

**GREATER HARTFORD TRANSIT DISTRICT**  
**HARTFORD, CONNECTICUT**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED JUNE 30, 2009**

**GREATER HARTFORD TRANSIT DISTRICT**  
**HARTFORD, CONNECTICUT**  
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**FOR THE YEAR ENDED JUNE 30, 2009**

Prepared by:  
Accounting Department

## **INTRODUCTORY SECTION**

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

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

December 11, 2009

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, 2009.

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, 2009. 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**

Union Station is located in the City of Hartford. However; the economic condition of the District is dependent on available federal and state funding, the real estate market and the population of elderly and disabled served by the District. Rental income and parking lot fees support Union Station Transportation Center operations. State funding levels are expected to increase slightly for the ADA Paratransit program and all other programs will remain at current funding levels. FTA grant funding programs are expected to increase for the District this upcoming fiscal year due to additional formula funding that has become available.

Proposed improvements and upgrades to Union Station have been developed as part of the Northwest Corridor Transit Study. The proximity of the station to the Central Business District, the State Capitol Buildings, the insurance and finance industry, educational facilities as well as the residents of adjoining neighborhoods ensures there are demand users of the facility and pedestrian activity in the area surrounding the station. Investments in transportation and its facilities are a key element in building up local neighborhoods and businesses in the region.

The project area within the City of Hartford has been designated as a Targeted Investment Community by virtue of having a State of Connecticut Department of Economic Development (DECD) designated Enterprise Zone. In addition, the area qualifies as a HUBZone by the Small Business Administration (SBA) based on the level of median household income and/or level of unemployment. The SBA HUBZone Program's goal is to stimulate historically underutilized business zones and communities through job creation and capital investment.

Improvements to Union Station will have a tremendous impact on making intermodal connections possible and making public transportation a more attractive alternative to the single occupancy vehicle. A hub of intermodal connections will contribute to the efficiency and effectiveness of the region's transportation system, and at the same time contributing to the revitalization of the area economically.

### **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 an aggressive, but well thought out pace. 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.

## Project Initiatives & Accomplishments

- Proposed rehabilitation and upgrade to Hartford's historic Union Station will prepare for the critical role that the station will play as the primary terminus serving regional commuter rail service, local bus service and future high speed rail service. The planned rehabilitation and improvements will return the station to a state of good repair, increase its capacity for handling additional passengers, improve their overall experience, provide better amenities, and create a state-of-the-art and environmentally-responsible facility.
- A newly proposed project includes a partnership between the Greater Hartford Transit District, CTTRANSIT and the Connecticut Center for Advanced Technology, Inc. (CCAT) to purchase and develop an advanced technology transit operations, maintenance and storage facility.
- The District is acting as the Project Manager for the development of an intermodal transportation center in the Thompsonville area of Enfield. This project will provide a viable, convenient, centrally-located terminus and transfer station for CTTransit local and express buses, Greater Hartford Transit District's ADA Paratransit and demand response services, local Dial-A-Ride Services, intercity bus, and taxis, with improved pedestrian and bicycle access. The facility will also accommodate bus bays for transit vehicles and park-and-ride parking spaces for commuters. The proposed Enfield Transportation Center will be built so as not to preclude future use by the proposed Springfield to New Haven Commuter Rail.
- The District is partnering with the Town of Mansfield to administer \$5309 Bus Discretionary Earmark funds for conceptual engineering and environmental documentation for the proposed Mansfield Intermodal Transportation Center (ITC) in the Storrs Center section of Mansfield, CT. The facility will co-locate University of Connecticut Transit, Willimantic local and express buses, Windham Region Transit District's ADA Paratransit and demand response services, local Dial-A-Ride Services, intercity bus, and taxis, with improved pedestrian and bicycle access.
- Leasing campaign at Union Station will continue to identify potential tenants and maximize utilization of remaining rentable square footage.
- The District had successfully undergone a Federal Transit Administration Audit of the Drug and Alcohol Testing Consortium in June 2009 during which the program was lauded.
- The District awarded a contract for the Mobile Data Terminal (MDT)/Mobile Data Communication (MDC) solution for its paratransit operations. Also awarded was the software integration module needed to enable the use of the MDT with the current dispatch/scheduling software.
- Replacement of three passenger elevators and two hydraulic systems is scheduled at Hartford's Union Station providing access to the Transportation Center, and the North and South entrances to Union Station. The District intends to use materials that make elevator usage more efficient and environmentally safe and friendly. These include: LED style lights, installing sensors to enable LED lights to turn off when the elevator is not in use; a microprocessor based controller; replacing the hydraulic elevator oil with alternative lubricants; and if possible a regenerative elevator drive that recaptures energy.
- Intent to purchase lighting fixtures that are energy efficient and will enhance the historical aspect of the building while providing the required foot candles of light. The luminaries will face downward requiring less wattage to illuminate the area.



- Proposed security expansion consists of upgrades to surveillance cameras, installation of IP video surveillance, and restoration to security booth at Union Station.
- Ongoing efforts to procure ADA compliant lift-equipped vehicles <30 ft. in length for the operation of the paratransit transportation service.
- Proposed purchase of two (2) vehicles to support new accessible taxi service in the Capitol Region. Funds will be used to purchase and operate accessible taxi vehicles that have the capacity to accommodate a common wheelchair and that meet the requirements of 49 CFR 37.3 and part 38, subpart B. There are currently no wheelchair accessible taxis in this region limiting the mobility of persons with disabilities during the days and hours when there is no public transportation service available.
- To continue to be vigilant in exploring various investment opportunities that will maximize the amount of interest earned, keeping in mind liquidity needs and ensuring the funds are fully collateralized.
- The District procured a contractor to reclaim and resurface the Spruce Street Parking Lot. This improvement created additional spaces through redesign. Increased spaces will generate additional revenue for the District.
- Participate in state and municipal efforts to advance the New Haven-Hartford-Springfield commuter rail project.
- Continue to identify opportunities to assist and/or operate additional transit services through regional service sharing initiatives.
- Completed the procurement, installation, and implementation process for the new parking lot hardware and software upgrades. This new system will benefit the District by producing detailed reports that will improve oversight of the parking lot and simultaneously increase revenue through credit and debit card usage.
- Continue to seek other transit enhancement projects for the District.
- Energy audit to be conducted that will identify where alternative energy conservation opportunities can be implemented.

## **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 2008 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 financial operations of the agency.

