



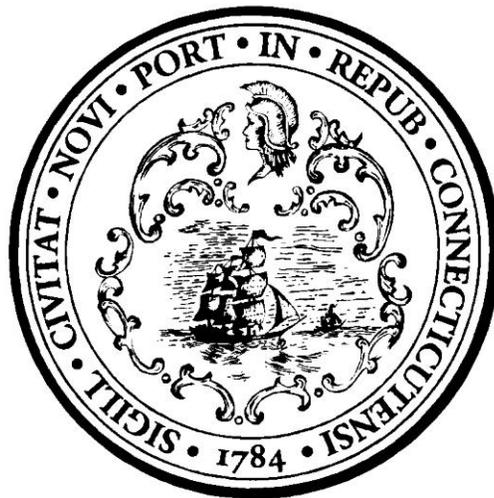
City of New Haven **Connecticut**

Fiscal Year 2013 **Comprehensive** **Annual** **Financial** **Report**

July 1, 2012 - June 30, 2013

COMPREHENSIVE ANNUAL FINANCIAL REPORT
OF THE
CITY OF NEW HAVEN, CONNECTICUT
FOR THE FISCAL YEAR ENDED

June 30, 2013



Prepared by the Department of Finance

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CITY OF NEW HAVEN, CONNECTICUT

FINANCIAL REPORT
For the Year Ended June 30, 2013

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INTRODUCTORY SECTION



CITY OF NEW HAVEN Department of Finance

John DeStefano Jr.
Mayor

Michael J. O'Neil
Acting Controller

200 ORANGE STREET
NEW HAVEN, CONNECTICUT 06510
Tel. (203) 946-8300 - Fax. (203) 946-7244

December 30, 2013

To the Honorable Mayor and Board of
Aldermen of the City of New Haven
New Haven, Connecticut

State law requires that every local government 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, 2013.

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.

McGladrey, LLP, Certified Public Accountants, have issued an unmodified ("clean") opinion on the City of New Haven's financial statements for the year ended June 30, 2013. 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 GOVERNMENT

New Haven was founded in 1638, and incorporated as a city in 1784. The City is located in the heart of the northeast corridor between New York City (75 miles away) and Boston (140 miles away). It occupies 20 square miles and serves a population of 130,000. The City is empowered to levy a property tax on real property, personal property and motor vehicles located within its boundaries.

The City is governed primarily under the Charter which provides for the election, organization, powers and duties of the legislative branch (the "Board of Aldermen"), the powers and duties of the executive branch and the City's fiscal budgetary matters, contracts procurement, property and records. The Mayor, serving as the chief executive officer, is responsible for the execution and enforcement of the laws and ordinances of the City and oversees all administrative functions. The City/Town Clerk serves a term

concurrent with that of the Mayor and is elected city-wide. The Board of Aldermen performs all legislative duties and its President serves as Acting Mayor in the absence of the Mayor.

The Charter provides that the City maintain a variety of public services including the protection of persons and property, maintenance of streets and establishment of health, recreation and welfare facilities. The Constitution of the State of Connecticut establishes free public elementary and secondary education as the responsibility of the State. This responsibility is legislatively delegated to the City acting through its Board of Education. Municipal services provided by the City include: police and fire protection; health care; certain welfare programs; construction and maintenance of streets, highways and bridges; trash collection and disposal; provision for recreational programs and facilities; the acquisition and maintenance of City real and personal property, including vehicles; maintenance of building codes and regulation of licenses and permits; maintenance of records and library services; collection of taxes and revenues; purchase of supplies and equipment; construction and maintenance of airport facilities; and maintenance and operation of on-street parking facilities.

Other governmental authorities provide service within the City, namely the New Haven Parking Authority, and the New Haven Solid Waste and Recycling Authority. The New Haven Parking Authority is an agency of the City established in 1951 to operate certain parking facilities for the City, as well as other parking facilities that are privately owned. The New Haven Solid Waste and Recycling Authority was established in 2008 and is specifically responsible for the operation and management of the City's transfer station for solid waste disposal and recycling.

The Board of Aldermen is required to adopt a budget for the fiscal year no later than May 31 preceding the beginning of the fiscal year on July 1. The annual budget serves as the foundation for the City's financial planning and control. Proposed commitments in excess of appropriations are not processed until additional appropriations are made available. The Board of Aldermen may establish by ordinance, from time to time, an amount of appropriation under the approved budget which the Controller, with the approval of the Mayor, shall be authorized to transfer between line items within any department or from one department to another. No such transfer in excess of such authorized amount shall be implemented unless it shall be proposed by the Mayor and approved by the Board of Aldermen, provided that an increase in the total appropriation shall be approved only by the vote of two-thirds of the entire Board of Aldermen. Budgetary revenues and expenditures are monitored by the Office of Management and Budget.

LOCAL ECONOMY

New Haven is the social and economic center of southern Connecticut. It is among the fastest growing cities in New England in terms of both population and economic significance. Economic drivers in education, the life sciences, advanced manufacturing, IT and supporting service industries are supporting new job growth. New Haven's job base grew 2% in 2011 (twice the state average) and there are now 78,000 jobs in the City, with nearly 300,000 in the New Haven MSA.

New Haven is a dynamic and growing city, placing its residents, employees and visitors at the cross-section of arts, culture, education, health care, and business. As the second largest city in Connecticut, with a population of 129,585 (2011 est.), New Haven is the economic center of a broader MSA region of 862,813 people (2012 est.), and is home to an evolving mixed-use urban core, strong and diverse communities and world-class institutions. While already well-established in New Haven, the so called "eds and meds" (medical, bio-science, and research/development) sector continues to grow. Yale University, Yale Medical School, and the Yale-New Haven Hospital give the City a stable and world-class participation in these sectors. With ample spin-offs from these institutions, entrepreneurship and bioscience have grown exponentially, and are growing in New Haven. Already, 39 of Connecticut's 52 biotech firms are located in the Greater New Haven area.

In the City of New Haven proper, the median household income is \$35,122, as compared to \$69,566 in the entire New Haven metro area. Due to the large number of undergraduate and graduate students residing in New Haven, average household income tends to skew low in official reporting. However, the external support and income sources for Yale University students as well as students from Albertus

Magnus College and Southern Connecticut State University give these students far greater purchasing power than official figures would indicate.

Healthcare, Biotechnology and Life Sciences are central to New Haven's economy and have been the primary driver of recent employment and tax base growth. These industries are centered on two core institutions: Yale-New Haven Hospital and Yale University, particularly the Yale School of Medicine, both of which are world leaders in healthcare, research and education that attract patients, doctors and students from across the world, region and state. These institutions form the center of a broader regional biotech and life sciences cluster consisting of 52 firms, 40 of which are located in the City itself, primarily in the Medical District around Yale-New Haven Hospital and Yale School of Medicine as well as Science Park, located just north of Yale University's main campus.

