

GREATER HARTFORD TRANSIT DISTRICT
HARTFORD, CONNECTICUT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2011

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FOR THE YEAR ENDED JUNE 30, 2011

Prepared by:
Accounting Department

INTRODUCTORY SECTION

GREATER HARTFORD TRANSIT DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL REPORT

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November 12, 2011

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, 2011.

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 unqualified (clean) opinion on the District's financial statements for the year ended June 30, 2011. 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 all 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. Activities of the General Fund, Special Revenue Fund and Enterprise Funds are included in the annual appropriated budget. Project-length financial budgets are required by the Federal Transit Administration (FTA) in the District's management of its grants.

Economic Impact

The economic condition of the District is dependent on available federal and state funding, the real estate market and the diverse communities and population that the agency serves. Rental income, parking lot fees, vending machine concession and advertising income support Union Station Transportation Center operations. State funding levels are expected to increase slightly for the ADA Paratransit program, the status of the municipal Dial-A-Ride grants is undetermined at this time due to state budget issues, New Freedom and CT Clean Fuel funding will be utilized, and all other contracts are expected to remain consistent with prior year activity. FTA grant funding programs are expected to increase for the District this upcoming fiscal year due to additional Section 5307 – Formula Program and Section 5309 – Bus and Bus Facilities funding that has become available. The agency will also seek funding from the Environmental Protection Agency in partnership with Peter Pan Bus Lines.

Improvements and upgrades to Union Station will continue as part of the District's ongoing effort to improve the facility for its tenants, passengers, and visitors to the area. These improvements will have a significant impact on making public transportation a more attractive alternative to commuters and to the general population for trips in and out of the city. It is anticipated that the economic impact of the District's actions will have a positive effect on the city and on the region.

Long-Term Financial and Capital Planning Approach

The staff has the expertise necessary to carry out grant management activities successfully and in accordance with all federal regulations. The District staff is also effective in financial oversight and management practices regarding state funded programs that include the ADA Paratransit Program, Insurance Consortium, and Drug and Alcohol Consortium.

Strategically planned cost containment and revenue generation strategies continue to occur at a consistent level. These include, but are not limited to, seeking alternative funding sources, innovative leasing efforts, maximization of interest earnings, and seeking major capital project initiatives.

The District is a Federal Transit Administration (FTA) grantee that has demonstrated through various Triennial Reviews that it has the technical, legal and financial capacity to implement and manage critical projects and procurements.

Successful Initiatives:

- Secured additional Federal Fiscal Year 5307 Formula Funding in the amount of \$3,200,000.
- Ongoing rehabilitation and upgrades to Union Station were completed during the year. Projects include, but are not limited to, Transportation Center upgrades (including public bathroom renovation, flooring, new benches, stair treads and graphics), installation of passenger benches and a safety fence on the platform, new stair treads leading to the platform, and implementation of Wi-Fi service.

- The District continues to provide grant oversight and administration related to the Enfield Intermodal Center. A&E services have been procured, public meetings held, and a Real Estate Management Plan (RAMP) has been completed. Environmental assessments are forthcoming.
- The District continues to work with the Town of Mansfield on grant administration activities. This project will have a significant impact on the region as a mixed-use, transit-oriented responsible growth site.
- Submitted a grant in partnership with Peter Pan Bus Lines through the Environmental Protection Agency National Clean Diesel Funding Assistance Program.
- Assisted the Capitol Region Council of Governments (CRCOG) with significant support documentation for submission of their Sustainable Communities Grant, which they were awarded.
- Deployed the Automatic Vehicle Locator (AVL) system for the ADA service that has created operational efficiencies within the scope of the program.
- Purchased twenty-seven (27) replacement vehicles for the paratransit fleet, bringing the total of new vehicles purchased over the past two years to approximately seventy.
- Completed leasehold negotiations for the first floor mezzanine space and successfully negotiated extension terms on several existing leases at Union Station.
- Entered into an agreement with Peter Pan Bus Lines so that they could store additional buses in the Spruce Street Parking Lot for additional service out of Hartford.
- Negotiated lease terms for our current ADA Paratransit facility at 249 Wawarmie Avenue that decreased annual rental amount, thereby reducing State of Connecticut expenses.
- Released RFP documents for parking management services, an additional twenty new IP highly advanced video cameras and associated recording equipment for Union Station.
- Increased parking revenue in the Spruce Street Parking Lot based on analysis of pertinent data now available from the ScanNet revenue data management system.
- Board adoption of new “per half hour” and “daily maximum” rates are expected to yield significant additional revenues.
- Altered event parking rates were initiated that will increase our competitiveness with local lots.
- The District was the host for a Northeast Corridor High Speed Rail Roundtable session attended by national, state and local politicians, and also high profile transportation professionals.
- Great Hall event activity continues to increase.
- Implementation and enforcement of a new ADA Paratransit “No-Show” policy, resulting in cost savings for the State of Connecticut.
- Continued to implement MAS90 accounting software upgrades, streamlining various tasks, and deployed electronic vendor payments.

Future Initiatives:

- Continue efforts to seek approximately \$5,000,000 in Section 5307 funds for vehicle procurement, Union Station capital projects and the acquisition of a paratransit operations center during FY2012.

- Oversight of a regional bus shelter grant program in the Greater Hartford Region which will be one of the most significant transit enhancement projects of this type in the District's history.
- Work diligently to obtain the remaining 5309 funding of the Enfield Intermodal Center.
- Move forward with the Vernon Intermodal Center transit nexus project.
- Undertake ongoing Union Station capital projects, including but not limited to, Great Hall window replacement, bird netting installation, major air conditioning upgrade and replacement project, modernization of three passenger elevators, installation of electronic exterior overhead signage, renovations to the Brownstone, energy efficient light replacement, generator or fuel cell purchase, and bus berthing roof and canopy replacement.
- Promote Great Hall events and continue to seek leasing opportunities to increase revenue and increase visibility.
- Replace or renovate the Spruce Street parking lot attendant booth and partner with Propark to design a website that will market the lot.
- Install an Electrical Charging Station (EV) to charge electric powered vehicles.
- Pursue funding through the CT Clean Fuel Program for four alternative fuel replacement vehicles. Two will utilize hybrid electric technology and two will be CNG powered.
- Investigate car sharing programs at Union Station.
- Install Interactive Voice Response (IVR) technology that promotes better operational responsiveness and customer service within the ADA Paratransit operation.
- Continue to work with stakeholders to support the high speed rail project in the New Haven-Hartford-Springfield corridor.
- In conjunction with one of the City of Hartford's design plans, the District will apply for a Bus and Bus Facilities Program Grant. This specific project is aimed to improve the transition from the Asylum Avenue/Farmington Avenue Trident area to the Union Station/Downtown area, and to make the environment more appealing and conducive to pedestrian circulation. An upgraded pedestrian crossing between the western entrance to Union Station and its parking lot across Spruce Street is planned.
- Seek investment opportunities that will increase interest income while maintaining liquidity and protecting assets.
- Seek additional information and analyze the possibility of a bike sharing program at Union Station.
- Promote and implement the New Freedom Accessible Taxi program.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting (CAFR) to the District for its Fiscal Year End 2010 Comprehensive Annual Financial Report. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report that satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements. We have submitted our current Comprehensive Annual Financial Report to the GFOA to determine its eligibility for another certificate.

I would like to thank all members of the District staff who 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,

A handwritten signature in black ink, appearing to read "Vicki L. Shotland". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Vicki L. Shotland
Executive Director

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, 2010

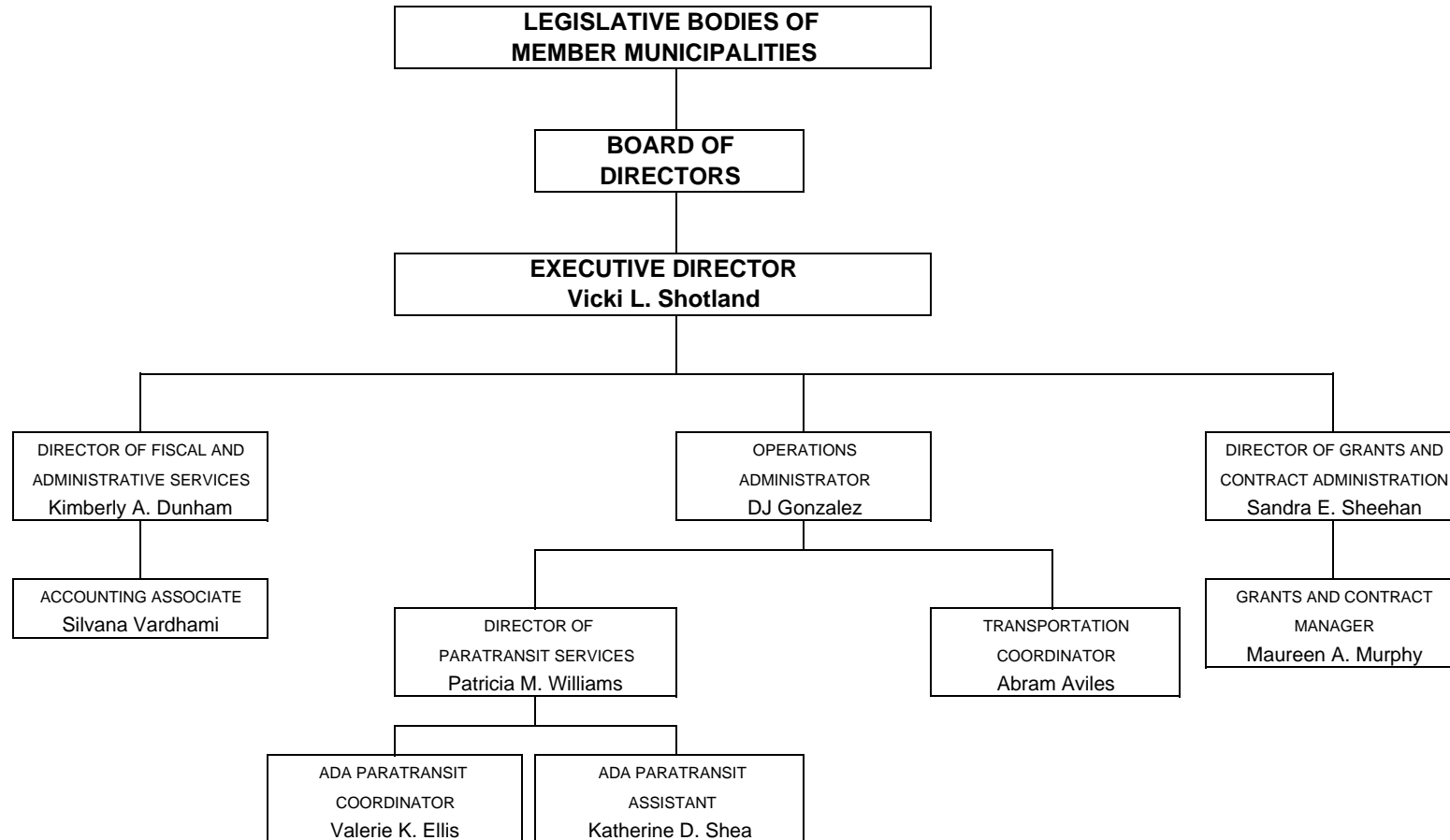
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