Respectfully Submitted,



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, 2008

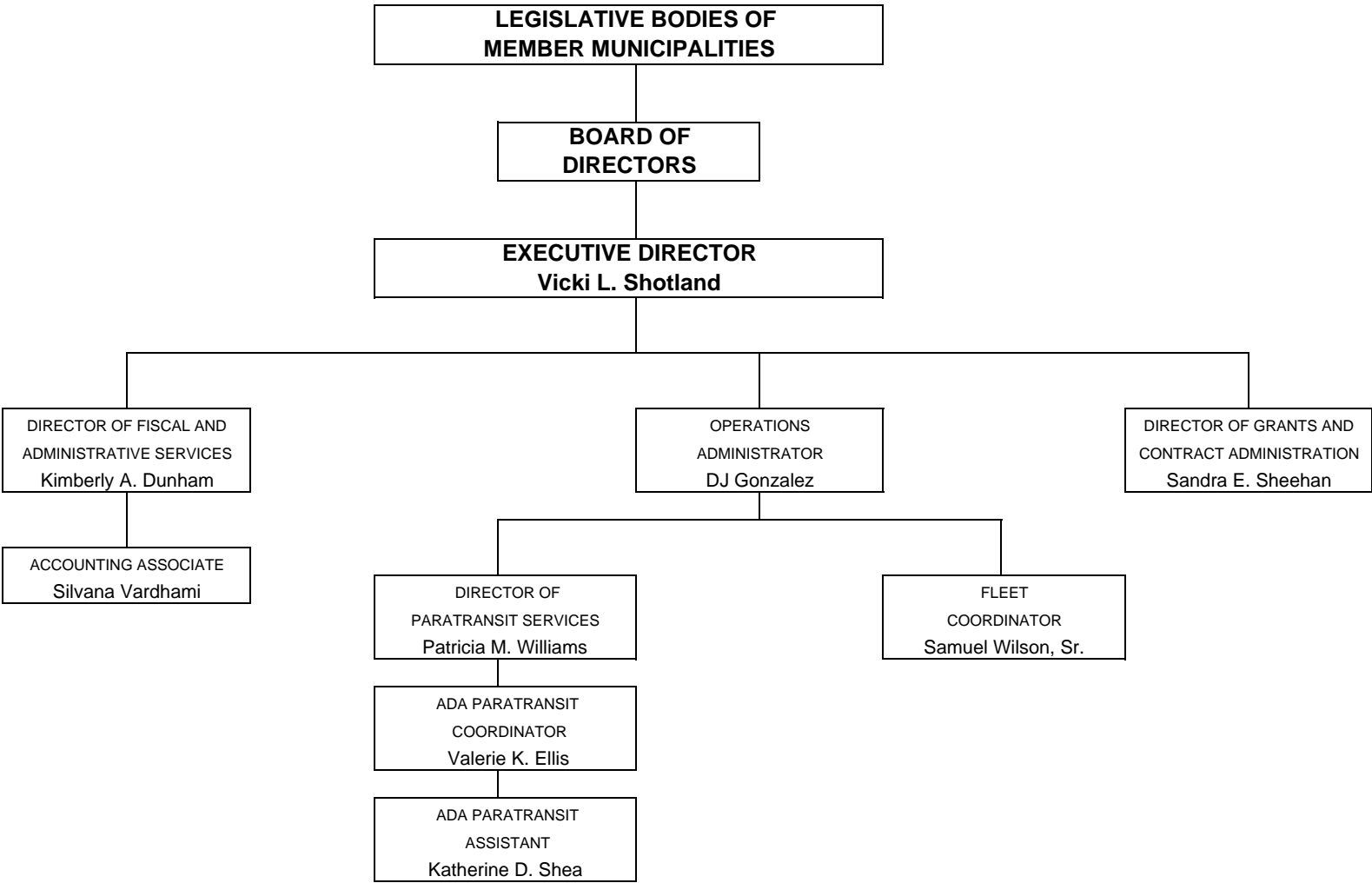
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards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



President

Executive Director

**ORGANIZATION CHART  
FISCAL YEAR 2009  
GREATER HARTFORD TRANSIT DISTRICT**



**GREATER HARTFORD TRANSIT DISTRICT  
BOARD OF DIRECTORS  
2009**

<b>Member Town</b>	<b>Representation/Director</b>	<b>Primary Occupation</b>	<b>Committee Assignment</b>
Bloomfield	1 Joan Gamble	Artist/Community Volunteer	
East Hartford	2 Peter J. Bonzani Marilyn Pet	Community Volunteer Attorney	Parking Lot Panel
East Windsor	1 Gilbert Hayes	Community Volunteer	
Enfield	2 Stephen F. Mitchell James Brislin	Engineer Community Volunteer	
Farmington	1 Kathleen Eagen	Town Manager	
Granby	1 Russell G. St. John	Railroad Consultant	Parking Lot Panel
Hartford	4 Jesse J. Smith Melvin Pettigrew Frank Lord Jason Barone-Cichocki	Judicial Marshall Community Volunteer Community Volunteer Marketing Coordinator	Parking Lot Panel 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 Vacant		
Vernon	2 Mary A. Oliver Mark S. Etre	Financial Services Engineer	Audit
West Hartford	2 Richard F. Messenger David A. Giordano	Community Volunteer Businessman	Personnel Audit
Wethersfield	2 Brendan T. Flynn Martin H. Walsh	Attorney Educator	Personnel, Audit
Windsor	2 Randall Graff Vacancy	Community Volunteer	

**Executive Director**

Vicki L. Shotland

**Officers**

June 30, 2009

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**

# BlumShapiro

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, 2009, 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, 2009 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.

Blum, Shapiro & Company, P.C.

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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 December 11, 2009 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.*

December 11, 2009

**GREATER HARTFORD TRANSIT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2009**

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, 2009. 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 \$8,471,372 and \$1,248,317 for the governmental activities and the business-type activities, respectively.
- On a government-wide basis, the government's total net assets decreased by \$445,365; governmental activities decreased by \$563,258 (exclusive of the prior period adjustment that increased net assets of governmental activities by \$397,677) and business-type activities increased by \$117,893.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$852,289, an increase of \$163,196 in comparison with the prior year.
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$852,289.

**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 21-36 of this report.

### **Other Information**

Supplemental, combining and individual fund statements and schedules can be found on page 35 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 \$9,719,689 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.

### **NET ASSETS June 30, 2009 and 2008**

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Current and other assets	\$ 5,006,904	\$ 4,157,772	\$ (492,585)	\$ (522,991)	\$ 4,514,319	\$ 3,634,781
Capital assets, net of accumulated depreciation	<u>7,742,369</u>	<u>7,947,860</u>	<u>5,322,143</u>	<u>5,219,758</u>	<u>13,064,512</u>	<u>13,167,618</u>
Total assets	<u>12,749,273</u>	<u>12,105,632</u>	<u>4,829,558</u>	<u>4,696,767</u>	<u>17,578,831</u>	<u>16,802,399</u>
Current liabilities	4,154,615	3,468,679	99,336	68,930	4,253,951	3,537,609
Long-term liabilities outstanding	<u>123,286</u>		<u>3,481,905</u>	<u>3,497,413</u>	<u>3,605,191</u>	<u>3,497,413</u>
Total liabilities	<u>4,277,901</u>	<u>3,468,679</u>	<u>3,581,241</u>	<u>3,566,343</u>	<u>7,859,142</u>	<u>7,035,022</u>
Net Assets:						
Invested in capital assets, net of related debt	7,742,369	7,947,860	1,854,080	1,722,345	9,596,449	9,670,205
Restricted for insurance program	300,000	275,000			300,000	275,000
Unrestricted	<u>429,003</u>	<u>414,093</u>	<u>(605,763)</u>	<u>(591,921)</u>	<u>(176,760)</u>	<u>(177,828)</u>
<b>Total Net Assets</b>	<u>\$ 8,471,372</u>	<u>\$ 8,636,953</u>	<u>\$ 1,248,317</u>	<u>\$ 1,130,424</u>	<u>\$ 9,719,689</u>	<u>\$ 9,767,377</u>

**CHANGES IN NET ASSETS**  
**For the Years Ended June 30, 2009 and 2008**

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ 749,523	\$ 350,652	\$ 1,426,890	\$ 1,049,667	\$ 2,176,413	\$ 1,400,319
Operating grants and contributions	12,693,669	11,832,993	790,965	537,004	13,484,634	12,369,997
Capital grants and contributions	1,196,488	2,156,057			1,196,488	2,156,057
General revenues:						
Member town contributions	57,299	40,111			57,299	40,111
Miscellaneous	127,764	138,985			127,764	138,985
Unrestricted investment earnings	39,330	61,495			39,330	61,495
Total revenues	<u>14,864,073</u>	<u>14,580,293</u>	<u>2,217,855</u>	<u>1,586,671</u>	<u>17,081,928</u>	<u>16,166,964</u>
<b>Expenses:</b>						
Purchased transportation	12,464,740	12,064,971			12,464,740	12,064,971
Transit projects	576,686	251,488			576,686	251,488
Insurance consortium	2,385,905	2,673,884			2,385,905	2,673,884
Transportation center			1,852,761	1,530,393	1,852,761	1,530,393
Parking lot			247,201	252,644	247,201	252,644
Total expenses	<u>15,427,331</u>	<u>14,990,343</u>	<u>2,099,962</u>	<u>1,783,037</u>	<u>17,527,293</u>	<u>16,773,380</u>
Change in net assets before transfers	(563,258)	(410,050)	117,893	(196,366)	(445,365)	(606,416)
Transfers		1,800		(1,800)	-	-
Change in net assets	<u>(563,258)</u>	<u>(408,250)</u>	<u>117,893</u>	<u>(198,166)</u>	<u>(445,365)</u>	<u>(606,416)</u>
Net assets at beginning of year, as originally reported	8,636,953	9,045,203	1,130,424	1,328,590	9,767,377	10,373,793
Prior period adjustment	397,677				397,677	
Net assets at beginning of year, as adjusted	<u>9,034,630</u>	<u>9,045,203</u>	<u>1,130,424</u>	<u>1,328,590</u>	<u>10,165,054</u>	<u>10,373,793</u>
<b>Net Assets at End of Year</b>	<u>\$ 8,471,372</u>	<u>\$ 8,636,953</u>	<u>\$ 1,248,317</u>	<u>\$ 1,130,424</u>	<u>\$ 9,719,689</u>	<u>\$ 9,767,377</u>

The District's net assets decreased by \$445,365 (exclusive of the prior period adjustment) during the fiscal year with net assets of governmental activities decreasing by \$563,258 and business-type activities increasing by \$117,893. The decrease is mainly attributable to the depreciation expense charged to the functions due to large capital asset balances.