Yale University, Southern Connecticut State University, Albertus Magnus College, and Gateway Community College all call New Haven home and are major drivers for the local and regional economy. In the New Haven region, educational services employ 24,000 people. More importantly, however, these schools are expanding. Yale University is nearing completion of its new School of Management, which will add 200 students. In addition, Yale is building two new residential colleges, which will cost \$600 million to construct and add 800 additional students, faculty and staff. Gateway Community College with its new Downtown campus was recently completed and is expected to bring 11,000 students and faculty to the heart of the City. New Haven's universities provide a platform from which the City can compete in the global arena. For example, Yale has \$360 million in federal research and development obligations, which ranks 14th nationwide, and its Cooperative Research Technology Transfer program has been instrumental in attracting new biotechnology companies to the region. Additionally, Yale has produced some 40 new start-up companies in Greater New Haven. These companies have attracted over \$3.6 billion in private capital.

Despite significant de-industrialization, manufacturing and food services remain an important component of New Haven's overall economy, but with fewer employees, far greater specialization, and more advanced fabrication methods. New Haven is home to several specialty manufacturers, such as Assa Abloy, a global leader in lock production, Uretek, a high tech fabric manufacturer, and Space Craft Manufacturing, a precision parts manufacturer for jet engines. The City also contains many specialized food services, including bakeries, meat packers, distributors and food wholesalers.

Professional and government services are also important to the local economy. With proximity to a large number of federal and state administrative agencies and federal and state courts, New Haven has a large concentration of attorneys and legal service companies. There are 110 law firms in the City, representing approximately 10% of the state total. In addition, there are some 75 architecture firms employing more than 500 professionals and support staff. The government sector includes major federal facilities, mainly at the Giaimo Federal Services Building in Downtown. The Federal Bureau of Investigation, Naval Reserve Center and United States Coast Guard also have stand-alone regional centers in the City.

In a recent study conducted for the Economic Development Corporation of New Haven, it was estimated that there are approximately 7,500 freelance or self employed workers in New Haven, a significant addition to the City's jobs base, and one that is typically elusive to quantify. These workers are comprised mostly of the telecommuting spouses of academic appointments, sector professionals, and consultants with a broad regional client base.

Long-Term Financial Planning

As a part of the annual budget process, the Mayor prepares and presents a five year capital plan. This plan identifies costs and financing methods for those capital projects that the City anticipates funding over the next five years. The current five year capital plan details projects through fiscal year 2018. The plan provides for the needs not only of the general government but also the Board of Education and addresses such issues as infrastructure, major equipment replacement, educational facilities, public safety, and economic development initiatives. This plan projects total project costs over the five year period of approximately \$349 million. Financing, net of state and federal project grants, for these projects would

require debt proceeds of approximately \$171 million. The financial impact of these initiatives is reviewed by the Board of Aldermen and the Capital Projects Committee.

Relevant Financial Policies

The City and the Board of Education maintain a comprehensive budgetary reporting system to monitor the results of budget operations and to ensure budgetary control and compliance with approved budgets. All annual budgets are recommended by the Mayor to the Board of Aldermen, which approves the final budget. Purchase orders are encumbered and considered as expenditures for budget reporting purposes to ensure the availability of budget appropriations. Purchase orders are not released unless funding is available. Open encumbrances, reflecting goods and services not received are shown as a reservation of fund balance in the financial statements under generally accepted accounting principles (GAAP).

Acknowledgements

The preparation of this report would not have been possible without the skill, effort, and dedication of the entire staff of the Department of Finance. We wish to thank all City departments for their assistance in providing the data necessary to prepare this report.

Respectfully submitted

A handwritten signature in black ink, appearing to read "Michael J. O'Neil", written in a cursive style.

Michael J. O'Neil
Acting Controller

City of New Haven, Connecticut

**Principal City Officials
June 30, 2013**

Mayor

John DeStefano, Jr.

Coordinators

Joe Clerkin, Budget Director
Kelly Murphy, Development Administrator
Robert Smuts, Chief Administrative Officer
Althea Marshall Brooks, Community Services Administrator

Board of Aldermen

Jorge Perez, President
Jaqueline James, President Pro Tempore
Alphonse Paolillo, Jr., Majority Leader
Tyisha Walker, Deputy Majority Leader

Ward

1. Sarah Eidelson
2. Frank E. Douglas, Jr.
3. Jacqueline James
4. Andrea Jackson-Brooks
5. Jorge Perez
6. Dolores Colón
7. Douglas Hausladen
8. Michael B. Smart
9. Jessica Holmes
10. Justin Elicker