**ORGANIZATION CHART
FISCAL YEAR 2011
GREATER HARTFORD TRANSIT DISTRICT**



**GREATER HARTFORD TRANSIT DISTRICT
BOARD OF DIRECTORS
2011**

Member Town		Representation/Director	Primary Occupation	Committee Assignment
Bloomfield	1	Joan Gamble	Artist/Community Volunteer	
East Hartford	2	Peter J. Bonzani Marilyn Pet	Operating Engineer Attorney	Parking Lot Panel
East Windsor	1	Gilbert Hayes	Community Volunteer	
Enfield	2	Stephen F. Mitchell Kevin Mooney	Engineer Financial Services	
Farmington	1	Kathleen Eagen	Town Manager	
Granby	1	Russell G. St. John	Railroad Consultant	Parking Lot Panel
Hartford	4	Jesse J. Smith Frank Lord Christopher Bowen Jennifer Cassidy	Judicial Marshall Community Volunteer Attorney Community Volunteer	Personnel
Manchester	2	James R. McCavanagh Paul McNamara	Realtor Businessman	
Newington	2	William G. Hall Kevin Chick	Community Volunteer IT Manager	Parking Lot Panel
Rocky Hill	1	Kenneth D. Goldberg	Consultant	
Simsbury	1	Ferguson R. Jansen	Business Executive	Personnel
South Windsor	1	Hugh Brower	Information Technology	
Vernon	2	Mary A. Oliver Mark S. Etre	Financial Services Engineer	Audit
West Hartford	2	Richard F. Messenger A. David Giordano	Community Volunteer Businessman	Personnel Audit
Wethersfield	2	Brendan T. Flynn Martin H. Walsh	Attorney Educator	Personnel, Audit
Windsor	2	Ricardo Quintero Vacancy	Community Volunteer	

Executive Director
Vicki L. Shotland

Officers
June 30, 2011

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

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 (the District) as of and for the year ended June 30, 2011, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 basic financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities and each major fund of the District as of June 30, 2011 and the respective changes in financial position and cash flows, where applicable, thereof, and the respective budgetary comparisons for the General Fund and Special Revenue Fund for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Management's discussion and analysis on pages 3 through 10 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, as well as the statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we express no opinion on them.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 11, 2011 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in conjunction with this report in considering the results of our audit.

Blum, Shapiro & Company, P.C.

November 11, 2011

**GREATER HARTFORD TRANSIT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2011**

The management of the Greater Hartford Transit District (the District) offers readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2011. 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

- On a government-wide basis, the assets of the District exceeded its liabilities at the close of the most recent fiscal year by \$10,274,165 and \$3,073,709 for the governmental activities and the business-type activities, respectively.
- On a government-wide basis, the government's total net assets decreased by \$87,943; governmental activities decreased by \$304,438 and business-type activities increased by \$216,495.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$1,290,812, an increase of \$175,036 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$1,290,812.

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 assets presents information on all of the District's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets 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 assets changed during the most recent fiscal year. All changes in net assets 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 21-38 of this report.

Other Information

Supplemental, combining and individual fund statements and schedules can be found on page 39 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets 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 \$13,347,874 at the close of the most recent fiscal year.

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 assets 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.

CHANGES IN NET ASSETS
JUNE 30, 2011 and 2010

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Revenues:						
Program revenues:						
Charges for services	\$ 394,132	\$ 393,749	\$ 1,539,275	\$ 1,902,189	\$ 1,933,407	\$ 2,295,938
Operating grants and contributions	13,995,879	13,522,068	231,872	1,892,227	14,227,751	15,414,295
Capital grants and contributions	1,916,034	3,999,310	651,424		2,567,458	3,999,310
General revenues:						
Member Town contribution	74,493	74,493			74,493	74,493
Miscellaneous	40,332	42,132		4,107	40,332	46,239
Unrestricted investment earnings	6,535	12,493			6,535	12,493
Total revenues	<u>16,427,405</u>	<u>18,044,245</u>	<u>2,422,571</u>	<u>3,798,523</u>	<u>18,849,976</u>	<u>21,842,768</u>
Expenses:						
Purchased transportation	13,444,762	11,893,465			13,444,762	11,893,465
Transit projects	1,182,816	1,038,069			1,182,816	1,038,069
Insurance consortium	2,104,265	3,005,480			4,036,743	3,005,480
Transportation center			1,932,478	1,947,046	1,932,478	1,947,046
Parking lot			273,598	242,580	273,598	242,580
Total expenses	<u>16,731,843</u>	<u>15,937,014</u>	<u>2,206,076</u>	<u>2,189,626</u>	<u>20,870,397</u>	<u>18,126,640</u>
Change in net assets	(304,438)	2,107,231	216,495	1,608,897	(87,943)	3,716,128
Net assets at beginning of year	<u>10,578,603</u>	<u>8,471,372</u>	<u>2,857,214</u>	<u>1,248,317</u>	<u>13,435,817</u>	<u>9,719,689</u>
Net Assets at End of Year	<u>\$ 10,274,165</u>	<u>\$ 10,578,603</u>	<u>\$ 3,073,709</u>	<u>\$ 2,857,214</u>	<u>\$ 13,347,874</u>	<u>\$ 13,435,817</u>

The District's net assets decreased by \$87,943 during the fiscal year with net assets of governmental activities decreasing by \$304,438 and business-type activities increasing by \$216,495. The decrease in governmental activities is due to depreciation expenses. The increase in business-type activities is mainly attributable to an increase in capital asset purchases and improvements to Union Station Transportation Center.

Governmental Activities

Approximately 85% of the revenues were derived from operating and capital grants and contributions, followed by 11% from charges for services.

Key elements are as follows:

- Operating grants and contributions increased due to increased activity in the ADA program as well as additional funding of Section 5307 and Section 5309 programs.
- Hartford Dial-A-Ride service expired on March 1, 2011.

Business-Type Activities

Business-type activities increased the District's net assets by \$216,495. Key elements are as follows:

- The public portion of the Transportation Center had an increase in net assets of \$76,336. This increase was less than in the previous years due to several renovations and activities that were completed in the prior fiscal year.
- The Brownstone portion of the Transportation Center had an increase in net assets of \$50,329 due to increased federal and state grants funding capital improvements.

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, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$1,290,812, an increase of \$175,036 in comparison with the prior year.

The General Fund is the chief operating fund of the District. At the end of the current fiscal year, the General Fund total fund balance was \$1,290,812, which 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 assets totaled \$3,073,709 at the end of the year.

- Unrestricted net assets of the Public Transportation Center Fund at the end of the year amounted to \$1,507,082, 25% of total net assets of the fund.
- The Private Transportation Center Fund had a net asset deficiency of \$(2,974,199), 74% of the total net assets of the fund.
- The Parking Lot Fund had unrestricted net assets of \$818,505.

The total increase in net assets for all funds was \$216,495. 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 increased by \$68,737, or 21%, between the original budget and the final amended budget. This increase was largely due to significant increases in paratransit vehicle sales, disposition of the remaining commuter coaches, member town dues and advertising income. During the year, revenues and expenditures equaled the final budgeted amount.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The District's investment in capital assets (net of accumulated depreciation) for its governmental and business-type activities as of June 30, 2011 amounted to \$9,351,334 and \$7,125,759, respectively. This investment in capital assets included buildings, transportation vehicles, equipment and the parking lot. The District's investment in capital assets decreased by \$125,285 for the current fiscal year.