## **Governmental Activities**

Approximately 93% of the revenues were derived from operating and capital grants and contributions, followed by 2% from charges for services and 5% from miscellaneous activities.

Key elements are as follows:

- Operating grants and contributions remained stable.
- Capital grants and contributions increased from 2008 due to an increase in funding of Union Station rehabilitation projects.

## **Business-Type Activities**

Business-type activities increased the District's net assets by \$117,893. Key elements are as follows:

- The public portion of the Transportation Center had an increase in net assets of \$235,168 due to increased federal and state grants funding capital improvements.
- The Brownstone portion of the Transportation Center suffered a decrease in net assets of \$192,382. The decrease is due primarily to the high costs of maintaining the facility and depreciation expense.

## **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 \$852,289, an increase of \$163,196 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 \$852,289. The entire balance is unreserved.

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 funds net assets totaled \$1,248,317 at the end of the year.

- Unrestricted net assets of the Public Transportation Center Fund at the end of the year amounted to \$1,353,943, 30% of total net assets of the fund.
- The Private Transportation Center Fund had a net asset deficiency of \$(2,679,490), 67% of the total net assets of the fund.
- The Parking Lot Fund had unrestricted net assets of \$719,784.

The total increase in net assets for all funds was \$117,893. 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 increased by \$423,707, or 220%, between the original budget and the final amended budget. This increase was largely due to significant increases in charter and vehicle sales. During the year, revenues and expenditures equaled the final budgeted amount. In the current year, revenues increased by 156% from the prior year and expenditures increased by 670%.

## **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, 2009 amounted to \$7,742,369 and \$5,322,143, respectively. This investment in capital assets included buildings, transportation vehicles, equipment and the parking lot. The District's investment in capital assets decreased by \$103,106 for the current fiscal year.

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

- Acquisition of 12 ADA buses to serve persons with disabilities in the region
- Boiler replacement and purchase of hot water heater at Union Station
- Purchase of Hardware for Doors - Union Station
- Re-Surfacing of Spruce Street Parking Lot
- Procurement of Spruce Street Parking Lot Hardware and Software Upgrade
- Purchase of Bus Shelters - City of New Britain

**CAPITAL ASSETS, Net of Depreciation  
June 30, 2009 and 2008**

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Land	\$ 240,000	\$ 240,000	\$ 300,000	\$ 300,000	\$ 540,000	\$ 540,000
Buildings and improvements	4,251,678	4,539,858	4,875,177	4,804,398	9,126,855	9,344,256
Parking lot			104,602	115,360	104,602	115,360
Equipment	3,250,691	3,168,002	42,364		3,293,055	3,168,002
<b>Total</b>	<b>\$ 7,742,369</b>	<b>\$ 7,947,860</b>	<b>\$ 5,322,143</b>	<b>\$ 5,219,758</b>	<b>\$ 13,064,512</b>	<b>\$ 13,167,618</b>

Additional information on the District's capital assets can be found in Note 3C on pages 28-29 of this report.

**Long-Term Debt**

At the end of the current fiscal year, the District had total bonded debt outstanding of \$168,063. 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. In 2009 the District recognized a liability for other postemployment benefits (OPEB) as required by new accounting standards.

**OUTSTANDING DEBT  
June 30, 2009 and 2008**

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Revenue bonds	\$	\$	\$ 168,063	\$ 197,413	\$ 168,063	\$ 197,413
Mortgage			3,300,000	3,300,000	3,300,000	3,300,000
OPEB	123,286		13,842		137,128	
<b>Total</b>	<b>\$ 123,286</b>	<b>\$ -</b>	<b>\$ 3,481,905</b>	<b>\$ 3,497,413</b>	<b>\$ 3,605,191</b>	<b>\$ 3,497,413</b>

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 2008-09 fiscal year.

During the current fiscal year, unreserved fund balance in the General Fund increased to \$499,237. 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.

## **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, 2009**

	<u>Governmental</u> <u>Activities</u>	<u>Business-Type</u> <u>Activities</u>	<u>Total</u>
<b>Assets:</b>			
Cash and cash equivalents	\$ 3,613,190	\$	\$ 3,613,190
<b>Receivables:</b>			
Federal grants	38,459	121,603	160,062
State grants	202,757		202,757
Local agencies	138,855		138,855
Other	73,933		73,933
Internal balances	634,917	(634,917)	-
Other assets	4,793	20,729	25,522
Restricted cash	300,000		300,000
Capital assets, nondepreciable	240,000	300,000	540,000
Capital assets, net of accumulated depreciation	<u>7,502,369</u>	<u>5,022,143</u>	<u>12,524,512</u>
<b>Total assets</b>	<u><u>12,749,273</u></u>	<u><u>4,829,558</u></u>	<u><u>17,578,831</u></u>
<b>Liabilities:</b>			
Accounts payable	3,656,226	99,336	3,755,562
Payable to local agencies	79,111		79,111
Payable to State of Connecticut	2,615		2,615
Local share deposits	416,663		416,663
<b>Noncurrent liabilities:</b>			
Due within one year		31,295	31,295
Due in more than one year	123,286	3,450,610	3,573,896
<b>Total liabilities</b>	<u><u>4,277,901</u></u>	<u><u>3,581,241</u></u>	<u><u>7,859,142</u></u>
<b>Net Assets:</b>			
Invested in capital assets, net of related debt	7,742,369	1,854,080	9,596,449
Restricted for insurance program	300,000		300,000
Unrestricted net assets	<u>429,003</u>	<u>(605,763)</u>	<u>(176,760)</u>
<b>Total Net Assets</b>	<u><u>\$ 8,471,372</u></u>	<u><u>\$ 1,248,317</u></u>	<u><u>\$ 9,719,689</u></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, 2009**

<u>Function/Program Activities</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net Revenue (Expense) and Changes in Net Assets</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Governmental activities:							
Purchased transportation	\$ 12,464,740	\$ 749,523	\$ 9,858,164	\$	\$ (1,857,053)	\$	\$ (1,857,053)
Insurance consortium	2,385,905		2,385,905				-
Transit projects	576,686		449,600	1,196,488	1,069,402		1,069,402
Total governmental activities	<u>15,427,331</u>	<u>749,523</u>	<u>12,693,669</u>	<u>1,196,488</u>	<u>(787,651)</u>	<u>-</u>	<u>(787,651)</u>
Business-type activities:							
Transportation center	1,852,761	1,152,433	743,114			42,786	42,786
Parking lot	247,201	274,457	47,851			75,107	75,107
Total business-type activities	<u>2,099,962</u>	<u>1,426,890</u>	<u>790,965</u>	<u>-</u>	<u>-</u>	<u>117,893</u>	<u>117,893</u>
<b>Total</b>	<b>\$ <u>17,527,293</u></b>	<b>\$ <u>2,176,413</u></b>	<b>\$ <u>13,484,634</u></b>	<b>\$ <u>1,196,488</u></b>	<b><u>(787,651)</u></b>	<b><u>117,893</u></b>	<b><u>(669,758)</u></b>
General revenues:							
Member town contributions					57,299		57,299
Miscellaneous					127,764		127,764
Unrestricted investment earnings					39,330		39,330
Total general revenues					<u>224,393</u>	<u>-</u>	<u>224,393</u>
Change in Net Assets					<u>(563,258)</u>	<u>117,893</u>	<u>(445,365)</u>
Net Assets at Beginning of Year, as Originally Reported					8,636,953	1,130,424	9,767,377
Prior period adjustment					397,677		397,677
Net assets at beginning of year, as adjusted					<u>9,034,630</u>	<u>1,130,424</u>	<u>10,165,054</u>
Net Assets at End of Year					<u>\$ 8,471,372</u>	<u>\$ 1,248,317</u>	<u>\$ 9,719,689</u>