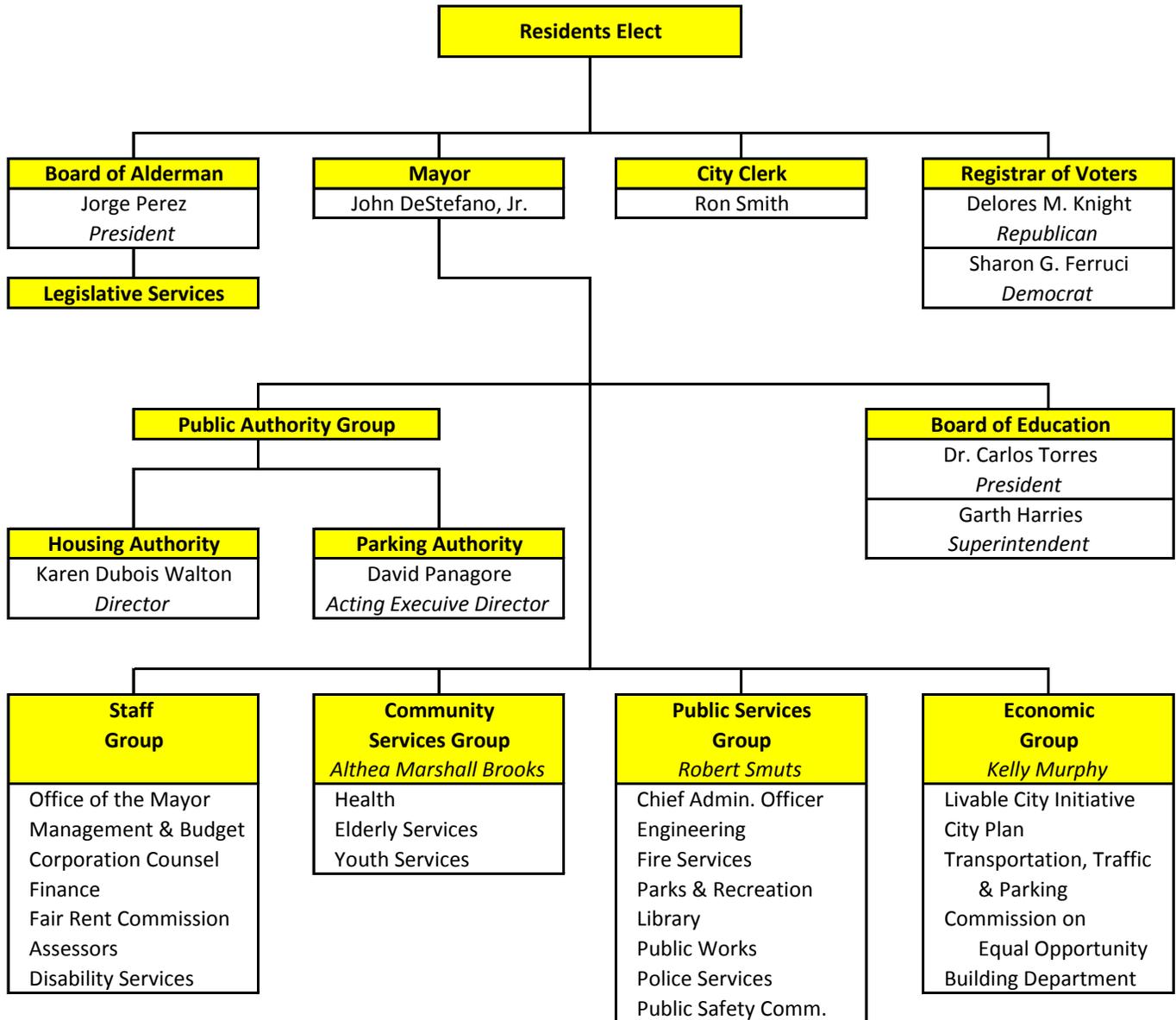
Ward

11. Barbara Constantinople
12. Mark E. Stopa
13. Brenda D. Jones-Barnes
14. Santiago Berrios-Bones
15. Ernie G. Santiago
16. Migdalia Castro
17. Alphonse Paolillo, Jr.
18. Salvatore E. DeCola
19. Alfreda Edwards
20. Delphine Clyburn

Ward

21. Brenda Foskey-Cyrus
22. Jeanette L. Morrison
23. Tyisha Walker
24. Evette Hamilton
25. Adam J. Marchand
26. Sergio Rodriguez
27. Angela Russell
28. Claudette Robinson-Thorpe
29. Brian Wingate
30. Carlton Stagers

City of New Haven Organizational Structure





FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Board of
Aldermen of the City of New Haven
New Haven, Connecticut

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of New Haven, Connecticut (the "City"), as of and for the fiscal year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the New Haven Parking Authority, a component unit of the City, which represents 83 percent, 95 percent and 87 percent respectively, of the assets, net position and revenues of the discretely presented component units. Those statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the New Haven Parking Authority, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of New Haven, Connecticut, as of June 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3-10, the schedules of funding progress and employers contributions on pages 78-80 and budgetary comparison information on pages 73-77 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and other schedules and the introductory and statistical sections 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 other schedules are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, combining and individual fund financial statements and other schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2013 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



New Haven, Connecticut
December 30, 2013

CITY OF NEW HAVEN, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS, *unaudited*
JUNE 30, 2013

As management of the City of New Haven, Connecticut, we offer readers of the City of New Haven's financial statements this narrative overview and analysis of the financial activities of the City of New Haven for the fiscal year ended June 30, 2013. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-iv of this report, as well as the City's basic financial statements that follow this section.

Financial Highlights

- On a government-wide basis, the City's total net position increased by \$2,356,892 million for the fiscal year.
- As of the close of the current fiscal year, the City's governmental funds reported a combined ending fund deficit of (\$35,766,108), a decrease of (\$21,488,384) in comparison with the prior year.
- The City finished the FY13 with a General Fund (primary operating fund) operating deficit of (\$13,513,351) and unassigned General Fund deficit of (\$8,721,555).
- The City's mill rate was 38.88 (per thousand) in FY13.
- The City's FY13, total gross taxable grand list increased to \$5,999,906,181 as compared to FY12 total gross taxable grand list of \$5,224,114,517.
- As of the year-end, the Education Grant Fund reported a fund balance of \$2,089,387 which is \$1,518,890 more than the beginning of the year. This was a result of an operating transfer from the general fund.
- As of the year-end, the Capital Projects Fund reported a fund deficit of \$44,340,625 which is \$5,074,665 greater than the beginning of the year. Major impacts were intergovernmental revenues for school construction from state, issuance of bonds and expenditures mainly for school construction. The deficit in this Fund grew as permanent bonding had not yet been issued.

Overview of Financial Statements

This annual report consists of a series of financial statements. The statement of net position and the statement of activities (Exhibits A and B, respectively) provide information about the activities of the City as a whole and present a longer term view of the City's finances. Fund financial statements are presented in Exhibits C to J. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. The remaining statements provide financial information about activities for which the City acts solely as a trustee or agent for the benefit of those outside of the government.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City of New Haven's finances, in a manner similar to a private sector business.

The analysis of the City as a whole begins with Exhibits A and B of this Financial Report. The statement of net position presents information on all of the City of New Haven's assets and liabilities, with the difference between the two reported as net position. The statements reflect the accrual basis of

accounting, which is similar to accounting used by most private sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The government-wide financial statements report the City's assets and changes in them. The City's net position, the difference between assets and liabilities are a way to monitor the City's financial health. Over time, increases and decreases in net position does serve as an indicator of whether the financial position of the City of New Haven has changed.

In the statement of net position and the statement of activities the City reports its activities:

Governmental Activities - The City of New Haven's basic services are reported here, including education, public safety, public works, health and welfare, culture and recreation and general administration. Property taxes, charges for services, and state and federal grants finance most of these activities.

Business Type Activities - The business type activities of the City of New Haven consist of the Golf Course Enterprise Fund, Skating Rink Enterprise Fund, and the Radio Tower Enterprise Fund.

Fund Financial Statements

The fund financial statements begin with Exhibit C and provide detailed information about the most significant funds – not the City as a whole. Some funds are required to be established by Charter. However, the Board of Aldermen establishes many other funds to help control and manage financial activities for particular purposes or to show that it is meeting legal responsibilities for using grants and other money (like grants received for education from the State and Federal governments). The City's funds are divided into three categories: governmental, proprietary, and fiduciary.

Governmental Funds (Exhibits C, D and E): Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps users determine whether there are greater or fewer financial resources that can be spent in the near future to finance the City's programs. The relationship (or differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds is described in Exhibit E.

Proprietary Funds (Exhibits F, G and H): The City has two different types of proprietary funds. Enterprise Funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its Golf Course, Skating Rink and Radio Tower funds. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for Self-Insurance Reserve, Medical Self-Insurance and Workers Compensation Self-Insurance. Because these funds predominately benefit governmental rather than business-type activities, they have been included within the governmental activities in the government-wide financial statements.

The City has two component units. The New Haven Parking Authority and the New Haven Solid Waste Authority, and independent audits are available for these component units.

Fiduciary Funds (Exhibits I and J): Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's governmental or business type activities. The accounting used for fiduciary funds is much like that used for proprietary funds.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The City of New Haven's combined net position increased from a year ago by \$2,356,892 to \$813,270,794. The analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the City's governmental and business-type activities. Approximately \$16 million of the government-wide net position are restricted for governmental grants and a permanent fund.

Net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$813,270,794 at the close of the fiscal year ended June 30, 2013. The increase was due to government-wide revenues slightly ahead of expenses.

By far the largest portion of the City's assets reflects its investment in capital assets (e.g., infrastructure, land, buildings, machinery and equipment, construction in progress); less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets 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.

