>	<u>(536)</u>	<u>-</u>	<u>(391)</u>	<u>492</u>	<u>(3)</u>
Other Financing Sources (Uses):						
Transfers in		536		391		3
Transfers out	(30)				(492)	
Total other financing sources (uses)	<u>(30)</u>	<u>536</u>	<u>-</u>	<u>391</u>	<u>(492)</u>	<u>3</u>
Net Changes in Fund Balances	-	-	-	-	-	-
Fund Balance at Beginning of Year	-	-	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Continued on next page

**GREATER HARTFORD TRANSIT DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES BY PROJECT (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2017**

	Transit Enhancement Funding of Municipal Bus Shelters	Statewide Transit District Insurance Consortium	Intermodal Centers	New Freedom Grant	Federal Highway Program- STP Urban Grants	Total
Revenues:						
Federal grants	\$ 87,310	\$	\$ 2,647	\$	\$ 488,159	\$ 17,550,439
State grants	11,364	3,135,216		14,544		23,604,335
Local share			662	14,380	122,040	3,237,186
Private contributions						44,438
Cash fares						168,476
Miscellaneous						43,862
Total revenues	<u>98,674</u>	<u>3,135,216</u>	<u>3,309</u>	<u>28,924</u>	<u>610,199</u>	<u>44,648,736</u>
Expenditures:						
Current:						
Project administration	12,934	39,959	3,309		51,490	1,777,049
Professional services		231,242				575,452
Purchased transportation				28,760		15,611,772
Insurance and claims		2,864,017				2,864,017
Capital outlay - tangible transit property	85,787			164	558,710	23,820,904
Total expenditures	<u>98,721</u>	<u>3,135,218</u>	<u>3,309</u>	<u>28,924</u>	<u>610,200</u>	<u>44,649,194</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(47)</u>	<u>(2)</u>	<u>-</u>	<u>-</u>	<u>(1)</u>	<u>(458)</u>
Other Financing Sources (Uses):						
Transfers in	47	2			1	980
Transfers out						(522)
Total other financing sources (uses)	<u>47</u>	<u>2</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>458</u>
Net Changes in Fund Balances	-	-	-	-	-	-
Fund Balance at Beginning of Year	-	-	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATISTICAL SECTION

This part of the Greater Hartford Transit District's comprehensive annual report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the District's overall financial health.

Contents	Page
Financial Trends	37-43
These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	
Revenue Capacity	44-45
These schedules contain information to help the reader assess the District's most significant revenue source, federal and state grants.	
Debt Capacity	46-47
These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	
Demographic and Economic Information	48-49
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	
Operating Information	50-52
These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	

GREATER HARTFORD TRANSIT DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	YEAR ENDED JUNE 30									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Governmental Activities:										
Net investment in capital assets	\$ 8,345,537	\$ 7,742,369	\$ 9,683,448	\$ 9,351,334	\$ 7,704,596	\$ 8,243,306	\$ 8,725,687	\$ 9,272,928	\$ 15,264,885	\$ 29,773,817
Restricted for insurance program	275,000	300,000	300,000							
Unrestricted	414,093	429,003	595,155	922,831	902,827	65,198	(114,030)	(236,451)	(216,935)	(286,026)
Total Governmental Activities Net Position	<u>\$ 9,034,630</u>	<u>\$ 8,471,372</u>	<u>\$ 10,578,603</u>	<u>\$ 10,274,165</u>	<u>\$ 8,607,423</u>	<u>\$ 8,308,504</u>	<u>\$ 8,611,657</u>	<u>\$ 9,036,477</u>	<u>\$ 15,047,950</u>	<u>\$ 29,487,791</u>
Business-Type Activities:										
Net investment in capital assets	\$ 1,722,345	\$ 1,854,080	\$ 3,482,159	\$ 3,722,321	\$ 4,821,451	\$ 5,332,683	\$ 8,846,685	\$ 8,391,100	\$ 7,892,145	\$ 7,698,032
Unrestricted	(591,921)	(605,763)	(624,945)	(648,612)	(708,450)	(620,748)	(534,616)	(202,158)	295,249	535,505
Total Business-Type Activities Net Position	<u>\$ 1,130,424</u>	<u>\$ 1,248,317</u>	<u>\$ 2,857,214</u>	<u>\$ 3,073,709</u>	<u>\$ 4,113,001</u>	<u>\$ 4,711,935</u>	<u>\$ 8,312,069</u>	<u>\$ 8,188,942</u>	<u>\$ 8,187,394</u>	<u>\$ 8,233,537</u>
Primary Government:										
Net investment in capital assets	\$ 10,067,882	\$ 9,596,449	\$ 13,165,607	\$ 13,073,655	\$ 12,526,047	\$ 13,575,989	\$ 17,572,372	\$ 17,664,028	\$ 23,157,030	\$ 37,471,849
Unrestricted	97,172	123,240	270,210	274,219	194,377	(555,550)	(648,646)	(438,609)	78,314	249,479
Total Primary Government Net Position	<u>\$ 10,165,054</u>	<u>\$ 9,719,689</u>	<u>\$ 13,435,817</u>	<u>\$ 13,347,874</u>	<u>\$ 12,720,424</u>	<u>\$ 13,020,439</u>	<u>\$ 16,923,726</u>	<u>\$ 17,225,419</u>	<u>\$ 23,235,344</u>	<u>\$ 37,721,328</u>