The accompanying notes are an integral part of the financial statements

**GREATER HARTFORD TRANSIT DISTRICT**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**JUNE 30, 2009**

	<b>General</b>	<b>Special Revenue</b>	<b>Total Governmental Funds</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 3,613,190	\$	\$ 3,613,190
Restricted cash		300,000	300,000
Federal grants receivable		38,459	38,459
State grants receivable		202,757	202,757
Due from other funds	2,732,628	3,290,706	6,023,334
Receivable from local agencies		138,855	138,855
Other receivables	73,933		73,933
Other assets	4,793		4,793
Total Assets	\$ 6,424,544	\$ 3,970,777	\$ 10,395,321
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 67,986	\$ 3,588,240	\$ 3,656,226
Payable to local agencies		79,111	79,111
Payable to State of Connecticut		2,615	2,615
Due to other funds	5,388,417		5,388,417
Local share deposits	115,852	300,811	416,663
Total liabilities	5,572,255	3,970,777	9,543,032
<b>Fund Balances:</b>			
Reserved for insurance program		300,000	300,000
Unreserved, undesignated	852,289	(300,000)	552,289
Total fund balance and other credits	852,289	-	852,289
Total Liabilities and Fund Balances	\$ 6,424,544	\$ 3,970,777	\$ 10,395,321

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, 2009**

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) \$ 852,289

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

Governmental capital assets	\$ 27,538,166	
Less accumulated depreciation	<u>(19,795,797)</u>	
		7,742,369

Liability for other post employment benefits is not due and payable in the current year and therefore, is not reported in the funds. (123,286)

Net Assets of Governmental Activities (page 11) \$ 8,471,372

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, 2009**

	<u>General</u>	<u>Special Revenue</u>	<u>Total Governmental Funds</u>
Revenues:			
Federal grants	\$	\$ 1,084,688	\$ 1,084,688
State grants		11,929,225	11,929,225
Contributions from member towns	57,299		57,299
Local share		730,720	730,720
Private local share		110,546	110,546
Interest income	39,330		39,330
Cash fares		355,299	355,299
Charter bus income	391,615		391,615
Miscellaneous	127,764	37,587	165,351
Total revenues	<u>616,008</u>	<u>14,248,065</u>	<u>14,864,073</u>
Expenditures:			
Current:			
Project administration	52,713	1,130,162	1,182,875
Professional services	4,558	221,285	225,843
Purchased transportation	391,615	9,572,522	9,964,137
Insurance and claims		2,285,217	2,285,217
Capital outlay - tangible transit property		1,042,805	1,042,805
Total expenditures	<u>448,886</u>	<u>14,251,991</u>	<u>14,700,877</u>
Excess (Deficiency) of Revenues over Expenditures	<u>167,122</u>	<u>(3,926)</u>	<u>163,196</u>
Other Financing Sources (Uses):			
Transfers in	18,139	22,159	40,298
Transfers out	<u>(22,065)</u>	<u>(18,233)</u>	<u>(40,298)</u>
Total other financing sources (uses)	<u>(3,926)</u>	<u>3,926</u>	<u>-</u>
Net Change in Fund Balances	163,196	-	163,196
Fund Balances at Beginning of Year	<u>689,093</u>	<u>-</u>	<u>689,093</u>
Fund Balances at End of Year	<u>\$ 852,289</u>	<u>\$ -</u>	<u>\$ 852,289</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, 2009**

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)	\$ 163,196
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	999,850
Depreciation expense	(1,428,440)
Loss on disposal of capital assets	(174,578)
Governmental funds report other post employment benefit costs when paid. In the statement of activities other postemployment benefits costs are recognized when earned by employees.	
	<u>(123,286)</u>
Change in Net Assets of Governmental Activities (page 12)	<u>\$ (563,258)</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, 2009**

	<u>General Fund</u>				<u>Special Revenue Fund</u>			
	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>			<u>Original</u>	<u>Final</u>		
Revenues:								
Federal grants	\$	\$	\$	\$ -	\$ 3,009,594	\$ 1,084,688	\$ 1,084,688	\$ -
State grants				-	13,289,048	11,929,225	11,929,225	-
Contributions from member towns	57,301	57,299	57,299	-				-
Local/private share				-	1,109,948	841,266	841,266	-
Interest income	50,000	39,330	39,330	-				-
Fares				-	350,000	355,299	355,299	-
Incidental charter/vehicle sales	425,000	519,379	519,379	-		37,587	37,587	-
Total revenues	<u>532,301</u>	<u>616,008</u>	<u>616,008</u>	<u>-</u>	<u>17,758,590</u>	<u>14,248,065</u>	<u>14,248,065</u>	<u>-</u>
Expenditures:								
Current:								
Project administration	9,800	52,713	52,713	-	1,275,000	1,130,162	1,130,162	-
Charter bus maintenance	370,000	391,615	391,615	-				-
Professional services	1,500	4,558	4,558	-	260,596	221,285	221,285	-
FTA/State/GHTD transportation projects				-	16,177,894	12,900,544	12,900,544	-
Total expenditures	<u>381,300</u>	<u>448,886</u>	<u>448,886</u>	<u>-</u>	<u>17,713,490</u>	<u>14,251,991</u>	<u>14,251,991</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>151,001</u>	<u>167,122</u>	<u>167,122</u>	<u>-</u>	<u>45,100</u>	<u>(3,926)</u>	<u>(3,926)</u>	<u>-</u>
Other Financing Sources (Uses):								
Transfers in		18,139	18,139	-		22,159	22,159	-
Transfers out		(22,065)	(22,065)	-		(18,233)	(18,233)	-
Total other financing sources (uses)	<u>-</u>	<u>(3,926)</u>	<u>(3,926)</u>	<u>-</u>	<u>-</u>	<u>3,926</u>	<u>3,926</u>	<u>-</u>
Net Change in Fund Balances	<u>\$ 151,001</u>	<u>\$ 163,196</u>	<u>163,196</u>	<u>\$ -</u>	<u>\$ 45,100</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund Balance - Beginning of Year			<u>689,093</u>				<u>-</u>	
Fund Balance - End of Year			<u>\$ 852,289</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, 2009**

	<u>Business-Type Activities - Enterprise Funds</u>			
	<u>Transportation Center</u>		<u>Parking</u>	
	<u>Public</u>	<u>Private</u>	<u>Lot</u>	<u>Total</u>
Assets:				
Current assets:				
Federal grants receivable	\$ 14,430	\$ 107,173	\$	\$ 121,603
Due from other funds	1,355,208		742,503	2,097,711
Other assets	<u>20,560</u>	<u>169</u>		<u>20,729</u>
Total current assets	<u>1,390,198</u>	<u>107,342</u>	<u>742,503</u>	<u>2,240,043</u>
Noncurrent assets:				
Capital assets, net of accumulated depreciation	<u>3,178,688</u>	<u>1,996,489</u>	<u>146,966</u>	<u>5,322,143</u>
Total assets	<u>4,568,886</u>	<u>2,103,831</u>	<u>889,469</u>	<u>7,562,186</u>
Liabilities:				
Current liabilities:				
Bonds payable - current portion			31,295	31,295
Accounts payable	24,713	51,904	22,719	99,336
Due to other funds		<u>2,732,628</u>		<u>2,732,628</u>
Total current liabilities	<u>24,713</u>	<u>2,784,532</u>	<u>54,014</u>	<u>2,863,259</u>
Noncurrent liabilities:				
Mortgage payable		3,300,000		3,300,000
Bonds payable			136,768	136,768
Other postemployment benefits	<u>11,542</u>	<u>2,300</u>		<u>13,842</u>
Total noncurrent liabilities	<u>11,542</u>	<u>3,302,300</u>	<u>136,768</u>	<u>3,450,610</u>
Total liabilities	<u>36,255</u>	<u>6,086,832</u>	<u>190,782</u>	<u>6,313,869</u>
Net Assets:				
Invested in capital assets, net of related debt	3,178,688	(1,303,511)	(21,097)	1,854,080
Unrestricted net assets	<u>1,353,943</u>	<u>(2,679,490)</u>	<u>719,784</u>	<u>(605,763)</u>
Total Net Assets	\$ <u>4,532,631</u>	\$ <u>(3,983,001)</u>	\$ <u>698,687</u>	\$ <u>1,248,317</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, 2009**