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

- Acquisition of 27 ADA buses to serve persons with disabilities in the region
- Upgrade and improvements to District accounting software and other IT equipment
- Union Station Transportation Center Upgrades and Graphics Project
- Replacement of Union Station Windows
- Installation of Wi-Fi System as passenger amenity
- Repairs and Painting of Ornamental Canopy Hardware and Bird Netting Installation
- Security System Upgrades and investment in additional hardware
- Repair of Spruce Street Clock - Union Station
- Fire Suppression System- IT Server Room
- Deployment of AVL/GPS equipment for paratransit service

CAPITAL ASSETS, Net of Depreciation
JUNE 30, 2011 and 2010

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Land	\$ 240,000	\$ 240,000	\$ 300,000	\$ 300,000	\$ 540,000	\$ 540,000
Buildings and improvements	3,675,317	3,963,497	6,542,114	6,321,866	10,217,431	10,285,363
Parking lot			242,584	251,799	242,584	251,799
Equipment	5,436,017	5,479,951	41,061	45,265	5,477,078	5,525,216
Total	<u>\$ 9,351,334</u>	<u>\$ 9,683,448</u>	<u>\$ 7,125,759</u>	<u>\$ 6,918,930</u>	<u>\$ 16,477,093</u>	<u>\$ 16,602,378</u>

Additional information on the District's capital assets can be found in Note 3C on pages 29-30 of this report.

Long-Term Debt

At the end of the current fiscal year, the District had total bonded debt outstanding of \$103,438. All of the debt is backed by the full faith and credit of the District. The District also has a mortgage outstanding of \$3,300,000, which is secured by its Union Place property. Beginning in 2009 the District recognized a liability for other postemployment benefits (OPEB) as required by applicable accounting standards.

OUTSTANDING DEBT
JUNE 30, 2011 and 2010

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Revenue bonds	\$	\$	\$ 103,438	\$ 136,771	\$ 103,438	\$ 136,771
Mortgage			3,300,000	3,300,000	3,300,000	3,300,000
OPEB	367,981	220,621	60,281	37,129	428,262	257,750
Total	<u>\$ 367,981</u>	<u>\$ 220,621</u>	<u>\$ 3,463,719</u>	<u>\$ 3,473,900</u>	<u>\$ 3,831,700</u>	<u>\$ 3,694,521</u>

The District's total debt decreased during the current fiscal year due to scheduled principal payments.

Additional information on the District's long-term debt can be found in Note 3E.

Economic Factors

- Inflationary trends in the region compare favorably to national indices.

This factor was considered in preparing the District's budget for the 2010-11 fiscal year.

During the current fiscal year, unreserved fund balance in the General Fund increased to \$1,290,812. It is intended that this use of available fund balance would provide required local match for federal grants to acquire buses and/or effect restoration of building assets, if needed and for other transit related operations and capital uses.

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 the Management of Greater Hartford Transit District.

GREATER HARTFORD TRANSIT DISTRICT
STATEMENT OF NET ASSETS
JUNE 30, 2011

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Assets:			
Cash and cash equivalents	\$ 4,033,377	\$	\$ 4,033,377
Receivables:			
Federal grants	293,227	256,167	549,394
State grants	1,049,478	37,671	1,087,149
Local agencies	41,426		41,426
Other	20,813	37,554	58,367
Internal balances	643,362	(643,362)	-
Capital assets, nondepreciable	240,000	300,000	540,000
Capital assets, net of accumulated depreciation	9,111,334	6,825,759	15,937,093
Total assets	<u>15,433,017</u>	<u>6,813,789</u>	<u>22,246,806</u>
Liabilities:			
Accounts payable	4,330,136	276,361	4,606,497
Payable to local agencies	83,816		83,816
Payable to State of Connecticut	2,565		2,565
Unearned revenue	374,354		374,354
Noncurrent liabilities:			
Due within one year		35,513	35,513
Due in more than one year	367,981	3,428,206	3,796,187
Total liabilities	<u>5,158,852</u>	<u>3,740,080</u>	<u>8,898,932</u>
Net Assets:			
Invested in capital assets, net of related debt	9,351,334	3,722,321	13,073,655
Unrestricted net assets	922,831	(648,612)	274,219
Total Net Assets	<u>\$ 10,274,165</u>	<u>\$ 3,073,709</u>	<u>\$ 13,347,874</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, 2011**

Function/Program Activities	Expenses	Program Revenues			Net Revenue (Expense) and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
Purchased transportation	\$ 13,444,762	\$ 394,132	\$ 11,081,058	\$	\$ (1,969,572)	\$	\$ (1,969,572)
Insurance consortium	2,104,265		2,104,265				-
Transit projects	1,182,816		810,556	1,916,034	1,543,774		1,543,774
Total governmental activities	<u>16,731,843</u>	<u>394,132</u>	<u>13,995,879</u>	<u>1,916,034</u>	<u>(425,798)</u>	<u>-</u>	<u>(425,798)</u>
Business-type activities:							
Transportation center	1,932,478	1,205,582	211,837	641,724		126,665	126,665
Parking lot	273,598	333,693	20,035	9,700		89,830	89,830
Total business-type activities	<u>2,206,076</u>	<u>1,539,275</u>	<u>231,872</u>	<u>651,424</u>	<u>-</u>	<u>216,495</u>	<u>216,495</u>
Total	<u>\$ 18,937,919</u>	<u>\$ 1,933,407</u>	<u>\$ 14,227,751</u>	<u>\$ 2,567,458</u>	<u>(425,798)</u>	<u>216,495</u>	<u>(209,303)</u>
General revenues:							
Member town contributions					74,493		74,493
Miscellaneous					40,332		40,332
Unrestricted investment earnings					6,535		6,535
Total general revenues					<u>121,360</u>	<u>-</u>	<u>121,360</u>
Change in Net Assets					(304,438)	216,495	(87,943)
Net Assets at Beginning of Year					<u>10,578,603</u>	<u>2,857,214</u>	<u>13,435,817</u>
Net Assets at End of Year					<u>\$ 10,274,165</u>	<u>\$ 3,073,709</u>	<u>\$ 13,347,874</u>

The accompanying notes are an integral part of the financial statements

GREATER HARTFORD TRANSIT DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2011

	<u>General</u>	<u>Special Revenue</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and cash equivalents	\$ 4,033,377	\$	\$ 4,033,377
Federal grants receivable		293,227	293,227
State grants receivable		1,049,478	1,049,478
Due from other funds	2,986,304	3,290,634	6,276,938
Receivable from local agencies		41,426	41,426
Other receivables	<u>20,813</u>		<u>20,813</u>
Total Assets	<u>\$ 7,040,494</u>	<u>\$ 4,674,765</u>	<u>\$ 11,715,259</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 6,752	\$ 4,323,384	\$ 4,330,136
Payable to local agencies		83,816	83,816
Payable to State of Connecticut		2,565	2,565
Due to other funds	5,633,576		5,633,576
Deferred revenue	<u>109,354</u>	<u>265,000</u>	<u>374,354</u>
Total liabilities	<u>5,749,682</u>	<u>4,674,765</u>	<u>10,424,447</u>
Fund Balances:			
Unassigned	<u>1,290,812</u>		<u>1,290,812</u>
Total Liabilities and Fund Balances	<u>\$ 7,040,494</u>	<u>\$ 4,674,765</u>	<u>\$ 11,715,259</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 ASSETS
JUNE 30, 2011

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

Fund balances - total governmental funds (page 13)	\$ 1,290,812
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Governmental capital assets	\$ 20,842,487
Less accumulated depreciation	<u>(11,491,153)</u>
	9,351,334
Liability for other postemployment benefits is not due and payable in the current year and therefore, is not reported in the funds.	<u>(367,981)</u>
Net Assets of Governmental Activities (page 11)	\$ <u><u>10,274,165</u></u>

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, 2011

	<u>General</u>	<u>Special Revenue</u>	<u>Total Governmental Funds</u>
Revenues:			
Federal grants	\$	\$ 1,949,900	\$ 1,949,900
State grants		13,281,385	13,281,385
Contributions from member towns	74,493		74,493
Local share		573,134	573,134
Private local share		111,598	111,598
Interest income	6,535		6,535
Cash fares		389,676	389,676
Rental income	3,000		3,000
Vehicle sales proceeds and other revenue	262,145		262,145
Total revenues	<u>346,173</u>	<u>16,305,693</u>	<u>16,651,866</u>
Expenditures:			
Current:			
Project administration	193,549	1,207,150	1,400,699
Professional services	14,937	239,913	254,850
Purchased transportation	352	10,570,745	10,571,097
Insurance and claims		2,013,633	2,013,633
Capital outlay - tangible transit property		2,230,960	2,230,960
Capital outlay - office equipment	5,591		5,591
Total expenditures	<u>214,429</u>	<u>16,262,401</u>	<u>16,476,830</u>
Excess of Revenues over Expenditures	<u>131,744</u>	<u>43,292</u>	<u>175,036</u>
Other Financing Sources (Uses):			
Transfers in	43,391	99	43,490
Transfers out	(99)	(43,391)	(43,490)
Total other financing sources (uses)	<u>43,292</u>	<u>(43,292)</u>	<u>-</u>
Net Change in Fund Balances	175,036	-	175,036
Fund Balances at Beginning of Year	<u>1,115,776</u>	<u>-</u>	<u>1,115,776</u>
Fund Balances at End of Year	<u>\$ 1,290,812</u>	<u>\$ -</u>	<u>\$ 1,290,812</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, 2011**

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)	\$ 175,036
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	2,262,850
Depreciation expense	(2,066,824)
Loss on disposal of capital assets	(528,140)
Governmental funds report other postemployment benefit costs when paid. In the statement of activities other postemployment benefits costs are recognized when earned by employees.	
	<u>(147,360)</u>
Change in Net Assets of Governmental Activities (page 12)	<u><u>\$ (304,438)</u></u>