CITY OF NEW HAVEN, CONNECTICUT
SUMMARY STATEMENT OF NET POSITION
June 30, 2013 and 2012

TABLE 1

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Current and other assets	\$ 215,663,922	\$ 199,640,846	\$ 840,380	\$ 645,486	\$ 216,504,302	\$ 200,286,332
Capital assets	1,467,678,537	1,452,420,434	-	-	1,467,678,537	1,452,420,434
Total assets	1,683,342,459	1,652,061,280	840,380	645,486	1,684,182,839	1,652,706,766
Other liabilities	234,285,372	213,262,342	386,834	93,328	234,672,206	213,355,670
Long-term liabilities						
outstanding	636,239,839	628,437,194	-	-	636,239,839	628,437,194
Total liabilities	870,525,211	841,699,536	386,834	93,328	870,912,045	841,792,864
Net position:						
Net investment in						
capital assets	950,575,226	920,219,772	-	-	950,575,226	920,219,772
Restricted	16,333,526	13,770,223	-	-	16,333,526	13,770,223
Unrestricted	(154,091,504)	(123,628,251)	453,546	552,158	(153,637,958)	(123,076,093)
Total net position	\$ 812,817,248	\$ 810,361,744	\$ 453,546	\$ 552,158	\$ 813,270,794	\$ 810,913,902

The change in governmental net position is illustrated below:

**CITY OF NEW HAVEN, CONNECTICUT
SUMMARY STATEMENT OF ACTIVITIES
For the Years Ended June 30, 2013 and 2012**

TABLE 2

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Revenues:						
Program Revenues:						
Charges for services	\$ 36,907,521	\$ 25,775,734	\$ 1,189,355	\$ 1,227,809	\$ 38,096,876	\$ 27,003,543
Operating grants and contributions	299,280,981	281,391,602	-	-	299,280,981	281,391,602
Capital grants and contributions	49,720,146	43,861,614	-	-	49,720,146	43,861,614
General Revenues:						
Property taxes	232,021,388	229,270,651	-	-	232,021,388	229,270,651
Grants and contributions not restricted to specific programs	55,960,782	60,472,827	-	-	55,960,782	60,472,827
Investment earnings	119,890	115,962	56	48	119,946	116,010
Total revenues	674,010,708	640,888,390	1,189,411	1,227,857	675,200,119	642,116,247
Expenses:						
Program Expenses:						
General government	44,273,863	42,912,415	-	-	44,273,863	42,912,415
Education	422,504,443	398,188,801	-	-	422,504,443	398,188,801
Public safety	100,514,476	100,752,656	-	-	100,514,476	100,752,656
Public works	28,086,703	29,571,591	-	-	28,086,703	29,571,591
Public services	34,109,046	35,226,515	-	-	34,109,046	35,226,515
Economic Development	16,022,738	7,748,513	-	-	16,022,738	7,748,513
Interest on long-term debt	26,153,935	24,802,662	-	-	26,153,935	24,802,662
Business Type	-	-	1,178,023	1,086,086	1,178,023	1,086,086
Total expenses	671,665,204	639,203,153	1,178,023	1,086,086	672,843,227	640,289,239
Change in net position	2,345,504	1,685,237	11,388	141,771	2,356,892	1,827,008
Transfers	110,000	110,000	(110,000)	(110,000)	-	-
Net Position, beginning	810,361,744	808,566,507	552,158	520,387	810,913,902	809,086,894
Net Position, ending	\$ 812,817,248	\$ 810,361,744	\$ 453,546	\$ 552,158	\$ 813,270,794	\$ 810,913,902

Expenses and Program Revenues – Governmental Activities

Governmental activities' revenues totaled approximately \$674 million for fiscal year 2013. Operating grants and contributions are the largest revenue source for the City and represent 44% of the governmental revenues. Property taxes are the City's second largest revenue and represent 34% of the governmental revenues. Grants and contributions not restricted to specific programs represent 8%.

Capital grants and contributions increased by approximately \$6 million as larger capital improvement grants were received in the current year. Charges to services increased due to increased fines, fees and permits.

Expenses

Governmental expenses totaled \$674 million for the fiscal year. Of the expenditures, 63% is related to education; 15% is related to public safety; 7% to general government; and 5% to public services.

Education expenses increased 2%.

Key elements of the business-type activity are as follows:

- Expenses increased \$92 thousand as a result of increased costs for various expenses.
- Charges for services for business-type activities decreased by \$39 thousand due to reduced fees.

General Fund: Fund Balance, Ratings and City Debt

The year ending audited General Fund-Fund Deficit for FY13 is (\$4,712,555) which reflects a 154% decrease over the previous year.

The major credit rating agencies look to fund balance as a barometer of fiscal health for the City. These rating agencies rate the risk for investors willing to buy debt issued for the purpose of financing the City's capital projects. The City's ratings history has remained unchanged for the last ten years with both Moody's and Standard and Poor's. Fitch and Standard and Poor's changed their outlook for the City from "stable" to "negative this year."

Higher ratings translate into lower interest costs on capital borrowings. In conjunction with the City's sale of \$37,750,000 in general obligation bonds in October 2013, all three ratings agencies affirmed the City's rating as follows:

Moody's Investment Services	A3 rating
Standard and Poor's	BBB+ rating
Fitch Investors Services	A- rating

All three rating agencies identified as strengths the City's economic base anchored by the higher education presence of Yale University and other education institutions, the strong presence of medical, healthcare, pharmaceuticals and biotechnology. Sizeable ongoing economic developments that should continue to bolster the property tax base and strong property tax collections were also cited as favorable factors. Contributing to the "negative" outlook assigned by all three agencies were the City's reliance on one-time revenues, declining reserves and large unfunded pension and other postemployment benefit (OPEB) liabilities.

The City's bonds outstanding, as of June 30, 2013 totaled \$502,002,907 compared to June 30, 2012 total of \$503,382,312.

<u>Bonds Outstanding at Year-End</u>	
June 30, 2013	\$ 502,002,907
June 30, 2012	\$ 503,382,312
June 30, 2011	\$ 499,238,340
June 30, 2010	\$ 511,287,768
June 30, 2009	\$ 501,192,130
June 30, 2008	\$ 497,007,908
June 30, 2007	\$ 490,896,510
June 30, 2006	\$ 503,307,879
June 30, 2005	\$ 525,278,746
June 30, 2004	\$ 500,848,442
June 30, 2003	\$ 428,682,276

The City's current debt service requirements attribute 61% of its costs to the City's Board of Education (includes both school construction and non-school construction capital costs) and 39% of its cost to other City capital expenses.

Additional information on the City's long-term debt can be found in Note 10.

Capital Assets

At June 30, 2013 the City had \$1.5 billion invested in a broad range of capital assets, including land, construction in process, buildings, vehicles and equipment, roads, bridges and storm sewer lines.

**CITY OF NEW HAVEN, CONNECTICUT
CAPITAL ASSETS
(Net of Depreciation)**

TABLE 3

	2013	2012
Land	\$ 44,140,306	\$ 44,140,306
Construction in process	27,295,663	94,858,468
Land improvements	6,546,834	6,272,720
Building and improvements	1,264,666,222	1,206,348,938
Machinery and equipment	15,187,948	9,709,036
Vehicles	8,116,324	7,787,381
Infrastructure	101,725,240	83,303,585
Total	\$ 1,467,678,537	\$ 1,452,420,434

Major additions during FY13 included the continuing improvements and construction of facilities as part of the City's school construction program.