GREATER HARTFORD TRANSIT DISTRICT
CHANGES IN NET POSITION - ENTITY WIDE
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	YEAR ENDED JUNE 30									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Expenses:										
Governmental activities:										
Purchased transportation	\$ 12,064,971	\$ 12,464,740	\$ 11,893,465	\$ 13,444,762	\$ 13,530,050	\$ 14,530,669	\$ 15,436,325	\$ 16,912,580	\$ 18,193,141	\$ 17,549,848
Insurance consortium	2,673,884	2,385,905	3,005,480	2,104,265	3,655,151	3,087,661	3,645,454	3,526,919	3,411,998	3,135,218
Transit projects	251,488	576,686	1,038,069	1,182,816	1,191,670	5,645,779	3,805,580	13,065,547	10,355,460	9,622,023
Total governmental activities expenses	<u>14,990,343</u>	<u>15,427,331</u>	<u>15,937,014</u>	<u>16,731,843</u>	<u>18,376,871</u>	<u>23,264,109</u>	<u>22,887,359</u>	<u>33,505,046</u>	<u>31,960,599</u>	<u>30,307,089</u>
Business-type activities:										
Transportation center	1,530,393	1,852,761	1,947,046	1,932,478	2,073,357	2,019,125	2,011,788	2,064,206	1,712,061	1,768,284
Parking lot	252,644	247,201	242,580	273,598	254,241	286,688	221,888	197,245	189,718	164,864
Total business-type activities expenses	<u>1,783,037</u>	<u>2,099,962</u>	<u>2,189,626</u>	<u>2,206,076</u>	<u>2,327,598</u>	<u>2,305,813</u>	<u>2,233,676</u>	<u>2,261,451</u>	<u>1,901,779</u>	<u>1,933,148</u>
Total Primary Government Expenses	<u>\$ 16,773,380</u>	<u>\$ 17,527,293</u>	<u>\$ 18,126,640</u>	<u>\$ 18,937,919</u>	<u>\$ 20,704,469</u>	<u>\$ 25,569,922</u>	<u>\$ 25,121,035</u>	<u>\$ 35,766,497</u>	<u>\$ 33,862,378</u>	<u>\$ 32,240,237</u>
Program Revenues:										
Governmental activities:										
Charges for services	\$ 350,652	\$ 749,523	\$ 393,749	\$ 394,132	\$ 393,991	\$ 400,622	\$ 421,872	\$ 465,122	\$ 499,358	\$ 168,476
Operating grants and contributions	11,832,993	12,693,669	13,522,068	13,995,879	15,523,441	19,180,272	18,612,389	18,680,640	19,638,316	20,186,468
Capital grants and contributions	2,156,057	1,196,488	3,999,310	1,916,034	592,330	3,970,403	4,075,489	14,698,618	17,748,508	24,293,792
Total governmental activities program revenues	<u>14,339,702</u>	<u>14,639,680</u>	<u>17,915,127</u>	<u>16,306,045</u>	<u>16,509,762</u>	<u>23,551,297</u>	<u>23,109,750</u>	<u>33,844,380</u>	<u>37,886,182</u>	<u>44,648,736</u>
Business-type activities:										
Transportation center	1,049,667	1,426,890	3,345,748	1,539,275	2,972,787	2,339,479	2,020,399	1,666,166	1,478,011	1,620,591
Parking lot	537,004	790,965	448,668	883,296	394,103	565,268	513,411	472,158	422,220	358,700
Total business-type activities program revenues	<u>1,586,671</u>	<u>2,217,855</u>	<u>3,794,416</u>	<u>2,422,571</u>	<u>3,366,890</u>	<u>2,904,747</u>	<u>2,533,810</u>	<u>2,138,324</u>	<u>1,900,231</u>	<u>1,979,291</u>
Total Government Program Revenues	<u>\$ 15,926,373</u>	<u>\$ 16,857,535</u>	<u>\$ 21,709,543</u>	<u>\$ 18,728,616</u>	<u>\$ 19,876,652</u>	<u>\$ 26,456,044</u>	<u>\$ 25,643,560</u>	<u>\$ 35,982,704</u>	<u>\$ 39,786,413</u>	<u>\$ 46,628,027</u>
Net (Expenses) Revenue:										
Governmental activities	\$ (650,641)	\$ (787,651)	\$ 1,978,113	\$ (425,798)	\$ (1,867,109)	\$ 287,188	\$ 222,391	\$ 339,334	\$ 5,925,583	\$ 14,341,647
Business-type activities	<u>(196,366)</u>	<u>117,893</u>	<u>1,604,790</u>	<u>216,495</u>	<u>1,039,292</u>	<u>598,934</u>	<u>300,134</u>	<u>(123,127)</u>	<u>(1,548)</u>	<u>46,143</u>
Total Government Net (Expenses) Revenue	<u>\$ (847,007)</u>	<u>\$ (669,758)</u>	<u>\$ 3,582,903</u>	<u>\$ (209,303)</u>	<u>\$ (827,817)</u>	<u>\$ 886,122</u>	<u>\$ 522,525</u>	<u>\$ 216,207</u>	<u>\$ 5,924,035</u>	<u>\$ 14,387,790</u>