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, 2011**

	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	\$	\$	\$	-	\$ 2,840,553	\$ 1,949,900	\$ 1,949,900	\$ -
State grants				-	13,580,310	13,281,385	13,281,385	-
Contributions from member towns	74,492	74,493	74,493	-				-
Local/private share				-	842,959	684,732	684,732	-
Interest income	6,800	6,535	6,535	-				-
Fares				-	385,000	389,676	389,676	-
Incidental charter/vehicle sales/Misc other receipts	239,535	265,145	265,145	-				-
Total revenues	<u>320,827</u>	<u>346,173</u>	<u>346,173</u>	<u>-</u>	<u>17,648,822</u>	<u>16,305,693</u>	<u>16,305,693</u>	<u>-</u>
Expenditures:								
Current:								
Project administration	123,732	193,549	193,549	-		1,207,150	1,207,150	-
Purchased transportation	26,453	352	352	-				-
Professional services	15,000	14,937	14,937	-	275,000	239,913	239,913	-
FTA/State/GHTD transportation projects				-	15,946,801	14,815,338	14,815,338	-
Capital outlay		5,591	5,591	-				-
Total expenditures	<u>165,185</u>	<u>214,429</u>	<u>214,429</u>	<u>-</u>	<u>16,221,801</u>	<u>16,262,401</u>	<u>16,262,401</u>	<u>-</u>
Excess of Revenues over Expenditures	<u>155,642</u>	<u>131,744</u>	<u>131,744</u>	<u>-</u>	<u>1,427,021</u>	<u>43,292</u>	<u>43,292</u>	<u>-</u>
Other Financing Sources (Uses):								
Transfers in		43,391	43,391	-		99	99	-
Transfers out		(99)	(99)	-		(43,391)	(43,391)	-
Total other financing sources (uses)	<u>-</u>	<u>43,292</u>	<u>43,292</u>	<u>-</u>	<u>-</u>	<u>(43,292)</u>	<u>(43,292)</u>	<u>-</u>
Net Change in Fund Balances	<u>\$ 155,642</u>	<u>\$ 175,036</u>	<u>175,036</u>	<u>\$ -</u>	<u>\$ 1,427,021</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund Balance - Beginning of Year			<u>1,115,776</u>				<u>-</u>	
Fund Balance - End of Year			<u>\$ 1,290,812</u>				<u>\$ -</u>	

The accompanying notes are an integral part of the financial statements

GREATER HARTFORD TRANSIT DISTRICT
PROPRIETARY FUNDS
STATEMENT OF NET ASSETS
JUNE 30, 2011

	Business-Type Activities - Enterprise Funds			
	Transportation Center		Parking	Total
	Public	Private	Lot	
Assets:				
Current assets:				
Federal grants receivable	\$ 133,290	\$ 122,877	\$	\$ 256,167
State grants receivable	18,376	19,295		37,671
Due from other funds	1,500,391		842,551	2,342,942
Other assets	<u>17,726</u>	<u>19,828</u>		<u>37,554</u>
Total current assets	<u>1,669,783</u>	<u>162,000</u>	<u>842,551</u>	<u>2,674,334</u>
Noncurrent assets:				
Capital assets, net of accumulated depreciation	<u>4,579,255</u>	<u>2,262,859</u>	<u>283,645</u>	<u>7,125,759</u>
Total assets	<u>6,249,038</u>	<u>2,424,859</u>	<u>1,126,196</u>	<u>9,800,093</u>
Liabilities:				
Current liabilities:				
Bonds payable - current portion			35,513	35,513
Accounts payable	114,675	137,640	24,046	276,361
Due to other funds		<u>2,986,304</u>		<u>2,986,304</u>
Total current liabilities	<u>114,675</u>	<u>3,123,944</u>	<u>59,559</u>	<u>3,298,178</u>
Noncurrent liabilities:				
Mortgage payable		3,300,000		3,300,000
Bonds payable			67,925	67,925
Other postemployment benefits	<u>48,026</u>	<u>12,255</u>		<u>60,281</u>
Total noncurrent liabilities	<u>48,026</u>	<u>3,312,255</u>	<u>67,925</u>	<u>3,428,206</u>
Total liabilities	<u>162,701</u>	<u>6,436,199</u>	<u>127,484</u>	<u>6,726,384</u>
Net Assets:				
Invested in capital assets, net of related debt	4,579,255	(1,037,141)	180,207	3,722,321
Unrestricted net assets	<u>1,507,082</u>	<u>(2,974,199)</u>	<u>818,505</u>	<u>(648,612)</u>
Total Net Assets	<u>\$ 6,086,337</u>	<u>\$ (4,011,340)</u>	<u>\$ 998,712</u>	<u>\$ 3,073,709</u>

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 ASSETS
FOR THE YEAR ENDED JUNE 30, 2011**

	Business-Type Activities - Enterprise Funds			
	Transportation Center		Parking	
	Public	Private	Lot	Total
Operating Revenues:				
Rental income	\$ 366,616	\$ 469,942	\$	\$ 836,558
Parking fees	1,200		333,693	334,893
Other	93,474	274,350		367,824
Total operating revenues	<u>461,290</u>	<u>744,292</u>	<u>333,693</u>	<u>1,539,275</u>
Operating Expenses:				
Professional services	14,699	476,351	206,574	697,624
Overhead	450,056	549,494	36,193	1,035,743
Depreciation	340,269	101,609	23,119	464,997
Total operating expenses	<u>805,024</u>	<u>1,127,454</u>	<u>265,886</u>	<u>2,198,364</u>
Operating Income (Loss)	<u>(343,734)</u>	<u>(383,162)</u>	<u>67,807</u>	<u>(659,089)</u>
Nonoperating Revenues (Expenses):				
Federal grants	75,587	88,772		164,359
State grants	5,037	19,295		24,332
Local match		23,146	20,035	43,181
Interest expense			(7,712)	(7,712)
Total nonoperating revenues (expenses)	<u>80,624</u>	<u>131,213</u>	<u>12,323</u>	<u>224,160</u>
Income (Loss) Before Capital Contributions	<u>(263,110)</u>	<u>(251,949)</u>	<u>80,130</u>	<u>(434,929)</u>
Capital Contributions				
Federal	275,904	264,013	7,760	547,677
State	63,542	38,265	1,940	103,747
Total capital contributions	<u>339,446</u>	<u>302,278</u>	<u>9,700</u>	<u>651,424</u>
Change in Net Assets	76,336	50,329	89,830	216,495
Net Assets at Beginning of Year	<u>6,010,001</u>	<u>(4,061,669)</u>	<u>908,882</u>	<u>2,857,214</u>
Net Assets at End of Year	<u>\$ 6,086,337</u>	<u>\$ (4,011,340)</u>	<u>\$ 998,712</u>	<u>\$ 3,073,709</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, 2011

	Business-Type Activities - Enterprise Funds			
	Transportation Center		Parking	
	Public	Private	Lot	Total
Cash Flows from Operating Activities:				
Receipts from customers and users	\$ 470,141	\$ 729,273	\$ 333,693	\$ 1,533,107
Payments for interfund services provided (used)	4,693	79,070	(74,876)	8,887
Payments to suppliers	(674,372)	(951,361)	(236,590)	(1,862,323)
Payments to employees	(40,224)	(4,164)	(1,217)	(45,605)
Net cash provided by (used in) operating activities	<u>(239,762)</u>	<u>(147,182)</u>	<u>21,010</u>	<u>(365,934)</u>
Cash Flows from Noncapital Financing Activities:				
Receipts from federal and state grants	<u>236,445</u>	<u>147,755</u>		<u>384,200</u>
Net cash provided by noncapital financing activities	<u>236,445</u>	<u>147,755</u>	<u>-</u>	<u>384,200</u>
Cash Flows from Capital and Related Financing Activities:				
Receipts from federal and state grants	339,446	302,278	9,700	651,424
Receipts of local match	-	23,146	20,035	43,181
Purchase of capital assets	(336,129)	(325,997)	(9,700)	(671,826)
Payments of matured portion of bonds			(33,333)	(33,333)
Interest paid on bonds payable			(7,712)	(7,712)
Net cash provided by (used in) capital and related financing activities	<u>3,317</u>	<u>(573)</u>	<u>(21,010)</u>	<u>(18,266)</u>
Net Increase in Cash and Cash Equivalents	-	-	-	-
Cash and Cash Equivalents at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and Cash Equivalents at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used In) Operating Activities:				
Operating income (loss)	\$ <u>(343,734)</u>	\$ <u>(383,162)</u>	\$ <u>67,807</u>	\$ <u>(659,089)</u>
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	340,269	101,609	23,119	464,997
Change in assets and liabilities:				
(Increase) decrease in amounts due from other funds	4,693	3	(74,876)	(70,180)
(Increase) decrease in other assets	8,851	(15,019)		(6,168)
Increase (decrease) in accounts payable	(259,922)	57,831	4,960	(197,131)
Increase in amounts due to other funds		79,067		79,067
Increase (decrease) in other liabilities	(3,810)	2,534		(1,276)
Increase in other postemployment benefits liability	13,891	9,955		23,846
Total adjustments	<u>103,972</u>	<u>235,980</u>	<u>(46,797)</u>	<u>293,155</u>
Net Cash Provided by (Used In) Operating Activities	<u>\$ (239,762)</u>	<u>\$ (147,182)</u>	<u>\$ 21,010</u>	<u>\$ (365,934)</u>

The accompanying notes are an integral part of the financial statements

GREATER HARTFORD TRANSIT DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. 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.

B. 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 assets and the statement of activities) report information on all of the nonfiduciary 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.

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.

GREATER HARTFORD TRANSIT DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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.

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are 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.

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.