Additional information on the City's capital assets can be found in Note 8.

FY13 General Fund Budget

The following table summarizes the General Fund operating results for FY13:

	Original Budget	Final Budget	Actual	Positive (Negative) Variance
Revenues	\$ 486,400,365	\$ 486,400,365	\$ 481,875,935	\$ (4,524,430)
Expenditures	486,400,365	486,400,365	486,381,040	19,325
Surplus/(Deficit)	\$ -	\$ -	\$ (4,505,105)	\$ (4,505,105)

The budget increased by 2.3% or \$11 million over the previous year, and the mill rate was 38.88 mills. Budgeted property tax revenue increased by \$7.7 million due to a 16.2% increase in the 2011 Grand List (after full revaluation). The revenue budget reflected the Governor's biennial budget (FY12 and FY13) which maintained core education funding while providing new sources of revenue that provided some structural tax relief to the City. Nearly every operating department operated with no increases in their budgets. The Board of Education received additional funding of \$1.2 million (.7%) after three years with no increase. Non-education staffing levels were increased by 2.4% (35 positions).

The City met its annual required contribution (ARC) to both its pension funds although the increase in required funding was \$1.6 million over the previous year (4%). As the fiscal year progressed, several areas of concern arose which contributed to the operating deficit that was realized. These factors were:

State PILOT for Colleges and Hospitals – Due to a failure by the State to update the second year of its biennial budget (FY12 and FY13) to reflect statewide property revaluations, which had the effect of temporarily reducing the City's proportional share of PILOT funding related to colleges and hospitals, actual funding received under this program was \$2.4 million (6.5%) less than budgeted.

Yale-New Haven Hospital Payment – The projected recalculation of the Yale-New Haven Hospital voluntary payment after the merger with St. Raphael's Hospital did not take place resulting in a \$1.6 million shortfall in revenue.

State Revenue Sharing Program – Although the City budgeted revenues for this program based on FY12 payments actually received, the FY13 payments fall short of budget by \$1.5 million

Internal Service Funds:

The City's internal service funds are for Public Liability Self-Insurance, Medical Self-Insurance and Worker's Compensation Self-Insurance.

Self Insurance Reserve Fund:

The City's Self-Insurance Reserve Fund has a negative net position of \$11,913,032 of which, \$5.1 million is attributed to case reserves. Approximately \$2.8 million represents an under-funded liability for the City. The total negative net position is lower than the previous year total of \$17,792,936 due primarily to a transfer from the general fund of \$6 million of general obligation bond proceeds.

The City has begun to address the accumulated deficits in the fund. In FY13, \$6 million of general obligation bonds were issued to pay for certain settlements paid from the fund. The City has planned to similarly finance \$2 million in transfers to the fund in each of the following three fiscal years, in addition to regular appropriations in the annual operating budget. The City has introduced and maintained many risk control programs to its various City agencies in order to limit its risk. Most importantly, the City has worked steadfastly on work zone safety including street and road construction, driver training and conducts safety meetings with all of its City agencies. Additionally, the City maintains General Liability and Public Officials Liability insurance coverage, paying in excess of \$1 million annually in insurance premiums.

Medical Self-Insurance:

As a self-insured entity, the City covers all associated costs for its employees' health benefits. Anthem Health Care Plans is the third-party administrator and the City uses the Anthem Health Care network. The Medical Self-Insurance Fund ended with a deficit of \$2,478,305 for the year ending June 30, 2013. There was a 2% increase in total expenditures from \$67,284,909 spent in FY12 to \$68,670,139 spent in FY13. Annually, the City solicits proposals from insurance companies interested in providing excess "stop-loss" medical benefit insurance. The City has been able to obtain this insurance for FY13, with a stop-loss limit of \$1.5 million.

Capital Project Funds:

The City and Board of Education's capital projects are funded through the City's Capital Budget. Funds are borrowed to finance the cost of capital improvements throughout the City and Board of Education and for the City's share of the cost for the school construction program.

The Office of the Controller enforces budgetary controls in its administration of capital projects. All capital expenditures must be appropriate in their use as stated in the capital funds narrative. The City implemented the Capital Funds Borrowing Plan in fiscal year 2003. The plan calls for annual reviews of all outstanding capital appropriations for their importance and priority. It also defines the life of a capital appropriation and establishes procedures so that capital borrowings meet the financial parameters established in the Capital Funds Borrowing Plan. The review of capital appropriations successfully resulted in the closing out of various capital accounts when projects were completed and funds remained unspent and un-obligated. In FY 2013, Capital Project Funds collectively had a net deficit of \$44,340,625 which was an increase from the prior year deficit of \$39,265,960 as expenses exceeded revenues.

Education Grants:

The City's Education Grant Funds reported an increase in revenues of \$8.5 million and an increase in spending of \$4.7 million, resulting in an increase in fund balance. The City transferred in \$7.2 million of General Fund contributions to the Food Service Fund for the City's School Breakfast and Lunch Programs(to eliminate accumulated interfund advances from previous years), and in addition, received \$2.9 million of America Recovery and Reinvestment Act funds through the U.S. Department of Education.

Tax Collections

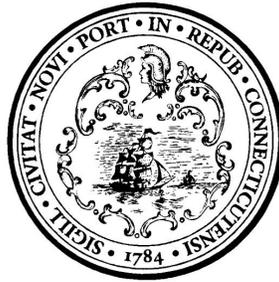
Current Taxes

The City's tax collection rate for FY13 was 97.5%, a slight increase from the prior years rate of 97.2%. Total collections on current (Grand List 2011) taxes were as follows:

Real Estate	\$ 196,772,470
Personal Property	21,036,067
Motor Vehicle	13,257,760
Supplemental Motor Vehicle	2,360,683
Total	<u>\$ 233,426,980</u>

Conclusion

The preparation of this report could not have been accomplished if it were not for the dedicated service of the staffs of the Department of Finance, Office of Management and Budget and members of other City departments who assisted in its compilation. I extend my appreciation to each of these individuals, and to Mayor John DeStefano, Jr., Board of Aldermen President Jorge Perez, Finance Committee Chair Andrea Jackson-Brooks and the Board of Aldermen for their interest and support in the conducting of the financial operations of this City in a responsible and progressive manner.