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GREATER HARTFORD TRANSIT DISTRICT
CHANGES IN NET POSITION - ENTITY WIDE (CONTINUED)
LAST TEN YEARS
(Accrual Basis of Accounting)

	YEAR ENDED JUNE 30									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Revenues and Other										
Changes in Net Position:										
Governmental activities:										
Member town contributions	\$ 40,111	\$ 57,299	\$ 74,493	\$ 74,493	\$ 74,493	\$ 77,329	\$ 77,329	\$ 77,329	\$ 77,329	\$ 84,631
Miscellaneous	138,985	127,764	42,132	40,332	121,997	279		927	303	1,409
Unrestricted investment earnings	61,495	39,330	12,493	6,535	3,877	4,664	3,433	7,230	8,258	12,154
Transfers	1,800					(668,379)				
Total governmental activities	<u>242,391</u>	<u>224,393</u>	<u>129,118</u>	<u>121,360</u>	<u>200,367</u>	<u>(586,107)</u>	<u>80,762</u>	<u>85,486</u>	<u>85,890</u>	<u>98,194</u>
Business-type activities:										
Mortgage release							3,300,000			
Miscellaneous			4,107							
Total business-type activities	<u>-</u>	<u>-</u>	<u>4,107</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,300,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Government	<u>\$ 242,391</u>	<u>\$ 224,393</u>	<u>\$ 133,225</u>	<u>\$ 121,360</u>	<u>\$ 200,367</u>	<u>\$ (586,107)</u>	<u>\$ 3,380,762</u>	<u>\$ 85,486</u>	<u>\$ 85,890</u>	<u>\$ 98,194</u>
Change in Net Position:										
Governmental activities	\$ (408,250)	\$ (563,258)	\$ 2,107,231	\$ (304,438)	\$ (1,666,742)	\$ (298,919)	\$ 303,153	\$ 424,820	\$ 6,011,473	\$ 14,439,841
Business-type activities	<u>(196,366)</u>	<u>117,893</u>	<u>1,608,897</u>	<u>216,495</u>	<u>1,039,292</u>	<u>598,934</u>	<u>3,600,134</u>	<u>(123,127)</u>	<u>(1,548)</u>	<u>46,143</u>
Total Government	<u>\$ (604,616)</u>	<u>\$ (445,365)</u>	<u>\$ 3,716,128</u>	<u>\$ (87,943)</u>	<u>\$ (627,450)</u>	<u>\$ 300,015</u>	<u>\$ 3,903,287</u>	<u>\$ 301,693</u>	<u>\$ 6,009,925</u>	<u>\$ 14,485,984</u>