C. 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.

GREATER HARTFORD TRANSIT DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

D. 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 estimated fair market value at the date of donation.

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

Property, plant and equipment is 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

E. Payable to Local Agencies

Amounts shown as payable to local agencies in the Special Revenue Fund are amounts due to towns or agencies that are subrecipients of state and federal grants relating to transportation services and capital equipment purchases.

F. 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.

GREATER HARTFORD TRANSIT DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

The District has a policy of reimbursing an employee for any accumulated vacation or other employee benefits at the end of each fiscal year. The District is not obligated to pay accumulated sick time until the Board of Directors approves the expenditure. Therefore, no liability for vacation, sick pay or other employee benefits has been recognized in the District's financial statements.

G. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

H. Fund Equity

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

Invested in Capital Assets, Net of Related Debt - This component of net assets 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 Net Assets - This component consists of net assets that do not meet the definition of "invested in capital assets, net of related debt."

GREATER HARTFORD TRANSIT DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Government Accounting Standard No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, was adopted during the fiscal year ended June 30, 2011. Under this standard the equity of the fund financial statements is defined as “fund balance” and is classified in the following categories:

Nonspendable Fund Balance - This represents amounts that cannot be spent due to form (e.g., inventories and prepaid amounts). There is currently no 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). There is currently no committed fund balance for the District.

Assigned Fund Balance - For all governmental funds other than the General Fund, this represents any remaining positive amounts not classified as nonspendable. For the General Fund, it includes amounts constrained for the intent to be used for a specific purpose by the Board of Directors. There is currently no assigned fund balance for the District.

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 \$1,290,812 of unassigned fund balance at June 30, 2011.

I. 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.

GREATER HARTFORD TRANSIT DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. 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 (CONTINUED)

NOTE 3 - DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

The following is a summary of cash and cash equivalents at June 30, 2011:

Deposits:		
Demand accounts	\$	126,189
Money market accounts		<u>40,391</u>
Total deposits		166,580
 Petty cash		 237
Cash equivalent:		
State Short-Term Investment Fund (STIF)		<u>3,866,560</u>
 Total Cash and Cash Equivalents	\$	<u><u>4,033,377</u></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, 2011, the District's cash equivalent amounted to \$3,866,560 held in STIF's investment pool, which was rated AAAm by Standard and Poor's.

Concentration of Credit Risk - The District's investment policy does not limit the investment in any one investment vehicle.

Custodial Credit Risk - Deposits - 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, 2011, the District's bank balance was not exposed to custodial credit risk because it was covered under federal depository insurance.

GREATER HARTFORD TRANSIT DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

B. 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.

C. Capital Assets

Capital asset activity for the year ended June 30, 2011 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 240,000	\$	\$	\$ 240,000
Capital assets being depreciated:				
Buildings and improvements	11,238,966			11,238,966
Equipment	12,075,621	2,262,850	4,974,950	9,363,521
Total capital assets being depreciated	<u>23,314,587</u>	<u>2,262,850</u>	<u>4,974,950</u>	<u>20,602,487</u>
Less accumulated depreciation for:				
Buildings and improvements	7,275,469	288,180		7,563,649
Equipment	6,595,670	1,778,644	4,446,810	3,927,504
Total accumulated depreciation	<u>13,871,139</u>	<u>2,066,824</u>	<u>4,446,810</u>	<u>11,491,153</u>
Total capital assets being depreciated, net	<u>9,443,448</u>	<u>196,026</u>	<u>528,140</u>	<u>9,111,334</u>
Governmental Activities Capital Assets, Net	<u>\$ 9,683,448</u>	<u>\$ 196,026</u>	<u>\$ 528,140</u>	<u>\$ 9,351,334</u>

GREATER HARTFORD TRANSIT DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-Type Activities:				
Capital assets not being depreciated:				
Land	\$ 300,000	\$	\$	\$ 300,000
Capital assets being depreciated:				
Buildings and improvements	12,122,264	662,126		12,784,390
Parking lot	1,011,092	9,700		1,020,792
Equipment	59,798			59,798
Total capital assets being depreciated	<u>13,193,154</u>	<u>671,826</u>	<u>-</u>	<u>13,864,980</u>
Less accumulated depreciation for:				
Buildings and improvements	5,800,398	441,878		6,242,276
Parking lot	759,293	18,915		778,208
Equipment	14,533	4,204		18,737
Total accumulated depreciation	<u>6,574,224</u>	<u>464,997</u>	<u>-</u>	<u>7,039,221</u>
Total capital assets being depreciated, net	<u>6,618,930</u>	<u>206,829</u>	<u>-</u>	<u>6,825,759</u>
Governmental Activities Capital Assets, Net	\$ <u>6,918,930</u>	\$ <u>206,829</u>	\$ <u>-</u>	\$ <u>7,125,759</u>

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

Governmental activities:	
Purchased transportation	\$ 1,827,796
Transit projects	201,284
General administration	<u>37,744</u>
Total Depreciation Expense - Governmental Activities	\$ <u>2,066,824</u>
Business-type activities:	
Transportation Center	\$ 441,878
Parking Lot	<u>23,119</u>
Total Depreciation Expense - Business-Type Activities	\$ <u>464,997</u>

GREATER HARTFORD TRANSIT DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

D. Individual Fund Interfund Receivables, Payables and Transfers

The composition of interfund balances as of June 30, 2011 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Transportation Center	\$ 2,986,304
Special Revenue Fund	General Fund	3,290,634
Transportation Center	General Fund	1,500,391
Parking Lot	General Fund	<u>842,551</u>
Total		\$ <u>8,619,880</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	\$	\$ 99	\$ 99
Special Revenue Fund	<u>43,391</u>	<u> </u>	<u>43,391</u>
Total	\$ <u>43,391</u>	\$ <u>99</u>	\$ <u>43,490</u>

Transfers are used primarily to fund special revenue program deficits.

GREATER HARTFORD TRANSIT DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

E. Long-Term Debt

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2011 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Government activities:					
Other postemployment benefits	\$ 220,621	\$ 147,360	\$ -	\$ 367,981	\$ -
Business-type activities:					
Revenue bonds	\$ 136,771	\$	\$ 33,333	\$ 103,438	\$ 35,513
Mortgage	3,300,000			3,300,000	
Other postemployment benefits	37,129	23,152	-	60,281	-
Long-Term Liabilities	<u>\$ 3,473,900</u>	<u>\$ 23,152</u>	<u>\$ 33,333</u>	<u>\$ 3,463,719</u>	<u>\$ 35,513</u>

Revenue Bonds Payable

The Parking Lot Enterprise Fund issued tax-exempt revenue bonds on April 1, 1984, maturing on April 1, 2014, in the original amount of \$500,000. The bond proceeds were used to fund the costs for the design, construction and improvement of a parking area adjacent to the Union Station Transportation Center. The bonds are to be funded by the net revenues of the Parking Lot Enterprise Fund and are subject to arbitrage requirements. The interest rate is 6.34%.

Revenue bond debt service requirements to maturity are as follows:

	<u>Principal</u>	<u>Interest</u>
2012	\$ 35,513	\$ 5,531
2013	37,832	3,213
2014	30,093	797
Total	<u>\$ 103,438</u>	<u>\$ 9,541</u>

GREATER HARTFORD TRANSIT DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Mortgage Payable

On February 26, 1994, the District entered into an Assignment Agreement, effective July 1, 1993, with Union Station Associates Limited Partnership (USA) and the Aetna Casualty and Surety Company (Aetna). Under the terms of the agreement, USA assigned the District all of its rights, title and interest in a certain leasehold estate included in the Union Place property subject to a mortgage and assignment of rents.

Under a Mortgage Modification Agreement also effective July 1, 1993, repayment is to be made in accordance with a formula based on “reconfigured net cash flow.” Reconfigured net cash flow is defined in the agreement as being an amount equal to certain gross cash receipts less certain gross cash expenditures with respect to the property. No payments of interest or repayments of principal are to be made until such cash flows are positive and a reserve account of \$400,000 is established. As net cash flow from the property has been negative since assignment of the mortgage, no interest or principal payments have been made through June 30, 2011 or are anticipated in the foreseeable future.

F. 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.

NOTE 4 - OTHER INFORMATION

A. 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, 2011, 2010 and 2009.

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.

GREATER HARTFORD TRANSIT DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

B. 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, 2011 is \$12,768,325 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 four years and thereafter is as follows:

Year Ending June 30

2012	\$	811,975
2013		765,930
2014		564,882
2015		484,265
2016-2081		9,648,655

Many of the leases in effect at June 30, 2011 contain an option to renew upon expiration.

The following is a summary of property leased to others as of June 30, 2011:

Cost:		
Buildings and improvements	\$	14,105,182
Less accumulated depreciation		<u>7,020,484</u>
Net Book Value	\$	<u><u>7,084,698</u></u>

Depreciation expense related to property leased to others totaled \$464,997 for the year ended June 30, 2011.

C. Contingent Liabilities

The District receives grants from state and federal governments for capital projects and operating assistance. These grants are subject to audit by the grantor agency. The audits for these grants for the year ended June 30, 2011 have not yet been conducted. The amount, if any, of expenditures that may be disallowed by the granting agencies cannot be determined at this time, although the District expects such amounts, if any, to be minimal.

GREATER HARTFORD TRANSIT DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

D. 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 20 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 contribution requirements. The District administers the plan. Required and actual contributions made by the District to the plan were \$95,858 for the year ended June 30, 2011. There were no employee contributions made during the year.

E. 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 RHP provides medical and dental benefits to eligible retirees and their spouses. Employees of the District are eligible to participate in the plan if they are at least 60 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 post employment benefits liability has been liquidated primary by the special revenue fund in prior years.