**BASIC FINANCIAL
STATEMENTS**

STATEMENT OF NET POSITION

June 30, 2013

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total *	Parking Authority	Solid Waste Authority
Assets					
Cash and cash equivalents	\$ 44,861,893	\$ 787,200	\$ 45,649,093	\$ 2,029,354	\$ 110,885
Investments	8,906,609	-	8,906,609	-	-
Receivables (net of allowance for uncollectible)	95,728,186	53,180	95,781,366	1,239,169	655,002
Inventories	120,068	-	120,068	-	-
Prepaid expenses and other assets	-	-	-	94,116	-
Deferred charges	2,837,662	-	2,837,662	273,615	-
Due from component units	211,005	-	211,005	-	-
Restricted cash and cash equivalents	23,171,406	-	23,171,406	21,586,420	666,282
Restricted investments	-	-	-	2,910,502	3,209,410
Long-term intergovernmental receivables	39,827,093	-	39,827,093	-	-
Capital assets not being depreciated	71,435,969	-	71,435,969	9,299,249	2,455,000
Capital assets being depreciated, net	1,396,242,568	-	1,396,242,568	19,766,262	4,692,894
Total assets	1,683,342,459	840,380	1,684,182,839	57,198,687	11,789,473
Liabilities					
Accounts payable and accrued liabilities	74,624,906	281,115	74,906,021	1,861,597	449,530
Internal balances	(105,719)	105,719	-	-	-
Accrued interest payable	7,025,432	-	7,025,432	36,594	-
Due to fiduciary funds	15,000	-	15,000	-	-
Due to primary government	-	-	-	61,005	150,000
Unearned revenue	10,496,112	-	10,496,112	-	-
Grant anticipation notes payable	67,925,927	-	67,925,927	-	-
Long-term Liabilities:					
Due within one year	74,303,714	-	74,303,714	3,197,000	435,000
Due in more than one year	636,239,839	-	636,239,839	10,166,099	8,482,680
Total liabilities	870,525,211	386,834	870,912,045	15,322,295	9,517,210
Net Position					
Net investment in capital assets	950,575,226	-	950,575,226	20,746,299	1,147,896
Restricted for:					
Permanent funds	3,449,117	-	3,449,117	-	-
Education	1,969,319	-	1,969,319	-	-
Public service	8,588,900	-	8,588,900	-	-
Other	1,833,047	-	1,833,047	-	-
Public works	493,143	-	493,143	19,449,962	-
Unrestricted (deficit)	(154,091,504)	453,546	(153,637,958)	1,680,131	1,124,367
Total net position	\$ 812,817,248	\$ 453,546	\$ 813,270,794	\$ 41,876,392	\$ 2,272,263

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

* After internal receivable and payables have been eliminated.

CITY OF NEW HAVEN, CONNECTICUT

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2013

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities:				
General government	\$ (44,273,863)	\$ 17,241,477	\$ 12,440,253	\$ -
Education	(422,504,443)	1,429,175	263,569,781	43,029,024
Public Safety	(100,514,476)	3,051,730	-	-
Public Works	(28,086,703)	13,557,431	-	6,691,122
Public Services	(34,109,046)	1,627,708	23,270,947	-
Economic Development	(16,022,738)	-	-	-
Interest on Long-Term Debt	(26,153,935)	-	-	-
Total governmental activities	(671,665,204)	36,907,521	299,280,981	49,720,146
Business-Type Activities				
Golf course	(867,172)	900,523	-	-
Skating rink	(211,952)	207,996	-	-
East Rock Communications Tower	(98,899)	80,836	-	-
Total business-type activities	(1,178,023)	1,189,355	-	-
Total primary government	(672,843,227)	38,096,876	299,280,981	49,720,146
Component Units:				
Parking Authority	(19,092,249)	23,077,278	-	-
Solid Waste Authority	(5,846,821)	6,467,908	-	-
Total component units	(24,939,070)	29,545,186	-	-
<p>General revenues: Property taxes Grants and contributions not restricted to specific programs Investment earnings Transfers Total general revenues and transfers</p> <p>Change in net position</p> <p>Net position, beginning Net position - ending</p>				

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

EXHIBIT B

Primary Government			Component Units	
Governmental Activities	Business-Type Activities	Total	Parking Authority	Solid Waste Authority
\$ (14,592,133)	\$ -	\$ (14,592,133)	\$ -	\$ -
(114,476,463)	-	(114,476,463)	-	-
(97,462,746)	-	(97,462,746)	-	-
(7,838,150)	-	(7,838,150)	-	-
(9,210,391)	-	(9,210,391)	-	-
(16,022,738)	-	(16,022,738)	-	-
(26,153,935)	-	(26,153,935)	-	-
(285,756,556)	-	(285,756,556)	-	-
-	33,351	33,351	-	-
-	(3,956)	-	-	-
-	(18,063)	-	-	-
-	11,332	-	-	-
(285,756,556)	11,332	(285,756,556)	-	-
-	-	-	3,985,029	-
-	-	-	-	621,087
-	-	-	3,985,029	621,087
232,021,388	-	232,021,388	-	-
55,960,782	-	55,960,782	-	-
119,890	56	119,946	158,971	5,316
110,000	(110,000)	-	-	-
288,212,060	(109,944)	288,102,116	158,971	5,316
2,455,504	(98,612)	2,356,892	4,144,000	626,403
810,361,744	552,158	810,913,902	37,732,392	1,645,860
\$ 812,817,248	\$ 453,546	\$ 813,270,794	\$ 41,876,392	\$ 2,272,263

BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2013

	General Fund	Education Grant Funds	Capital Project Funds	Other Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Cash and cash equivalents	\$ 19,313,563	\$ 5,433,620	\$ 6,146,871	\$ 12,190,688	\$ 43,084,742
Investments	2,098,960	-	-	6,807,649	8,906,609
Restricted cash	-	-	23,171,406	-	23,171,406
Receivables from other governments	39,835,742	5,782,375	57,162,890	2,706,067	105,487,074
Receivables, net	27,314,654	63,287	315,545	304,932	27,998,418
Due from other funds	4,827,841	-	2,682,169	-	7,510,010
Inventories	-	120,068	-	-	120,068
Advances to other funds	4,000,000	-	-	-	4,000,000
Total assets	\$ 97,390,760	\$ 11,399,350	\$ 89,478,881	\$ 22,009,336	\$ 220,278,327
Liabilities					
Accounts payable	\$ 24,745,696	\$ 4,112,622	\$ 7,765,341	\$ 4,137,126	\$ 40,760,785
Accrued liabilities	14,719,975	1,970,263	26,557	166,852	16,883,647
Due to other funds	-	3,227,078	-	2,007,068	5,234,146
Due to other governments	255,371	-	-	377,421	632,792
Deferred revenue	51,914,946	-	56,712,503	1,368,352	109,995,801
Unearned revenue	10,476,327	-	-	19,785	10,496,112
Grant anticipation notes	-	-	67,925,927	-	67,925,927
Other liabilities	-	-	1,389,178	2,726,047	4,115,225
Total liabilities	102,112,315	9,309,963	133,819,506	10,802,651	256,044,435
Fund balances (deficits)					
Nonspendable	4,000,000	120,068	-	2,381,320	6,501,388
Restricted	-	1,969,319	-	11,982,887	13,952,206
Assigned	-	-	-	783,844	783,844
Unassigned (Deficits)	(8,721,555)	-	(44,340,625)	(3,941,366)	(57,003,546)
Total fund balances (deficits)	(4,721,555)	2,089,387	(44,340,625)	11,206,685	(35,766,108)
Total liabilities and fund balances (deficits)	\$ 97,390,760	\$ 11,399,350	\$ 89,478,881	\$ 22,009,336	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds.	1,467,678,537
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.	(7,025,432)
Deferred Charges	2,837,662
Deferred revenues are not available and therefore not recognized in the funds	109,995,801
Internal service funds are used by management to charge the costs of risk management to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	(14,359,659)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(710,543,553)