GREATER HARTFORD TRANSIT DISTRICT
CHANGES IN NET POSITION - PURCHASED TRANSPORTATION PROGRAM
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	YEAR ENDED JUNE 30									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Purchased Transportation Expenses:										
Governmental activities:										
Purchased transportation	\$ 11,560,157	\$ 12,464,740	\$ 11,893,465	\$ 13,444,762	\$ 13,530,050	\$ 14,530,669	\$ 15,436,325	\$ 16,912,580	\$ 18,193,141	\$ 17,549,848
Total primary government expenses	11,560,157	12,464,740	11,893,465	13,444,762	13,530,050	14,530,669	15,436,325	16,912,580	18,193,141	17,549,848
Purchased Transportation Program Revenues:										
Governmental activities:										
Charges for services	412,954	749,523	393,749	394,132	393,991	400,622	421,872	465,122	499,358	168,476
Operating grants and contributions	9,167,715	9,858,164	10,216,297	11,081,058	11,197,408	12,094,602	12,866,097	14,782,464	15,892,416	16,807,307
Total government program revenues	9,580,669	10,607,687	10,610,046	11,475,190	11,591,399	12,495,224	13,287,969	15,247,586	16,391,774	16,975,783
Net Revenues (Expenses)/Change in Net Position:										
Governmental activities	\$ (1,979,488)	\$ (1,857,053)	\$ (1,283,419)	\$ (1,969,572)	\$ (1,938,651)	\$ (2,035,445)	\$ (2,148,356)	\$ (1,664,994)	\$ (1,801,367)	\$ (574,065)

**GREATER HARTFORD TRANSIT DISTRICT
GOVERNMENTAL ACTIVITIES REVENUE BY SOURCE
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	Federal and State Grants	Contributions from Member Towns	Local and Private Share of Federal Grants	Interest Income	Charter Bus Income	Cash Fares and Miscellaneous	Total
2017	\$ 41,154,774	\$ 84,631	\$ 3,281,624	\$ 12,154	\$	\$ 213,747	\$ 44,746,930
2016	33,364,273	77,329	3,972,245	8,258		549,967	37,972,072
2015	28,170,601	77,329	5,149,957	7,230		524,749	33,929,866
2014	21,687,420	77,329	965,458	3,433		456,872	23,190,512
2013	21,694,782	77,329	1,346,602	4,664		510,192	23,633,569
2012	15,912,928	74,493	181,963	3,877	109,066	427,801	16,710,128
2011	15,233,680	74,493	682,337	6,535	3,000	651,821	16,651,866
2010	16,709,251	74,493	814,842	12,493	6,787	546,829	18,164,695
2009	13,013,913	57,299	841,266	39,330	391,615	520,650	14,864,073
2008	12,959,618	40,111	1,030,882	61,495	62,302	425,885	14,580,293

GREATER HARTFORD TRANSIT DISTRICT
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