At June 30, 2011, plan membership consisted of the following:

	Retiree Health Plan
Retired members	3
Spouses of retired members	2
Active plan members	6
Total Participants	<u>11</u>

GREATER HARTFORD TRANSIT DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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:

	<u>Retiree Health Plan</u>
Annual required contribution (ARC)	\$ 191,838
Interest on net OPEB obligation	9,022
Adjustment to annual required contribution	<u>(8,592)</u>
Annual OPEB cost (expense)	192,268
Contributions made	<u>21,756</u>
Increase in net OPEB obligation	170,512
Net OPEB obligation, beginning of year	<u>257,750</u>
Net OPEB Obligation, End of Year	\$ <u><u>428,262</u></u>

GREATER HARTFORD TRANSIT DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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 ending June 30, 2011, 2010 and 2009, is presented below.

Fiscal Year Ended	Annual OPEB Cost (AOC)	Actual Contribution	Percentage of AOC Contributed	Net OPEB Obligation
June 30, 2011	\$ 192,268	\$ 21,756	11.31%	\$ 428,262
June 30, 2010	141,927	21,305	15.0%	257,750
June 30, 2009	157,001	19,873	12.7%	137,128

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.

Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (AAL) (B)	Unfunded AAL (UAAL) (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL as a % of Covered Payroll [(B-A)/C]
June 30, 2011	\$ -	\$ 1,140,718	\$ (1,140,718)	0%	\$ 746,662	153%
June 30, 2010	-	842,043	(842,043)	0%	658,536	128%
June 30, 2009	-	842,000	(842,000)	0%	652,979	128%

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

Fiscal Year Ended	Annual Required Contribution	Annual Percentage Contributed
June 30, 2011	\$ 191,838	11.34%
June 30, 2010	137,128	15.6%
June 30, 2009	157,000	12.7

GREATER HARTFORD TRANSIT DISTRICT
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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.

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, 2011 actuarial valuation, the entry age actuarial cost method was used. The annual healthcare cost trend rate is 9% initially, reduced by decrements to a rate of 5% after four years and 4.7% after ten years. The general inflation assumption is 2.5% - 3.0%. Projected salary increases were 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, 2010 was 30 years.

**SUPPLEMENTAL, COMBINING AND INDIVIDUAL FUND STATEMENTS
AND SCHEDULES**

SPECIAL REVENUE FUND

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

Other Transportation - to account for various projects not reported elsewhere.

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 60 locations and 2,400 employees. The program is supported 100% by the State of Connecticut.

Hartford Dial-A-Ride Operation/Municipal DAR Grants - to account for operation of the Capital Region Elderly and Handicapped Dial-A-Ride Program. Municipal operating assistance is provided by the State of Connecticut to the District, which administers the program and passes through the funds to local towns and agencies. Additionally, the District contracts with a private operator to provide Dial-A-Ride service for the City of Hartford, which provides 100% funding of its service.

Vans, Buses and Equipment - to account for the purchase of handicapped accessible vans and buses and administrative equipment 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.

Transit Enhancement Funding of Municipal Bus Shelters - to account for the procurement of bus shelters being installed in numerous municipalities within the Region.

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.

**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, 2011**

	ADA Program	Other Transportation	Drug and Alcohol Testing Consortium	Hartford Dial-A-Ride Operation	Municipal DAR Grants	Vans, Buses and Equipment	Transit Enhancement Funding of Municipal Bus Shelters	Statewide Transit District Insurance Consortium	Intermodal Centers	Total
Revenues:										
Federal grants	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
State grants	10,151,528	4,104	277,423		359,590	1,490,782	32,612	2,104,256	426,506	1,949,900
Local share				458,351		383,366	1,118			13,281,385
Private contributions	100,486	11,112					8,156		106,627	573,134
Cash fares	389,676									111,598
Total revenues	<u>10,641,690</u>	<u>15,216</u>	<u>277,423</u>	<u>458,351</u>	<u>359,590</u>	<u>1,874,148</u>	<u>41,886</u>	<u>2,104,256</u>	<u>533,133</u>	<u>16,305,693</u>
Expenditures:										
Current:										
Project administration	737,704		134,535	30,024	25,065	105,240	12,758	90,632	71,192	1,207,150
Professional services	65,547		142,888	2,425		27,307			1,746	239,913
Purchased transportation	9,838,488	12,967		384,765	334,525					10,570,745
Insurance and claims								2,013,633		2,013,633
Capital outlay - tangible transit property						1,741,611	29,147		460,202	2,230,960
Total expenditures	<u>10,641,739</u>	<u>12,967</u>	<u>277,423</u>	<u>417,214</u>	<u>359,590</u>	<u>1,874,158</u>	<u>41,905</u>	<u>2,104,265</u>	<u>533,140</u>	<u>16,262,401</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(49)</u>	<u>2,249</u>	<u>-</u>	<u>41,137</u>	<u>-</u>	<u>(10)</u>	<u>(19)</u>	<u>(9)</u>	<u>(7)</u>	<u>43,292</u>
Other Financing Sources (Uses):										
Transfers in	49		-		-	10	19	9	12	99
Transfers out		(2,249)		(41,137)				-	(5)	(43,391)
Total other financing sources (uses)	<u>49</u>	<u>(2,249)</u>	<u>-</u>	<u>(41,137)</u>	<u>-</u>	<u>10</u>	<u>19</u>	<u>9</u>	<u>7</u>	<u>(43,292)</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>	<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	40-46
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	47-48
This schedule contains information to help the reader assess the District's most significant revenue source, federal and state grants.	
Debt Capacity	49-50
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	51-52
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	53-55
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.	

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GREATER HARTFORD TRANSIT DISTRICT
NET ASSETS BY COMPONENT
SINCE INCEPTION OF GASB 34
(Accrual Basis of Accounting)

		YEAR ENDED JUNE 30								
		2003	2004	2005	2006	2007	2008	2009	2010	2011
Governmental Activities:										
Invested in capital assets, net of related debt	\$	10,933,919	\$ 9,609,679	\$ 9,612,003	\$ 9,129,643	\$ 8,545,966	\$ 8,345,537	\$ 7,742,369	\$ 9,683,448	\$ 9,351,334
Restricted for insurance program		251,578	252,251	254,279	308,747	225,000	275,000	300,000	300,000	
Unrestricted		89,682	111,968	161,523	113,063	274,237	414,093	429,003	595,155	922,831
Total Governmental Activities Net Assets	\$	<u>11,275,179</u>	<u>\$ 9,973,898</u>	<u>\$ 10,027,805</u>	<u>\$ 9,551,453</u>	<u>\$ 9,045,203</u>	<u>\$ 9,034,630</u>	<u>\$ 8,471,372</u>	<u>\$ 10,578,603</u>	<u>\$ 10,274,165</u>
Business-Type Activities:										
Invested in capital assets, net of related debt	\$	2,814,897	\$ 2,748,896	\$ 2,458,036	\$ 2,170,222	\$ 1,923,129	\$ 1,722,345	\$ 1,854,080	\$ 3,482,159	\$ 3,722,321
Unrestricted		(295,640)	(530,432)	(553,210)	(577,940)	(594,539)	(591,921)	(605,763)	(624,945)	(648,612)
Total Business-Type Activities Net Assets	\$	<u>2,519,257</u>	<u>\$ 2,218,464</u>	<u>\$ 1,904,826</u>	<u>\$ 1,592,282</u>	<u>\$ 1,328,590</u>	<u>\$ 1,130,424</u>	<u>\$ 1,248,317</u>	<u>\$ 2,857,214</u>	<u>\$ 3,073,709</u>
Primary Government:										
Invested in capital assets, net of related debt	\$	13,748,816	\$ 12,358,575	\$ 12,070,039	\$ 11,299,865	\$ 10,469,095	\$ 10,067,882	\$ 9,596,449	\$ 13,165,607	\$ 13,073,655
Unrestricted		45,620	(166,213)	(137,408)	(156,130)	(95,302)	97,172	123,240	270,210	274,219
Total Primary Government Net Assets	\$	<u>13,794,436</u>	<u>\$ 12,192,362</u>	<u>\$ 11,932,631</u>	<u>\$ 11,143,735</u>	<u>\$ 10,373,793</u>	<u>\$ 10,165,054</u>	<u>\$ 9,719,689</u>	<u>\$ 13,435,817</u>	<u>\$ 13,347,874</u>

NOTE: The District began to report accrual information when it implemented GASB Statement No. 34 for the fiscal year June 30, 2003.