Net position of governmental activities
\$ 812,817,248

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

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS) - GOVERNMENTAL FUNDS
For the Year Ended June 30, 2013

	General Fund	Education Grant Funds	Capital Project Funds	Other Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Property taxes	\$ 230,988,343	\$ -	\$ -	\$ -	\$ 230,988,343
Licenses and permits	16,207,851	-	-	-	16,207,851
Intergovernmental	234,142,830	69,020,679	24,392,474	40,949,047	368,505,030
Charges for services	5,999,796	1,397,096	-	4,261,413	11,658,305
Fines	4,502,154	-	-	-	4,502,154
Investment earnings	249	-	-	119,641	119,890
Payment in lieu of taxes	1,943,383	-	-	-	1,943,383
Contributions and other	13,238,985	1,939,745	1,831,897	2,823,017	19,833,644
Total revenues	507,023,591	72,357,520	26,224,371	48,153,118	653,758,600
Expenditures					
Current:					
General government	25,676,922	-	705,600	7,669,424	34,051,946
Public safety	72,103,165	-	-	-	72,103,165
Public works	14,239,985	-	-	7,403,611	21,643,596
Public services	5,984,801	-	-	22,035,629	28,020,430
Other Departments	1,437,285	-	-	-	1,437,285
Employee benefits and insurance	128,736,336	-	-	-	128,736,336
Economic Development	6,735,033	-	9,287,705	-	16,022,738
Education	204,422,059	78,066,230	-	16,748,400	299,236,689
Debt Service:					
Principal	42,374,766	-	-	480,300	42,855,066
Interest	22,289,228	-	650,481	15,658	22,955,367
Capital outlay	-	-	57,765,250	-	57,765,250
Total expenditures	523,999,580	78,066,230	68,409,036	54,353,022	724,827,868
Revenues over (under) expenditures	(16,975,989)	(5,708,710)	(42,184,665)	(6,199,904)	(71,069,268)
Other Financing Sources (Uses)					
Issuance of bonds	6,000,000	-	37,000,000	-	43,000,000
Premium on bond issuances	1,538,351	-	-	-	1,538,351
Transfers in	-	7,227,600	110,000	1,780,646	9,118,246
Transfers out	(9,008,246)	-	-	-	(9,008,246)
Payment to escrow agent	(51,372,532)	-	-	-	(51,372,532)
Refunding bond proceeds	47,700,000	-	-	-	47,700,000
Bond premium on refunding	4,105,065	-	-	-	4,105,065
Proceeds related to street discontinuance and sale of capital assets	4,500,000	-	-	-	4,500,000
Total other financing sources (uses)	3,462,638	7,227,600	37,110,000	1,780,646	49,580,884
Net change in fund balances (deficits)	(13,513,351)	1,518,890	(5,074,665)	(4,419,258)	(21,488,384)
Fund Balances (Deficits), beginning	8,791,796	570,497	(39,265,960)	15,625,943	(14,277,724)
Fund Balances (Deficits), ending	\$ (4,721,555)	\$ 2,089,387	\$ (44,340,625)	\$ 11,206,685	\$ (35,766,108)

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

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2013**

Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Position:

Amounts reported for governmental activities in the statement of activities (Exhibit B)
are different because:

Net change in fund balances-total governmental funds (Exhibit D)	\$ (21,488,384)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	15,258,103
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	11,540,938
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(524,049)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	(6,912,522)
Internal service funds are used by management to charge the costs of liability and medical insurance to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities.	<u>4,581,418</u>
Change in net position of governmental activities (Exhibit B)	<u>\$ 2,455,504</u>

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

STATEMENT OF NET POSITION (DEFICIT) - PROPRIETARY FUNDS
June 30, 2013

	Business-Type Activities - Enterprise Fund	Governmental Activities Internal Service Funds
	Other Enterprise Funds	Funds
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 787,200	\$ 1,777,151
Accounts receivable (net allowance for uncollectible)	53,180	2,280,792
Due from other funds	4,281	787,557
Total assets	844,661	4,845,500
LIABILITIES		
Current liabilities:		
Accounts payable and accrued liabilities	281,115	240,712
Due to other funds	110,000	2,972,702
Accrued estimated healthcare claims	-	6,871,745
Claims and judgments payable	-	705,000
Total current liabilities	391,115	10,790,159
Noncurrent liabilities:		
Claims and judgments payable	-	4,415,000
Advances from other funds	-	4,000,000
Total noncurrent liabilities	-	8,415,000
Total liabilities	391,115	19,205,159
NET POSITION (DEFICIT)		
Unrestricted	453,546	(14,359,659)
Total net position (deficit)	\$ 453,546	\$ (14,359,659)

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

STATEMENT OF ACTIVITIES - PROPRIETARY FUNDS
For the Year Ended June 30, 2013

	Business-Type Activities - Enterprise Fund	Governmental Activities Internal Service Funds
	Other Enterprise Funds	Funds
OPERATING REVENUES		
Charges for sales and services:		
Other services	\$ 1,189,355	\$ 75,775,413
Total operating revenues	<u>1,189,355</u>	<u>75,775,413</u>
OPERATING EXPENSES		
Costs of sales and services	1,178,023	71,193,995
Total operating expenses	<u>1,178,023</u>	<u>71,193,995</u>
Operating income	<u>11,332</u>	<u>4,581,418</u>
NONOPERATING REVENUES		
Interest income	56	-
Total non-operating revenues	<u>56</u>	<u>-</u>
Net income before transfers	11,388	4,581,418
TRANSFERS		
Transfers out	110,000	-
Total transfers	<u>110,000</u>	<u>-</u>
Change in net position	(98,612)	4,581,418
FUND NET POSITION (DEFICIT), beginning	<u>552,158</u>	<u>(18,941,077)</u>
FUND NET POSITION (DEFICIT), ending	<u>\$ 453,546</u>	<u>\$ (14,359,659)</u>

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

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
For the Year Ended June 30, 2013

	Business-Type Activities - Enterprise Fund	Governmental Activities Internal Service Funds
Cash Flow From Operating Activities		
City's contribution	\$ -	\$ 83,327,877
Cash received from users	1,153,874	14,362,864
Payments to suppliers	(994,515)	-
Cash payment to other funds	-	(382,423)
Claims and other expenses paid	-	(99,779,201)
Net cash provided by (used in) operating activities	159,359	(2,470,883)
Cash Flows From Investing Activities		
Interest and dividends	56	-
Increase (decrease) in cash and cash equivalents	159,415	(2,470,883)
Cash and Cash Equivalents		
Beginning	627,785	4,248,034
Ending	\$ 787,200	\$ 1,777,151
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities		
Operating income	\$ 11,388	\$ 4,581,418
Adjustments to reconcile operating income to net cash provided by (used in) operating activities		
Change in assets and liabilities:		
(Increase) decrease in accounts receivable, net	(35,477)	487,587
Increase (decrease) in accounts payable	73,070	(229,465)
Decrease in accrued expenses and claims payable	-	(3,238,217)
Increase in accrued estimated healthcare payments	-	285,094
Increase (decrease) in due to other funds and advances	110,378	(4,357,300)
Net cash provided by (used in) operating activities	\$ 159,359	\$ (2,470,883)