	<b>Business-Type Activities - Enterprise Funds</b>			
	<b>Transportation Center</b>		<b>Parking</b>	<b>Total</b>
	<b>Public</b>	<b>Private</b>	<b>Lot</b>	
Operating Revenues:				
Rental income	\$ 354,677	\$ 510,889	\$	\$ 865,566
Parking fees	1,800		273,557	275,357
Miscellaneous	44,918	240,149	900	285,967
Total operating revenues	<u>401,395</u>	<u>751,038</u>	<u>274,457</u>	<u>1,426,890</u>
Operating Expenses:				
Professional services	74,100	409,512	210,576	694,188
Overhead	386,398	639,140	12,963	1,038,501
Depreciation	260,409	83,202	11,968	355,579
Total operating expenses	<u>720,907</u>	<u>1,131,854</u>	<u>235,507</u>	<u>2,088,268</u>
Operating Income (Loss)	<u>(319,512)</u>	<u>(380,816)</u>	<u>38,950</u>	<u>(661,378)</u>
Nonoperating Revenues (Expenses):				
Federal grants	438,283	188,434	47,851	674,568
State grants	116,397			116,397
Interest expense			(11,694)	(11,694)
Total nonoperating revenues (expenses)	<u>554,680</u>	<u>188,434</u>	<u>36,157</u>	<u>779,271</u>
Change in Net Assets	235,168	(192,382)	75,107	117,893
Net Assets at Beginning of Year	<u>4,297,463</u>	<u>(3,790,619)</u>	<u>623,580</u>	<u>1,130,424</u>
Net Assets at End of Year	<u>\$ 4,532,631</u>	<u>\$ (3,983,001)</u>	<u>\$ 698,687</u>	<u>\$ 1,248,317</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, 2009**

	<u>Business-Type Activities - Enterprise Funds</u>			
	<u>Transportation Center</u>		<u>Parking</u>	
	<u>Public</u>	<u>Private</u>	<u>Lot</u>	<u>Total</u>
Cash Flows from Operating Activities:				
Receipts from customers and users	\$ 405,976	\$ 753,084	\$ 274,457	\$ 1,433,517
Payments to interfund services provided		(17,163)		(17,163)
Payments to suppliers	(386,795)	(1,019,987)	(233,348)	(1,640,130)
Payments to employees	(39,738)	(8,029)	(544)	(48,311)
Payments for interfund services used	(127,109)		(3,798)	(130,907)
Net cash provided by (used in) operating activities	<u>(147,666)</u>	<u>(292,095)</u>	<u>36,767</u>	<u>(402,994)</u>
Cash Flows from Capital and Related Financing Activities:				
Receipts from federal and state grants	544,865	309,286	47,851	902,002
Purchase of capital assets	(397,199)	(17,191)	(43,574)	(457,964)
Payments of matured portion of bonds			(29,350)	(29,350)
Interest paid on bonds payable			(11,694)	(11,694)
Net cash provided by (used in) capital and related financing activities	<u>147,666</u>	<u>292,095</u>	<u>(36,767)</u>	<u>402,994</u>
Net Increase in Cash and Cash Equivalents	-	-	-	-
Cash and Cash Equivalents at Beginning of Year	-	-	-	-
Cash and Cash Equivalents at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used In) Operating Activities:				
Operating income (loss)	\$ (319,512)	\$ (380,816)	\$ 38,950	\$ (661,378)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	260,409	83,202	11,968	355,579
Change in assets and liabilities:				
Increase in amounts due from other funds	(127,109)		(3,798)	(130,907)
Decrease in other assets	4,581	2,046		6,627
Increase (decrease) in accounts payable	22,423	18,336	(10,353)	30,406
Increase in amounts due to other funds		(17,163)		(17,163)
Increase in other postemployment benefits liability	11,542	2,300		13,842
Total adjustments	<u>171,846</u>	<u>88,721</u>	<u>(2,183)</u>	<u>258,384</u>
Net Cash Provided by (Used In) Operating Activities	<u>\$ (147,666)</u>	<u>\$ (292,095)</u>	<u>\$ 36,767</u>	<u>\$ (402,994)</u>

The accompanying notes are an integral part of the financial statements

# GREATER HARTFORD TRANSIT DISTRICT

## NOTES TO FINANCIAL STATEMENTS

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### 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.

**GREATER HARTFORD TRANSIT DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

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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.

**GREATER HARTFORD TRANSIT DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

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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.

**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.

**D. Restricted Cash**

Restricted cash consists of loss deposit accounts held by the administrator of the District's insurance consortium. These accounts are restricted for payment of claims under the insurance program.

**GREATER HARTFORD TRANSIT DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

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**E. 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

**F. 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.

**G. 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.

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.

**GREATER HARTFORD TRANSIT DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

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**H. 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.

**I. Local Share Deposits**

The District received deposits from other governments to purchase capital equipment funded in part with federal grants. The deposits represent the local matching share required to obtain the federal grant. As expenditures are incurred for these grants, the deposits will be recognized as a source of revenue to fund the equipment purchases.

**J. 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.”

The equity of the fund financial statements is defined as “fund balance.” The District’s fund balances have been classified as unreserved, which means they represent current available financial resources.

**K. 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)**

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**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.

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

**A. Deposits and Investments**

The following is a summary of cash and cash equivalents at June 30, 2009:

Bank deposits	\$ 51,101
MBIA Class Plus Investment	<u>3,562,089</u>
	3,613,190
Restricted cash - escrow account with insurance provider under the Insurance Consortium	<u>300,000</u>
Total Cash and Cash Equivalents	\$ <u><u>3,913,190</u></u>

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

**GREATER HARTFORD TRANSIT DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

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**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, 2009, the MBIA Class Plus Investment was rated A- by Standard and Poor's and A2 by Moody's Investor Service.

**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, 2009, the District's bank balance was not exposed to custodial credit risk because it was covered under federal depository insurance. The restricted escrow account balance of \$300,000 as of June 30, 2009 is uninsured and uncollateralized.

**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.



**GREATER HARTFORD TRANSIT DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

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**C. Capital Assets**

The beginning balance of capital assets used in governmental activities has been restated as discussed in Note 4F. Capital asset activity for the year ended June 30, 2009 was as follows:

	<u>Beginning Balance (Restated)</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	<u>19,780,720</u>	<u>999,850</u>	<u>4,721,370</u>	<u>16,059,200</u>
Total capital assets being depreciated	<u>31,019,686</u>	<u>999,850</u>	<u>4,721,370</u>	<u>27,298,166</u>
Less accumulated depreciation for:				
Buildings and improvements	6,699,108	288,180		6,987,288
Equipment	<u>16,215,041</u>	<u>1,140,260</u>	<u>4,546,792</u>	<u>12,808,509</u>
Total accumulated depreciation	<u>22,914,149</u>	<u>1,428,440</u>	<u>4,546,792</u>	<u>19,795,797</u>
Total capital assets being depreciated, net	<u>8,105,537</u>	<u>(428,590)</u>	<u>174,578</u>	<u>7,502,369</u>
Governmental Activities Capital Assets, Net	<u>\$ 8,345,537</u>	<u>\$ (428,590)</u>	<u>\$ 174,578</u>	<u>\$ 7,742,369</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	9,884,335	414,390		10,298,725
Parking lot	847,690			847,690
Equipment	<u>9,732</u>	<u>43,574</u>		<u>53,306</u>
Total capital assets being depreciated	<u>10,741,757</u>	<u>457,964</u>	<u>-</u>	<u>11,199,721</u>
Less accumulated depreciation for:				
Buildings and improvements	5,079,937	343,611		5,423,548
Parking lot	732,330	10,758		743,088
Equipment	<u>9,732</u>	<u>1,210</u>		<u>10,942</u>
Total accumulated depreciation	<u>5,821,999</u>	<u>355,579</u>	<u>-</u>	<u>6,177,578</u>
Total capital assets being depreciated, net	<u>4,919,758</u>	<u>102,385</u>	<u>-</u>	<u>5,022,143</u>
Business-Type Activities Capital Assets, Net	\$ <u>5,219,758</u>	\$ <u>102,385</u>	\$ <u>-</u>	\$ <u>5,322,143</u>