**GREATER HARTFORD TRANSIT DISTRICT
CHANGES IN NET ASSETS - ENTITY WIDE
SINCE INCEPTION OF GASB 34
(Accrual Basis of Accounting)**

	YEAR ENDED JUNE 30								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Expenses:									
Governmental activities:									
Purchased transportation	\$ 5,099,325	\$ 5,091,561	\$ 6,323,540	\$ 6,906,748	\$ 9,806,370	\$ 12,064,971	\$ 12,464,740	\$ 11,893,465	\$ 13,444,762
Insurance consortium	2,766,422	2,703,321	2,673,423	2,673,322	2,749,322	2,673,884	2,385,905	3,005,480	2,104,265
Transit projects	4,180,476	4,274,691	4,044,147	3,536,622	4,851,475	251,488	576,686	1,038,069	1,182,816
Total governmental activities expenses	<u>12,046,223</u>	<u>12,069,573</u>	<u>13,041,110</u>	<u>13,116,692</u>	<u>17,407,167</u>	<u>14,990,343</u>	<u>15,427,331</u>	<u>15,937,014</u>	<u>16,731,843</u>
Business-type activities:									
Transportation center	1,246,358	1,890,611	1,668,274	2,083,170	1,512,352	1,530,393	1,852,761	1,947,046	1,932,478
Parking lot	275,924	255,378	256,730	245,977	234,333	252,644	247,201	242,580	273,598
Total business-type activities expenses	<u>1,522,282</u>	<u>2,145,989</u>	<u>1,925,004</u>	<u>2,329,147</u>	<u>1,746,685</u>	<u>1,783,037</u>	<u>2,099,962</u>	<u>2,189,626</u>	<u>2,206,076</u>
Total Primary Government Expenses	<u>\$ 13,568,505</u>	<u>\$ 14,215,562</u>	<u>\$ 14,966,114</u>	<u>\$ 15,445,839</u>	<u>\$ 19,153,852</u>	<u>\$ 16,773,380</u>	<u>\$ 17,527,293</u>	<u>\$ 18,126,640</u>	<u>\$ 18,937,919</u>
Program Revenues:									
Governmental activities:									
Charges for services	\$ 1,249,956	\$ 678,945	\$ 633,388	\$ 891,694	\$ 360,895	\$ 350,652	\$ 749,523	\$ 393,749	\$ 394,132
Operating grants and contributions	8,314,026	9,100,333	9,587,745	10,691,807	11,173,766	11,832,993	12,693,669	13,522,068	13,995,879
Capital grants and contributions	1,756,029	934,729	2,533,479	961,182	5,243,616	2,156,057	1,196,488	3,999,310	1,916,034
Total governmental activities program revenues	<u>11,320,011</u>	<u>10,714,007</u>	<u>12,754,612</u>	<u>12,544,683</u>	<u>16,778,277</u>	<u>14,339,702</u>	<u>14,639,680</u>	<u>17,915,127</u>	<u>16,306,045</u>
Business-type activities:									
Transportation center	841,420	1,475,093	1,293,876	1,727,318	953,728	1,049,667	1,426,890	3,345,748	1,539,275
Parking lot	363,461	347,828	317,490	289,285	529,265	537,004	790,965	448,668	883,296
Total business-type activities program revenues	<u>1,204,881</u>	<u>1,822,921</u>	<u>1,611,366</u>	<u>2,016,603</u>	<u>1,482,993</u>	<u>1,586,671</u>	<u>2,217,855</u>	<u>3,794,416</u>	<u>2,422,571</u>
Total Government Program Revenues	<u>\$ 12,524,892</u>	<u>\$ 12,536,928</u>	<u>\$ 14,365,978</u>	<u>\$ 14,561,286</u>	<u>\$ 18,261,270</u>	<u>\$ 15,926,373</u>	<u>\$ 16,857,535</u>	<u>\$ 21,709,543</u>	<u>\$ 18,728,616</u>
Net (Expenses) Revenue:									
Governmental activities	\$ (726,212)	\$ (1,355,566)	\$ (286,498)	\$ (572,009)	\$ (628,890)	\$ (650,641)	\$ (787,651)	\$ 1,978,113	\$ (425,798)
Business-type activities	<u>(317,401)</u>	<u>(323,068)</u>	<u>(313,638)</u>	<u>(312,544)</u>	<u>(263,692)</u>	<u>(196,366)</u>	<u>117,893</u>	<u>1,604,790</u>	<u>216,495</u>
Total Government Net Expense	<u>\$ (1,043,613)</u>	<u>\$ (1,678,634)</u>	<u>\$ (600,136)</u>	<u>\$ (884,553)</u>	<u>\$ (892,582)</u>	<u>\$ (847,007)</u>	<u>\$ (669,758)</u>	<u>\$ 3,582,903</u>	<u>\$ (209,303)</u>

(Continued on next page)

GREATER HARTFORD TRANSIT DISTRICT
CHANGES IN NET ASSETS - ENTITY WIDE (CONTINUED)
SINCE INCEPTION OF GASB 34
(Accrual Basis of Accounting)

		YEAR ENDED JUNE 30								
		2003	2004	2005	2006	2007	2008	2009	2010	2011
General Revenues and Other										
Changes in Net Assets:										
Governmental activities:										
Member town contributions	\$	40,111	\$ 40,111	\$ 39,051	\$ 40,111	\$ 40,111	\$ 40,111	\$ 57,299	\$ 74,493	\$ 74,493
Miscellaneous		91,035	33,973	294,887	44,012	39,858	138,985	127,764	42,132	40,332
Unrestricted investment earnings		4,975	2,476	6,467	11,534	42,671	61,495	39,330	12,493	6,535
Transfers		71,686	(22,275)				1,800			
Total governmental activities		<u>207,807</u>	<u>54,285</u>	<u>340,405</u>	<u>95,657</u>	<u>122,640</u>	<u>242,391</u>	<u>224,393</u>	<u>129,118</u>	<u>121,360</u>
Business-type activities:										
Miscellaneous									4,107	
Transfers		(71,686)	22,275							
Total business-type activities		<u>(71,686)</u>	<u>22,275</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,107</u>	<u>-</u>
42 Total Government	\$	<u>136,121</u>	<u>76,560</u>	<u>340,405</u>	<u>95,657</u>	<u>122,640</u>	<u>242,391</u>	<u>224,393</u>	<u>133,225</u>	<u>121,360</u>
Change in Net Assets:										
Governmental activities	\$	(518,405)	\$ (1,301,281)	\$ 53,907	\$ (476,352)	\$ (506,250)	\$ (408,250)	\$ (563,258)	\$ 2,107,231	\$ (304,438)
Business-type activities		<u>(389,087)</u>	<u>(300,793)</u>	<u>(313,638)</u>	<u>(312,544)</u>	<u>(263,692)</u>	<u>(196,366)</u>	<u>117,893</u>	<u>1,608,897</u>	<u>216,495</u>
Total Government	\$	<u>(907,492)</u>	<u>(1,602,074)</u>	<u>(259,731)</u>	<u>(788,896)</u>	<u>(769,942)</u>	<u>(604,616)</u>	<u>(445,365)</u>	<u>3,716,128</u>	<u>(87,943)</u>

NOTE: The District began to report accrual information when it implemented GASB Statement No. 34 for the fiscal year June 30, 2003.

GREATER HARTFORD TRANSIT DISTRICT
CHANGES IN NET ASSETS - PURCHASED TRANSPORTATION PROGRAM
SINCE INCEPTION OF GASB 34
(Accrual Basis of Accounting)

	YEAR ENDED JUNE 30								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Purchased Transportation Expenses:									
Governmental activities:									
Purchased transportation	\$ 7,798,554	\$ 7,742,014	\$ 8,692,550	\$ 9,264,902	\$ 9,428,385	\$ 11,560,157	\$ 12,464,740	\$ 11,893,465	\$ 13,444,762
Total primary government expenses	7,798,554	7,742,014	8,692,550	9,264,902	9,428,385	11,560,157	12,464,740	11,893,465	13,444,762
Purchased Transportation Program Revenues:									
Governmental activities:									
Charges for services	1,244,334	673,647	623,250	887,655	368,432	412,954	749,523	393,749	394,132
Operating grants and contributions	4,492,150	5,895,999	6,525,367	7,632,248	8,095,657	9,167,715	9,858,164	10,216,297	11,081,058
Total government program revenues	5,736,484	6,569,646	7,148,617	8,519,903	8,464,089	9,580,669	10,607,687	10,610,046	11,475,190
Net Revenues (Expenses)/Change in Net Assets:									
Governmental activities	\$ (2,062,070)	\$ (1,172,368)	\$ (1,543,933)	\$ (744,999)	\$ (964,296)	\$ (1,979,488)	\$ (1,857,053)	\$ (1,283,419)	\$ (1,969,572)

NOTE: The District began to report accrual information when it implemented GASB Statement No. 34 for the fiscal year June 30, 2003.

**GREATER HARTFORD TRANSIT DISTRICT
GOVERNMENTAL ACTIVITIES REVENUE BY SOURCE
SINCE INCEPTION OF GASB 34**

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
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
2007	14,511,086	40,111	1,821,681	42,671	7,537	477,831	16,900,917
2006	11,077,160	40,111	943,492	11,534	207,619	360,424	12,640,340
2005	11,466,028	39,051	1,029,422	6,467	276,816	277,233	13,095,017
2004	9,601,030	40,111	835,842	2,476	18,020	293,088	10,790,567
2003	9,434,976	40,111	1,631,158	4,975	25,805	319,107	11,456,132

NOTE: The District began to report accrual information when it implemented GASB Statement No. 34 for the fiscal year June 30, 2003.