	YEAR ENDED JUNE 30									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General fund:										
Unreserved (1)	\$ 689,093	\$ 852,289	\$ 1,115,776	\$	\$	\$	\$	\$	\$	\$
Nonspendable										75,978
Assigned										34,300
Unassigned (1)				1,290,812	1,382,627	717,649	737,338	784,471	829,148	782,646
Total General Fund	<u>\$ 689,093</u>	<u>\$ 852,289</u>	<u>\$ 1,115,776</u>	<u>\$ 1,290,812</u>	<u>\$ 1,382,627</u>	<u>\$ 717,649</u>	<u>\$ 737,338</u>	<u>\$ 784,471</u>	<u>\$ 829,148</u>	<u>\$ 892,924</u>
Special revenue fund:										
Unreserved/unassigned	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(1) Fund terminology changed beginning in fiscal 2011 due to a change in accounting standards.

GREATER HARTFORD TRANSIT DISTRICT
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

	YEAR ENDED JUNE 30									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Revenues:										
Federal grants	\$ 1,466,853	\$ 1,084,688	\$ 3,223,884	\$ 1,952,295	\$ 670,844	\$ 5,917,704	\$ 4,326,732	\$ 8,875,580	\$ 12,302,336	\$ 17,550,439
State grants	11,492,765	11,929,225	13,485,367	13,281,385	15,242,084	15,777,078	17,360,688	19,295,021	21,061,937	23,604,335
Contributions from member towns	40,111	57,299	74,493	74,493	74,493	77,329	77,329	77,329	77,329	84,631
Local/private share	1,030,882	841,266	814,842	682,337	181,963	1,346,602	965,458	5,149,957	3,972,245	3,281,624
Interest income	61,495	39,330	12,493	6,535	3,877	4,664	3,433	7,230	8,258	12,154
Fares	335,727	355,299	384,148	389,676	388,620	395,032	421,872	465,122	499,358	168,476
Incidental charter	62,302	391,615	6,787	3,000	112,066					
Vehicle sales and miscellaneous	90,158	165,351	162,681	262,145	36,181	115,160	35,000	59,627	50,609	45,271
Total revenues	14,580,293	14,864,073	18,164,695	16,651,866	16,710,128	23,633,569	23,190,512	33,929,866	37,972,072	44,746,930
Expenditures:										
Current:										
Project administration	1,279,238	1,182,875	1,092,359	1,400,699	1,252,163	1,335,454	1,451,950	1,645,279	1,784,747	1,801,819
Professional services	257,518	225,843	286,867	254,850	392,258	445,987	484,617	525,346	592,931	580,346
Insurance and claims	8,806,695	2,285,217	2,928,006	2,013,633	3,363,566	2,821,890	3,382,433	3,216,196	3,118,670	2,864,017
Purchased transportation	2,557,602	9,964,137	9,819,224	10,571,097	10,729,271	11,594,442	12,374,835	14,126,130	15,006,862	15,616,068
Charter bus maintenance										
Capital outlay	1,491,184	1,042,805	3,774,752	2,236,551	881,055	7,432,395	5,476,988	14,369,782	17,424,185	23,820,904
Total expenditures	14,392,237	14,700,877	17,901,208	16,476,830	16,618,313	23,630,168	23,170,823	33,882,733	37,927,395	44,683,154
Excess of Revenues over Expenditures	188,056	163,196	263,487	175,036	91,815	3,401	19,689	47,133	44,677	63,776
Other Financing Sources (Uses):										
Transfers in	52,851	40,298	56,705	43,490	1,904	650	1,498	279	798	1,502
Transfers out	(51,051)	(40,298)	(56,705)	(43,490)	(1,904)	(650)	(1,498)	(279)	(798)	(1,502)
Transfer to grant programs						(668,379)				
Total other financing sources (uses)	1,800	-	-	-	-	(668,379)	-	-	-	-
Net Change in Fund Balances	189,856	163,196	263,487	175,036	91,815	(664,978)	19,689	47,133	44,677	63,776
Fund Balance at Beginning of Year	499,237	689,093	852,289	1,115,776	1,290,812	1,382,627	717,649	737,338	784,471	829,148
Fund Balance at End of Year	\$ 689,093	\$ 852,289	\$ 1,115,776	\$ 1,290,812	\$ 1,382,627	\$ 717,649	\$ 737,338	\$ 784,471	\$ 829,148	\$ 892,924
Debit Service as a Percentage to Noncapital Expenditures	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