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

Governmental activities:	
Purchased transportation	\$ 1,236,572
Transit projects	158,537
General administration	<u>33,331</u>
Total Depreciation Expense - Governmental Activities	\$ <u>1,428,440</u>
Business-type activities:	
Transportation Center	\$ 343,611
Parking Lot	<u>11,968</u>
Total Depreciation Expense - Business-Type Activities	\$ <u>355,579</u>

**GREATER HARTFORD TRANSIT DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

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**D. Individual Fund Interfund Receivables, Payables and Transfers**

The composition of interfund balances as of June 30, 2009 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Transportation Fund	\$ 2,732,628
Special Revenue Fund	General Fund	3,290,706
Transportation Center	General Fund	1,355,208
Parking Lot	General Fund	<u>742,503</u>
Total		<u>\$ 8,121,045</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	\$	\$ 22,065	\$ 22,065
Special Revenue Fund	<u>18,139</u>	<u>94</u>	<u>18,233</u>
Total	<u>\$ 18,139</u>	<u>\$ 22,159</u>	<u>\$ 40,298</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, 2009 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	\$ -	\$ 123,286	\$ -	\$ 123,286	\$ -
Business-type activities:					
Revenue bonds	\$ 197,413	\$ -	\$ 29,350	\$ 168,063	\$ 31,295
Mortgage	3,300,000			3,300,000	
Other postemployment benefits	-	13,842	-	13,842	-
Long-Term Liabilities	<u>\$ 3,497,413</u>	<u>\$ 13,842</u>	<u>\$ 29,350</u>	<u>\$ 3,481,905</u>	<u>\$ 31,295</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>
2010	\$ 31,295	\$ 9,750
2011	33,337	7,707
2012	35,513	5,531
2013	37,832	3,213
2014	<u>30,086</u>	<u>797</u>
Total	<u>\$ 168,063</u>	<u>\$ 26,998</u>

**GREATER HARTFORD TRANSIT DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

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**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, 2009 or are anticipated in the foreseeable future.

**F. Lease Commitments**

On December 21, 1981, the District entered into a capital 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, 2009, 2008 and 2007.

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.

**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.

**GREATER HARTFORD TRANSIT DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

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Minimum future rental income to be received by the District from its operating leases in effect at June 30, 2009 is \$13,559,376 assuming future rental income for Amtrak is equal to the current year amount. Scheduled rental income under the terms of the lease agreements for the next five years and thereafter is as follows:

**Year Ending June 30**

2010	\$	755,126
2011		756,247
2012		698,412
2013		661,849
2014		476,982
2015-2081		10,210,759

All leases in effect at June 30, 2009 contain an option to renew upon expiration.

The following is a summary of property leased to others as of June 30, 2009:

Cost:		
Buildings and improvements	\$	10,598,725
Less accumulated depreciation		<u>5,423,548</u>
Net Book Value	\$	<u><u>5,175,177</u></u>

Depreciation expense related to property leased to others totaled \$343,611 for the year ended June 30, 2009.

**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, 2009 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.

**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 \$95,789 for the year ended June 30, 2009. There were no employee contributions made during the year.

**GREATER HARTFORD TRANSIT DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

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**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 sixty 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.

At June 30, 2009, plan membership consisted of the following:

	<b>Retiree Health Plan</b>
Retired members	3
Spouses of retired members	2
Active plan members	<u>8</u>
Total Participants	<u><u>13</u></u>

**Funding Policy**

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

**Annual OPEB Cost and Net OPEB Obligations**

The District's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution (ARC), an amount determined using the Alternative Measurement Method permitted by GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover

**GREATER HARTFORD TRANSIT DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

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normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the District's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Town's net OPEB obligation (asset):

		<b>Retiree Health Plan</b>
Annual required contribution (ARC)	\$	157,001
Interest on net OPEB obligation		-
Adjustment to annual required contribution		-
Annual OPEB cost (expense)		157,001
Contributions made		19,873
Increase in net OPEB obligation		137,128
Net OPEB obligation, beginning of year		-
Net OPEB Obligation, End of Year	\$	137,128

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 year ending June 30, 2009 is presented below. Data is only presented for the fiscal year ended June 30, 2009, due to this being the year of transition.

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost (AOC)</u>	<u>Actual Contribution</u>	<u>Percentage of AOC Contributed</u>	<u>Net OPEB Obligation</u>
June 30, 2009	\$ 157,001	\$ 19,873	12.7%	\$ 137,128

As of June 30, 2009, the most recent actuarial valuation date, the plan was 0% funded. The actuarial accrued liability for benefits was \$842,000, and the actuarial value of assets was \$-0-, resulting in an unfunded actuarial accrued liability (UAAL) of \$842,000. The covered payroll (annual payroll of active employees covered by the plan) was \$652,979.

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. The schedule of funding



**GREATER HARTFORD TRANSIT DISTRICT**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

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

<u>Valuation Date</u>	<u>Actuarial Value Of Assets (A)</u>	<u>Actuarial Accrued Liability (AAL) (B)</u>	<u>Unfunded AAL (UAAL) (B-A)</u>	<u>Funded Ratio (A/B)</u>	<u>Covered Payroll (C)</u>	<u>UAAL as a % of Covered Payroll [(B-A)/C]</u>
June 30, 2009	\$ -	\$ 842,000	\$ (842,000)	0%	\$ 652,979	128%

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, 2009 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 10 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, 2008 was 30 years.

**F. Prior Period Adjustment**

Net assets and capital assets of governmental funds at June 30, 2008 have been increased by \$397,677 from amounts originally reported to correct the omission of capital assets reported on the government-wide basis.

## **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 2400 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.

**GHTD Administrative Projects** - GHTD provides administrative support to grant recipients/applicants related to the application process and environmental assessments. Fees were negotiated specifically for certain tasks that are not included in Grant Administration scope of services.

**Hydrogen Fuel Cell Bus/Union Station Transportation Center** - to account for the vehicle maintenance service contract on the hydrogen powered fuel cell bus and capital improvement as well as rehabilitation efforts at Union Station.

**Congestion Mitigation and Air Quality (CMAQ)** - to utilize CMAQ funds to procure bicycle lockers for the City of Hartford.

**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, 2009

	<u>ADA Program</u>	<u>Other Transportation</u>	<u>Drug and Alcohol Testing Consortium</u>	<u>Hartford Dial-A-Ride Operation</u>	<u>Municipal DAR Grants</u>	<u>Vans, Buses and Equipment</u>	<u>GHTD Administrative Projects</u>	<u>Hydrogen Fuel Cell Bus/ Union Station Transportation Center</u>	<u>Congestion Mitigation and Air Quality</u>	<u>Transit Enhancement Funding of Municipal Bus Shelters</u>	<u>Statewide Transit District Insurance Consortium</u>	<u>Intermodal Center</u>	<u>Total</u>
Revenues:													
Federal grants	\$	\$	\$	\$	\$	\$ 729,928	\$ 6,800	\$ 154,394	643	\$ 47,264	\$	\$ 145,659	\$ 1,084,688
State grants	8,726,533	2,609	285,964		359,590	169,524					2,385,005		11,929,225
Local share				661,495			4,200	37,582		9,466		17,977	730,720
Private contributions	106,357	4,189											110,546
Cash fares	355,299												355,299
Miscellaneous						36,687					900		37,587
Total revenues	<u>9,188,189</u>	<u>6,798</u>	<u>285,964</u>	<u>661,495</u>	<u>359,590</u>	<u>936,139</u>	<u>11,000</u>	<u>191,976</u>	<u>643</u>	<u>56,730</u>	<u>2,385,905</u>	<u>163,636</u>	<u>14,248,065</u>
Expenditures:													
Current:													
Project administration	606,842	1,347	144,556	44,200	42,849	111,859	1,704	51,476	644	1,936	100,678	22,071	1,130,162
Professional services	67,500		141,430		1,430			2,925		8,000			221,285
Purchased transportation	8,518,223	5,599		608,368	315,332			125,000					9,572,522
Insurance and claims											2,285,217		2,285,217
Capital outlay - tangible transit property						837,374		12,582		51,247		141,602	1,042,805
Total expenditures	<u>9,192,565</u>	<u>6,946</u>	<u>285,986</u>	<u>652,568</u>	<u>359,611</u>	<u>949,233</u>	<u>1,704</u>	<u>191,983</u>	<u>644</u>	<u>61,183</u>	<u>2,385,895</u>	<u>163,673</u>	<u>14,251,991</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(4,376)</u>	<u>(148)</u>	<u>(22)</u>	<u>8,927</u>	<u>(21)</u>	<u>(13,094)</u>	<u>9,296</u>	<u>(7)</u>	<u>(1)</u>	<u>(4,453)</u>	<u>10</u>	<u>(37)</u>	<u>(3,926)</u>
Other Financing Sources (Uses):													
Transfers in	4,376	148	22		21	13,094		7	1	4,453		37	22,159
Transfers out				(8,927)			(9,296)				(10)		(18,233)
Total other financing sources (uses)	<u>4,376</u>	<u>148</u>	<u>22</u>	<u>(8,927)</u>	<u>21</u>	<u>13,094</u>	<u>(9,296)</u>	<u>7</u>	<u>1</u>	<u>4,453</u>	<u>(10)</u>	<u>37</u>	<u>3,926</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>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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## 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.