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

		YEAR ENDED JUNE 30									
		<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
General fund:											
Unassigned		\$ <u>221,254</u>	\$ <u>237,514</u>	\$ <u>241,293</u>	\$ <u>265,517</u>	\$ <u>421,810</u>	\$ <u>499,237</u>	\$ <u>689,093</u>	\$ <u>852,289</u>	\$ <u>1,115,776</u>	\$ <u>1,290,812</u>
Special revenue fund:											
Assigned		\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>

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

	YEAR ENDED JUNE 30									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Revenues:										
Federal grants	\$ 1,315,337	\$ 2,031,413	\$ 1,060,119	\$ 2,140,658	\$ 976,805	\$ 4,276,240	\$ 1,466,853	\$ 1,084,688	\$ 3,223,884	\$ 1,952,295
State grants	6,505,124	7,403,563	8,540,911	9,325,370	10,100,355	10,234,846	11,492,765	11,929,225	13,485,367	13,281,385
Contributions from member towns	40,615	40,111	40,111	39,051	40,111	40,111	40,111	57,299	74,493	74,493
Local/private share	1,593,436	1,631,158	835,842	1,029,422	943,492	1,821,681	1,030,882	841,266	814,842	682,337
Interest income	9,231	4,975	2,476	6,467	11,534	42,671	61,495	39,330	12,493	6,535
Fares	184,409	253,877	277,135	259,162	302,858	326,242	335,727	355,299	384,148	389,676
Incidental charter/vehicle sales/ rental income				276,816	207,619	7,537	62,302	391,615	6,787	3,000
Miscellaneous	61,474	91,035	33,973	18,071	57,566	151,589	90,158	165,351	162,681	262,145
Total revenues	<u>9,709,626</u>	<u>11,456,132</u>	<u>10,790,567</u>	<u>13,095,017</u>	<u>12,640,340</u>	<u>16,900,917</u>	<u>14,580,293</u>	<u>14,864,073</u>	<u>18,164,695</u>	<u>16,651,866</u>
Expenditures:										
Current:										
Project administration	1,052,616	1,032,139	946,941	1,256,994	1,293,177	1,131,126	1,279,238	1,182,875	1,092,359	1,400,699
Professional services	487,836	607,373	223,163	257,921	266,214	216,623	257,518	225,843	286,867	254,850
Insurance and claims	2,462,023	2,691,422	2,628,321	2,598,423	2,604,229	2,656,650	8,806,695	2,285,217	2,928,006	2,013,633
Purchased transportation	4,729,787	5,356,884	6,052,369	6,767,066	7,449,581	7,617,652	2,557,602	9,964,137	9,819,224	10,571,097
Charter bus maintenance				238,853	172,211					
Capital outlay	971,784	1,823,740	913,719	1,951,536	848,920	5,201,439	1,491,184	1,042,805	3,774,752	2,236,551
Total expenditures	<u>9,704,046</u>	<u>11,511,558</u>	<u>10,764,513</u>	<u>13,070,793</u>	<u>12,634,332</u>	<u>16,823,490</u>	<u>14,392,237</u>	<u>14,700,877</u>	<u>17,901,208</u>	<u>16,476,830</u>
Excess (Deficiency) of Revenues over Expenditures	<u>5,580</u>	<u>(55,426)</u>	<u>26,054</u>	<u>24,224</u>	<u>6,008</u>	<u>77,427</u>	<u>188,056</u>	<u>163,196</u>	<u>263,487</u>	<u>175,036</u>
Other Financing Sources (Uses):										
Transfers in	7,162	134,670	16,160		153,829	87,615	52,851	40,298	56,705	43,490
Transfers out	(7,162)	(62,984)	(38,435)		(3,544)	(87,615)	(51,051)	(40,298)	(56,705)	(43,490)
Total other financing sources (uses)	<u>-</u>	<u>71,686</u>	<u>(22,275)</u>	<u>-</u>	<u>150,285</u>	<u>-</u>	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	5,580	16,260	3,779	24,224	156,293	77,427	189,856	163,196	263,487	175,036
Fund Balance at Beginning of Year	215,674	221,254	237,514	241,293	265,517	421,810	499,237	689,093	852,289	1,115,776
Fund Balance at End of Year	<u>\$ 221,254</u>	<u>\$ 237,514</u>	<u>\$ 241,293</u>	<u>\$ 265,517</u>	<u>\$ 421,810</u>	<u>\$ 499,237</u>	<u>\$ 689,093</u>	<u>\$ 852,289</u>	<u>\$ 1,115,776</u>	<u>\$ 1,290,812</u>
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
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
2007	14,511,086	40,111	1,821,681	42,671	7,537	477,831	16,900,917
2006	11,077,160	40,111	943,492	11,534	207,619	360,424	12,640,340
2005	11,466,028	39,051	1,029,422	6,467	276,816	277,233	13,095,017
2004	9,601,030	40,111	835,842	2,476	18,020	293,088	10,790,567
2003	9,434,976	40,111	1,631,158	4,975	25,805	319,107	11,456,132
2002	7,820,461	40,615	1,593,436	9,231	-	245,883	9,709,626

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

YEAR ENDED JUNE 30						
2011			2002			
Total Revenue	Rank	Percentage of Total Governmental Revenue	Total Revenue	Rank	Percentage of Total Governmental Revenue	
Connecticut Department of Transportation						
\$ 13,281,385	1	79.8%	\$ 6,505,124	1	67.0%	
Federal Transit Administration						
<u>1,952,295</u>	2	<u>11.7%</u>	<u>1,315,337</u>	2	<u>13.5%</u>	
<u>\$ 15,233,680</u>		<u>91.5%</u>	<u>\$ 7,820,461</u>		<u>80.5%</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**

Fiscal Year	Direct		Transfers Out	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage				
	Gross Revenue (2)	Operating Expenses (1)			Principal	Interest	Total					
2011	\$	333,693	\$	\$	67,807	\$	33,333	\$	7,712	\$	41,045	1.65
2010		282,681			49,854		31,292		9,753		41,045	1.21
2009		274,457			38,950		29,350		11,694		41,044	0.95
2008		292,820			53,665		27,555		13,489		41,044	1.31
2007		269,360			50,207		25,896		15,180		41,076	1.22
2006		289,285			60,084		24,269		16,776		41,045	1.46
2005		317,490			79,027		22,777		18,267		41,044	1.93
2004		347,828			112,090		21,405		19,640		41,045	2.73
2003		363,461			108,474		20,106		20,937		41,043	2.64
2002		335,403			122,383		18,863		22,181		41,044	2.98

(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 FISCAL YEARS**

Fiscal Year	Business-Type Activities		Total Government	Per Capita
	Revenue Bonds	Mortgage		
2002	\$ 339,421	\$ 3,300,000	\$ 3,639,421	6.46
2003	319,315	3,300,000	3,619,315	6.42
2004	297,910	3,300,000	3,597,910	6.42
2005	275,133	3,300,000	3,575,133	6.38
2006	250,864	3,300,000	3,550,864	6.32
2007	224,968	3,300,000	3,524,968	6.11
2008	197,413	3,300,000	3,497,413	6.10
2009	168,063	3,300,000	3,468,063	5.91
2010	136,771	3,300,000	3,436,771	5.82
2011	103,438	3,300,000	3,403,438	5.81

(1) 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)	Median Age (3)	Unemployment Rate (4)
2002	576,616	\$ 33,985	39	3.60%
2003	572,984	30,326	39	5.40%
2004	586,353	36,988	40	5.50%
2005	590,174	37,576	39	5.10%
2006	585,379	32,419	N/A	4.80%
2007	584,529	34,169	N/A	4.60%
2008	584,894	35,133	39	5.00%
2009	584,833	34,897	39	7.00%
2010	585,267	36,624	39	9.10%
2011	594,842	N/A	39	9.10%

Sources:

(1) Capitol Region Council of Governments - According to 2000 U.S. Census

(2) Connecticut Economic Resource Center (CERC)

(3) U.S. Census Bureau

(4) 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	2011			2002		
	Number of Employees	Rank	Percentage of Total Greater Hartford Employment	Number of Employees	Rank	Percentage of Total Greater Hartford Employment
State of Connecticut	72,400	1	13.37%	73,000	1	11.84%
United Technologies Corp.	26,400	2	4.88%	20,000	2	3.24%
Hartford Health Care Hospital	15,285	3	2.82%	6,086	5	0.99%
The Hartford Financial Services Group	11,160	4	2.06%	11,700	3	1.90%
University of Connecticut	9,604	5	1.77%			0.00%
Aetna Inc.	7,018	6	1.30%	7,200	4	1.17%
The Travelers Cos. Inc.	7,000	7	1.29%	5,800	7	0.94%
John Dempsey Hospital	5,500	8	1.02%			0.00%
Bank of America (Fleet)	5,100	9	0.94%	4,500	9	0.73%
Saint Francis Hospital and Medical Center	5,000	10	0.92%	3,660	10	0.59%
Northeast Utilities				6,000	6	0.97%
CIGNA Corp				4,739	8	0.77%
Total	<u>164,467</u>		<u>30.38%</u>	<u>142,685</u>		<u>23.14%</u>

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

	YEAR ENDED JUNE 30									
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
General government:										
Management services	3	3	3	3	2	2	2	2	2	3
Finance	2	2	2	2	2	2	1	1	1	1
Building			1	1	1	1	1	1	1	1
Transportation projects	<u>5</u>	<u>4</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>4</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>1</u>
Total	<u><u>10</u></u>	<u><u>9</u></u>	<u><u>9</u></u>	<u><u>9</u></u>	<u><u>8</u></u>	<u><u>9</u></u>	<u><u>6</u></u>	<u><u>6</u></u>	<u><u>6</u></u>	<u><u>6</u></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.

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

	YEAR ENDED JUNE 30									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Number of Passenger Trips:										
Dial-A-Ride Service	15,352	88,132	155,720	315,746	337,053	352,660	271,173	314,517	325,277	368,800
Commuter Service	-	184,616	456,194	483,607	469,878	480,503	465,012	452,919	436,819	435,780
ADA	300,944	282,750	265,478	277,504	240,030	233,254	211,983	176,521	145,478	116,782

**GREATER HARTFORD TRANSIT DISTRICT
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST SIX YEARS ***

	YEAR ENDED JUNE 30					
	2011	2010	2009	2008	2007	2006
Number of transportation vehicles:						
Commuter Bus Service	-	10	27	33	33	33
Dial-A-Ride	1	1	15	44	68	64
ADA	115	123	113	106	98	93

* Information for prior years not available