**GREATER HARTFORD TRANSIT DISTRICT
GOVERNMENTAL FUNDS REVENUE BY SOURCE
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	Federal and State Grants	Contributions from Member Towns	Local and Private Share of Federal Grants	Interest Income	Charter Bus/Rental Income	Cash Fares and Miscellaneous	Total
2017	\$ 41,154,774	\$ 84,631	\$ 3,281,624	\$ 12,154	\$	\$ 213,747	\$ 44,746,930
2016	33,364,273	77,329	3,972,245	8,258		549,967	37,972,072
2015	28,170,601	77,329	5,149,957	7,230		524,749	33,929,866
2014	21,687,420	77,329	965,458	3,433		456,872	23,190,512
2013	21,694,782	77,329	1,346,602	4,664	115,160	395,032	23,633,569
2012	15,912,928	74,493	181,963	3,877	3,000	533,867	16,710,128
2011	15,233,680	74,493	682,337	6,535	3,000	651,821	16,651,866
2010	16,709,251	74,493	814,842	12,493	6,787	546,829	18,164,695
2009	13,013,913	57,299	841,266	39,330	391,615	520,650	14,864,073
2008	12,959,618	40,111	1,030,882	61,495	62,302	425,885	14,580,293

**GREATER HARTFORD TRANSIT DISTRICT
PRINCIPAL REVENUE PAYORS
CURRENT YEAR AND NINE YEARS AGO**

	YEAR ENDED JUNE 30					
	2017			2008		
	<u>Total Revenue</u>	<u>Rank</u>	<u>Percentage of Total Governmental Revenue</u>	<u>Total Revenue</u>	<u>Rank</u>	<u>Percentage of Total Governmental Revenue</u>
Connecticut Department of Transportation	\$ 23,730,748	1	50.79%	\$ 11,492,765	1	78.80%
Federal Transit Administration	<u>18,043,658</u>	2	<u>38.62%</u>	<u>1,466,853</u>	2	<u>10.10%</u>
	<u>\$ 41,774,406</u>		<u>89.40%</u>	<u>\$ 12,959,618</u>		<u>88.90%</u>

Source: Statement of Revenues, Expenditures and Changes in Fund Balances

**GREATER HARTFORD TRANSIT DISTRICT
PLEDGED-REVENUE COVERAGE
PARKING LOT BONDS
LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Gross Revenue (2)</u>	<u>Direct Operating Expenses (1)</u>	<u>Net Revenue Available for Debt Service</u>	<u>Debt Service Requirements</u>			<u>Coverage</u>
				<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
2017	\$ 344,711	\$ 164,864	\$ 179,847	\$	\$	\$ -	N/A
2016	395,476	189,718	205,758			-	N/A
2015	442,870	197,245	245,625			-	N/A
2014	401,065	220,899	180,166	33,373	989	34,361	5.24
2013	385,388	283,252	102,136	37,608	3,436	41,044	2.49
2012	356,463	249,070	107,393	35,873	5,171	41,044	2.62
2011	333,693	265,886	67,807	33,333	7,712	41,045	1.65
2010	282,681	232,827	49,854	31,292	9,753	41,045	1.21
2009	274,457	235,507	38,950	29,350	11,694	41,044	0.95
2008	292,820	239,155	53,665	27,555	13,489	41,044	1.31

(1) Direct operating expenses represent operating expenses excluding interest for Parking Lot operations.

(2) Gross revenue represents fees from Parking Lot operations.