<b>Contents</b>	<b>Page</b>
Financial Trends	38-43
These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	
Revenue Capacity	44
This schedule contains information to help the reader assess the District's most significant revenue source, federal and state grants.	
Debt Capacity	45-46
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	47
This schedule offers demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	
Operating Information	48-51
These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	

**GREATER HARTFORD TRANSIT DISTRICT**

**NET ASSETS BY COMPONENT**

**SINCE INCEPTION OF GASB 34**

**(Accrual Basis of Accounting)**

**YEAR ENDED JUNE 30**

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
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
Restricted for insurance program	251,578	252,251	254,279	308,747	225,000	275,000	300,000
Unrestricted	<u>89,682</u>	<u>111,968</u>	<u>161,523</u>	<u>113,063</u>	<u>274,237</u>	<u>414,093</u>	<u>429,003</u>
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>
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
Unrestricted	<u>(295,640)</u>	<u>(530,432)</u>	<u>(553,210)</u>	<u>(577,940)</u>	<u>(594,539)</u>	<u>(591,921)</u>	<u>(605,763)</u>
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>
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
Restricted for insurance program	251,578	252,251	254,279	308,747	225,000	275,000	300,000
Unrestricted	<u>(205,958)</u>	<u>(670,715)</u>	<u>(391,687)</u>	<u>(464,877)</u>	<u>(320,302)</u>	<u>(177,828)</u>	<u>(176,760)</u>
Total Primary Government Net Assets	<u>\$ 13,794,436</u>	<u>\$ 11,940,111</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>

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
<b>Expenses:</b>							
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
Insurance consortium	2,766,422	2,703,321	2,673,423	2,673,322	2,749,322	2,673,884	2,385,905
Transit projects	4,180,476	4,274,691	4,044,147	3,536,622	4,851,475	251,488	576,686
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>
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
Parking lot	275,924	255,378	256,730	245,977	234,333	252,644	247,201
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>
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>
<b>Program Revenues:</b>							
Governmental activities:							
Charges for services	\$ 1,249,956	\$ 678,945	\$ 633,388	\$ 891,694	\$ 360,895	\$ 350,652	\$ 749,523
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
Capital grants and contributions	1,756,029	934,729	2,533,479	961,182	5,243,616	2,156,057	1,196,488
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>
Business-type activities:							
Transportation center	841,420	1,475,093	1,293,876	1,727,318	953,728	1,049,667	1,426,890
Parking lot	363,461	347,828	317,490	289,285	529,265	537,004	790,965
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>
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>
<b>Net (Expenses) Revenue:</b>							
Governmental activities	\$ (726,212)	\$ (1,355,566)	\$ (286,498)	\$ (572,009)	\$ (628,890)	\$ (650,641)	\$ (787,651)
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>
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>
<b>General Revenues and Other</b>							
<b>Changes in Net Assets:</b>							
Governmental activities:							
Member town contributions	\$ 40,111	\$ 40,111	\$ 39,051	\$ 40,111	\$ 40,111	\$ 40,111	\$ 57,299
Miscellaneous	91,035	33,973	294,887	44,012	39,858	138,985	127,764
Unrestricted investment earnings	4,975	2,476	6,467	11,534	42,671	61,495	39,330
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>
Business-type activities:							
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>
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>
<b>Change in Net Assets:</b>							
Governmental activities	\$ (518,405)	\$ (1,301,281)	\$ 53,907	\$ (476,352)	\$ (506,250)	\$ (408,250)	\$ (563,258)
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>
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>

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)**

	<b>YEAR ENDED JUNE 30</b>						
	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
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
Total primary government expenses	<u>7,798,554</u>	<u>7,742,014</u>	<u>8,692,550</u>	<u>9,264,902</u>	<u>9,428,385</u>	<u>11,560,157</u>	<u>12,464,740</u>
Purchased Transportation Program Revenues:							
Governmental activities:							
Charges for services	1,244,334	673,647	623,250	887,655	368,432	412,954	749,523
Operating grants and contributions	<u>4,492,150</u>	<u>5,895,999</u>	<u>6,525,367</u>	<u>7,632,248</u>	<u>8,095,657</u>	<u>9,167,715</u>	<u>9,858,164</u>
Total government program revenues	<u>5,736,484</u>	<u>6,569,646</u>	<u>7,148,617</u>	<u>8,519,903</u>	<u>8,464,089</u>	<u>9,580,669</u>	<u>10,607,687</u>
Net Revenues (Expenses)/Change in Net Assets:							
Governmental activities	<u>\$ (2,062,070)</u>	<u>\$ (1,172,368)</u>	<u>\$ (1,543,933)</u>	<u>\$ (744,999)</u>	<u>\$ (964,296)</u>	<u>\$ (1,979,488)</u>	<u>\$ (1,857,053)</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**  
**GOVERNMENTAL ACTIVITIES REVENUE BY SOURCE**  
**SINCE INCEPTION OF GASB 34**

<b>Fiscal Year Ended June 30</b>	<b>Federal and State Grants</b>	<b>Contributions from Member Towns</b>	<b>Local and Private Share of Federal Grants</b>	<b>Interest Income</b>	<b>Charter Bus Income</b>	<b>Cash Fares and Miscellaneous</b>	<b>Total</b>
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)**

	<b>YEAR ENDED JUNE 30</b>									
	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
General fund:										
Unreserved	\$ <u>127,654</u>	\$ <u>215,674</u>	\$ <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>
Special revenue fund:										
Reserved for insurance program	\$	\$	\$ 225,251	\$ 251,578	\$ 252,251	\$ 254,279	\$ 308,747	\$ 225,000	\$ 275,000	\$ 300,000
Unreserved	<u>-</u>	<u>-</u>	<u>(225,251)</u>	<u>(251,578)</u>	<u>(252,251)</u>	<u>(254,279)</u>	<u>(308,747)</u>	<u>(225,000)</u>	<u>(275,000)</u>	<u>(300,000)</u>
	\$ <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									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Revenues:										
Federal grants	\$ 1,149,622	\$ 1,501,950	\$ 1,315,337	\$ 2,031,413	\$ 1,060,119	\$ 2,140,658	\$ 976,805	\$ 4,276,240	\$ 1,466,853	\$ 1,084,688
State grants	4,930,868	5,261,599	6,505,124	7,403,563	8,540,911	9,325,370	10,100,355	10,234,846	11,492,765	11,929,225
Contributions from member towns	40,615	40,615	40,615	40,111	40,111	39,051	40,111	40,111	40,111	57,299
Local/private share	1,432,845	1,573,902	1,593,436	1,631,158	835,842	1,029,422	943,492	1,821,681	1,030,882	841,266
Interest income	17,295	14,503	9,231	4,975	2,476	6,467	11,534	42,671	61,495	39,330
Fares	130,584	150,118	184,409	253,877	277,135	259,162	302,858	326,242	335,727	355,299
Incidental charter/vehicle sales						276,816	207,619	7,537	62,302	391,615
Miscellaneous	87,235	88,595	61,474	91,035	33,973	18,071	57,566	151,589	90,158	165,351
Total revenues	<u>7,789,064</u>	<u>8,631,282</u>	<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>
Expenditures:										
Current:										
Project administration	924,854	1,113,831	1,052,616	1,032,139	946,941	1,256,994	1,293,177	1,131,126	1,279,238	1,182,875
Professional services	138,182	169,439	487,836	607,373	223,163	257,921	266,214	216,623	257,518	225,843
Insurance and claims	1,682,643	2,237,941	2,462,023	2,691,422	2,628,321	2,598,423	2,604,229	2,656,650	8,806,695	2,285,217
Purchased transportation	3,862,106	4,077,446	4,729,787	5,356,884	6,052,369	6,767,066	7,449,581	7,617,652	2,557,602	9,964,137
Charter bus maintenance						238,853	172,211			
Capital outlay - tangible transit property	1,150,471	1,063,214	971,784	1,823,740	913,719	1,951,536	848,920	5,201,439	1,491,184	1,042,805
Total expenditures	<u>7,758,256</u>	<u>8,661,871</u>	<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>
Excess (Deficiency) of Revenues over Expenditures	<u>30,808</u>	<u>(30,589)</u>	<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>
Other Financing Sources (Uses):										
Transfers in	97,812	104,059	7,162	134,670	16,160		153,829	87,615	52,851	40,298
Transfers out	(128,600)	(73,000)	(7,162)	(62,984)	(38,435)		(3,544)	(87,615)	(51,051)	(40,298)
Total other financing sources (uses)	<u>(30,788)</u>	<u>31,059</u>	<u>-</u>	<u>71,686</u>	<u>(22,275)</u>	<u>-</u>	<u>150,285</u>	<u>-</u>	<u>1,800</u>	<u>-</u>
Net Change in Fund Balances	20	470	5,580	16,260	3,779	24,224	156,293	77,427	189,856	163,196
Fund Balance at Beginning of Year	<u>215,184</u>	<u>215,204</u>	<u>215,674</u>	<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>
Fund Balance at End of Year	<u>\$ 215,204</u>	<u>\$ 215,674</u>	<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>
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**

<b>Fiscal Year Ended June 30</b>	<b>Federal and State Grants</b>	<b>Contributions from Member Towns</b>	<b>Local and Private Share of Federal Grants</b>	<b>Interest Income</b>	<b>Charter Bus Income</b>	<b>Cash Fares and Miscellaneous</b>	<b>Total</b>
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
2001	6,763,549	40,615	1,573,902	14,503	-	238,713	8,631,282
2000	6,080,490	40,615	1,432,845	17,295	-	217,819	7,789,064

**GREATER HARTFORD TRANSIT DISTRICT**

**PRINCIPAL REVENUE PAYORS**

**CURRENT YEAR AND NINE YEARS AGO**

	<b>YEAR ENDED JUNE 30</b>					
	<b>2009</b>			<b>2000</b>		
	<b>Total Revenue</b>	<b>Rank</b>	<b>Percentage of Total Governmental Revenue</b>	<b>Total Revenue</b>	<b>Rank</b>	<b>Percentage of Total Governmental Revenue</b>
Connecticut Department of Transportation	\$ 11,929,225	1	91.7%	\$ 4,930,868	1	81.1%
Federal Transit Administration	<u>1,084,688</u>	2	<u>8.3%</u>	<u>1,149,622</u>	2	<u>18.9%</u>
	<u>\$ 13,013,913</u>		<u>100%</u>	<u>\$ 6,080,490</u>		<u>100%</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**

<b>Fiscal Year</b>	<b>Gross Revenue (2)</b>	<b>Direct Operating Expenses (1)</b>	<b>Transfers Out</b>	<b>Net Revenue Available for Debt Service</b>	<b>Debt Service Requirements</b>			<b>Coverage</b>
					<b>Principal</b>	<b>Interest</b>	<b>Total</b>	
2009	\$ 274,457	\$ 235,507	\$ -	\$ 38,950	\$ 29,350	\$ 11,694	\$ 41,044	0.95
2008	292,820	239,155	1,800	51,865	27,555	13,489	41,044	1.26
2007	269,360	219,153	-	50,207	25,896	15,180	41,076	1.22
2006	289,285	229,201	-	60,084	24,269	16,776	41,044	1.46
2005	317,490	238,463	-	79,027	22,777	18,267	41,044	1.93
2004	347,828	235,738	-	112,090	21,405	19,640	41,045	2.73
2003	363,461	254,987	-	108,474	20,106	20,937	41,043	2.64
2002	335,403	213,020	-	122,383	18,863	22,181	41,044	2.98
2001	345,059	213,534	112,010	19,515	17,721	23,324	41,045	0.48
2000	375,315	235,489	127,000	12,826	16,638	24,406	41,044	0.31

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

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

**GREATER HARTFORD TRANSIT DISTRICT**

**NET GENERAL BONDED DEBT PER CAPITA**

**LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>Business-Type Activities</b>		<b>Total Government</b>	<b>Per Capita</b>
	<b>Revenue Bonds</b>	<b>Mortgage</b>		
2000	\$ 376,005	\$ 3,300,000	\$ 3,676,005	\$ 6.55
2001	358,011	3,300,000	3,658,011	6.36
2002	339,421	3,300,000	3,639,421	6.31
2003	319,315	3,300,000	3,619,315	6.32
2004	297,910	3,300,000	3,597,910	6.14
2005	275,133	3,300,000	3,575,133	6.06
2006	250,864	3,300,000	3,550,864	6.07
2007	224,968	3,300,000	3,524,968	6.03
2008	197,413	3,300,000	3,497,413	5.98
2009	168,063	3,300,000	3,468,063	5.93

(1) See Demographic Statistics for source of population data.

**GREATER HARTFORD TRANSIT DISTRICT**

**DEMOGRAPHIC STATISTICS**

**LAST TEN FISCAL YEARS**

<b>Fiscal Year Ended June 30</b>	<b>Total Population of Member Towns (1)</b>	<b>Average Per Capita Income of Member Towns (2)</b>	<b>Median Age (2)</b>
2000	561,537	\$ N/A	N/A
2001	575,576	N/A	N/A
2002	576,616	N/A	39
2003	572,984	N/A	40
2004	586,353	N/A	40
2005	590,174	N/A	39
2006	585,379	N/A	N/A
2007	584,529	N/A	N/A
2008	584,894	57,553	39
2009	584,833	N/A	39

Sources:

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

(2) U.S. Census Bureau

N/A - Not available

N/A - Information not available



**GREATER HARTFORD TRANSIT DISTRICT**

**FULL-TIME EQUIVALENT GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM\***

**LAST TEN FISCAL YEARS**

	<b>YEAR ENDED JUNE 30</b>									
	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
General government:										
Management services	3	3	2	2	2	2	2	3	3	3
Finance	2	2	2	2	1	1	1	1	1	1
Building	1	1	1	1	1	1	1	1	1	2
Transportation projects	<u>3</u>	<u>3</u>	<u>3</u>	<u>4</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>1</u>	<u>2</u>	<u>2</u>
Total	<u>9</u>	<u>9</u>	<u>8</u>	<u>9</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>7</u>	<u>8</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**

	<b>YEAR ENDED JUNE 30</b>									
	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>	<b>2001</b>	<b>2000</b>
<u>Number of Passenger Trips</u>										
Dial-A-Ride Service	155,720	315,746	337,053	352,660	271,173	314,517	325,277	368,800	360,633	390,720
Charter Bus Service	456,194	483,607	469,878	480,503	465,012	452,919	436,819	435,780	417,425	414,281
ADA	265,478	277,504	240,030	233,254	211,983	176,521	145,478	116,782	93,793	85,693

**GREATER HARTFORD TRANSIT DISTRICT**

**CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM**

**LAST FIVE\* YEARS**

	<b>YEAR ENDED JUNE 30</b>				
	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>
Number of transportation vehicles:					
Charter Bus Service	27	33	33	33	33
Dial-A-Ride	15	44	68	64	78
ADA	113	106	98	93	93

\* Information for prior years not available