**GREATER HARTFORD TRANSIT DISTRICT
NET GENERAL BONDED DEBT PER CAPITA
LAST TEN YEARS**

Fiscal Year	Business-Type Activities		Per Capita
	Revenue Bonds	Mortgage	
2008	\$ 197,413	\$ 3,300,000	5.98
2009	168,063	3,300,000	5.93
2010	136,771	3,300,000	5.87
2011	103,438	3,300,000	5.72
2012	70,981	3,300,000	5.72
2013	33,373	3,300,000	5.60
2014			0.00
2015			0.00
2016			0.00
2017			

See Demographic Statistics for source of population data.

**GREATER HARTFORD TRANSIT DISTRICT
DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	Total Population of Member Towns (1)	Average Per Capita Income of Member Towns (2)	Unemployment Rate (3)
2008	584,894	35,133	5.00%
2009	584,833	34,897	7.00%
2010	585,267	36,624	9.10%
2011	594,842	N/A	8.46%
2012	589,460	N/A	8.01%
2013	594,842	N/A	8.18%
2014	589,460	N/A	8.01%
2015	807,705	N/A	5.60%
2016	802,167	N/A	5.69%
2017	802,167	N/A	4.70%

Sources:

- (1) Capitol Region Council of Governments - According to 2010 U.S. Census
- (2) Connecticut Economic Resource Center (CERC)
- (3) Bureau of Labor Statistics - Greater Hartford Region
- N/A - Information not available

**GREATER HARTFORD TRANSIT DISTRICT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

Employer	2017			2008		
	Number of Employees	Rank	Percentage of Total Greater Hartford Employment	Number of Employees	Rank	Percentage of Total Greater Hartford Employment
State of Connecticut	69,800	1	12.33%	86,300	1	15.12%
United Technologies Corp.	27,000	2	4.77%	19,000	2	3.33%
Hartford Health Care	18,597	3	3.28%	9,377	4	1.64%
The Travelers Cos. Inc.	7,400	4	1.31%	6,200	6	1.09%
The Hartford Financial Services Group	7,000	5	1.24%	13,000	3	2.28%
Aetna Inc.	6,200	6	1.10%	7,366	5	1.29%
UCONN Health	5,189	7	0.92%	4,874	7	0.85%
EverSource	5,001	8	0.88%	4,300	9	0.75%
University of Connecticut	4,830	9	0.85%	4,555	8	0.80%
Saint Francis Hospital and Medical Center	4,545	10	0.80%	3,892	10	0.68%
Total	<u>155,562</u>		<u>27.47%</u>	<u>158,864</u>		<u>27.83%</u>

Source: MetroHartford Alliance

GREATER HARTFORD TRANSIT DISTRICT
FULL-TIME EQUIVALENT GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

	YEAR ENDED JUNE 30									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
General government:										
Management services	2	3	3	3	3	3	3	3	3	3
Finance	3	3	3	2	2	2	2	2	2	2
Building	-	-	-	-	-	-	-	-	1	1
Transportation projects	6	5	6	5	5	5	5	4	3	3
Total	<u>11</u>	<u>11</u>	<u>12</u>	<u>10</u>	<u>10</u>	<u>10</u>	<u>10</u>	<u>9</u>	<u>9</u>	<u>9</u>

Notes: A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave). Full-time equivalent employment is calculated by dividing total labor hours by 2,080.

Source: GHTD Human Resources Department

**GREATER HARTFORD TRANSIT DISTRICT
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

	YEAR ENDED JUNE 30									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Number of Passenger Trips:										
Dial-A-Ride Service	-	-	-	-	-	-	15,352	88,132	155,720	315,746
Commuter Service	-	-	-	-	-	-	-	184,616	456,194	483,607
ADA	503,814	524,684	512,378	443,759	347,626	298,463	300,944	282,750	265,478	277,504

Source: GHTD ADA Department

GREATER HARTFORD TRANSIT DISTRICT
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

	YEAR ENDED JUNE 30									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Number of transportation vehicles:										
Commuter Bus Service	-	-	-	-	-	-	-	10	27	33
Dial-A-Ride	-	-	-	-	1	1	1	1	15	44
ADA	157	144	119	120	117	119	115	123	113	106

Source: GHTD ADA Department