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

STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS
June 30, 2013

	Trust Funds	Agency Funds
ASSETS		
Cash and short-term investments	\$ 41,756,484	\$ 894,479
Interest and dividends receivable	1,204,316	-
Accounts receivable - investment sales	2,487,118	-
Accounts receivable - other	3,583,723	-
Due from other funds	15,000	-
	<u>49,046,641</u>	<u>894,479</u>
Investments:		
Government agencies	5,789,231	-
Government bonds	16,449,504	-
Municipal bonds	138,043	-
Common and preferred stock	249,698,335	-
Fixed Income	4,018,952	-
Commercial backed mortgages	1,145,863	-
Corporate bonds	34,018,485	-
Corporate convertible bonds	2,984,476	-
Managed Futures	12,076,871	-
Asset-backed securities	6,057,091	-
Venture capital partnerships	49,522,299	-
Commodity - ETFs	91,688	-
Non-government backed bonds	939,607	-
Real estate funds	30,916,558	-
Total investments	<u>413,847,003</u>	<u>-</u>
Total assets	<u>462,893,644</u>	<u>894,479</u>
LIABILITIES		
Accounts payable - vendors	805,990	-
Accounts payable - investment purchases	3,529,331	-
Accounts payable - other	238,851	-
Accrued liabilities	504,759	-
Amounts held for others	-	894,479
Total liabilities	<u>5,078,931</u>	<u>894,479</u>
NET POSITION	<u>\$ 457,814,713</u>	<u>\$ -</u>

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

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - FIDUCIARY FUNDS
For the Year Ended June 30, 2013

	Trust Funds
	<u> </u>
ADDITIONS	
Contributions:	
Employer contributions	\$ 59,885,319
Plan members	<u>12,609,865</u>
Total contributions	<u>72,495,184</u>
Investment Gain:	
Net appreciation in fair value of investments	44,278,977
Interest and dividends	12,685,471
Miscellaneous Income	<u>215,233</u>
Total investment income	<u>57,179,681</u>
Less investment expenses:	2,333,512
Net investment income	<u>54,846,169</u>
Total additions	<u>127,341,353</u>
DEDUCTIONS	
Benefits	93,858,268
Investment administrative fees	<u>887,978</u>
Total deductions	<u>94,746,246</u>
Changes in net position	32,595,107
NET POSITION	
Beginning of year	<u>425,219,606</u>
End of year	<u><u>\$ 457,814,713</u></u>

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

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

Note 1. Summary of Significant Accounting Policies

Reporting Entity

The City of New Haven, Connecticut (the City) was incorporated as a City in 1784. The City covers an area of 21.1 square miles, and is located 75 miles east of New York City. The City operates under a Mayor-Board of Aldermen form of government and provides a full range of services including public safety, roads, sanitation, health, social services, culture and recreation, education, planning, zoning and general administrative services to its residents.

Accounting principles generally accepted in the United States of America require that the reporting entity include (1) the primary government; (2) organizations for which the primary government is financially accountable; and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The criteria provided in Government Accounting Standards Board Codification 2100 have been considered, as a result, the component units discussed below are included in the City's reporting entity because of their operational significance or financial relationship with the City.

The City adopted GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, in the current year. The adoption of this Statement changed the presentation of the basic financial statements to a statement of net position format.

The City also adopted GASB Statement 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. GASB 62 incorporates into the GASB's authoritative literature certain accounting and financial reporting guidance that are included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements: Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the American Institute of Certified Public Accountants' (AICPA) Committee on Accounting Procedure. GASB 62 does not have any impact on the City's financial statements.

Discretely Presented Component Units

Discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the City. They are financially accountable to the City, or have relationships with the City such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. For each discretely presented component unit the potential exists for a financial burden or benefit to be imposed on the City as a result of the existence of the component unit. For the discretely presented component units included in the City's financial statements, the City, generally acting through the Mayor, appoints a voting majority of the component units' governing boards.

New Haven Parking Authority - The New Haven Parking Authority (the "Parking Authority") was created and established in 1951 by a special act of the General Assembly of the State for the purpose of developing, maintaining, and operating parking facilities for the City

New Haven Solid Waste and Recycling Authority - The New Haven Solid Waste Authority is a public body politic and corporate of the state and is a political subdivision of the State established and created for the performance of the essential public and governmental function of furthering health, safety and welfare of the residents of the City.

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2013

Complete financial statements of the individual component units can be obtained from their respective administrative offices.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting board for governmental accounting financial reporting principles. These principles require that the City report government-wide and fund financial statements, which are described below.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the City and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the City is reported separately from certain discretely presented component units.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Internal service fund balances, whether positive or negative, have been eliminated against the expenses and program revenues reported in governmental activities Statement of Activities.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are proprietary fund and fiduciary fund financial statements. Under this method, revenues are recorded when earned and expenses are recorded when liabilities are incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied for. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Agency fund financial statements are on the accrual basis with no measurement focus.

The 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. 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. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, expenditures related to long-term liabilities, such as debt service payments and expenditures related to compensated absences, pension obligations and other post-employment obligations and claims and judgments, are recorded only when payment is due (matured).

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2013

Property taxes when levied for, intergovernmental revenues, when eligibility requirements have been met, charges for services, and interest associated with the current fiscal period are all considered to be measurable and so have been recognized as revenues of the current fiscal period, if available. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items, primarily licenses and fees, are considered to be measurable and available only when cash is received.

The City reports the following major governmental funds:

The **General Fund** is the general operating fund of the City's government. The General Fund is used to account for and report all financial resources not accounted for and reported in another fund.

The **Education Grants Fund** is used to account for and report the expenditures of State and Federal grants, as well as other sources of school-based income, received for a variety of school programs.

The **Capital Project Fund** is used to account for and report resources that are restricted, committed or assigned for the acquisition and construction of capital facilities, including those that are financed through special assessments.

Additionally, the City reports the following fund types:

Governmental Funds

Special Revenue Funds - Used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt.

Debt Service Fund – Used to account for and report financial resources that are restricted, committed or assigned to expenditure for principal and interest.

Permanent Funds - Used to account for and report the resources that are legally restricted to the extent that earnings, and not principal, may be used for purposes that support the reporting government's programs.

Proprietary Funds

Enterprise Funds - Used to account for operations as follows:

- a. Financed and operated in a manner similar to private business enterprises;
- b. Where the governing body has decided that periodic determination of revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

The City's enterprise funds are its commercial and intergovernmental transactions associated with its Golf Course, the Skating Rink, and the East Rock Communication Tower.

Internal Service Funds - Used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City's internal service funds are its Self-Insurance Reserve Fund, Workers' Compensation and Medical Self-Insurance Fund. The Self-Insurance Reserve Fund covers general liability not covered by any third party insurance.

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2013

Fiduciary Funds

Agency Funds – Agency Funds account for monies held as a custodian for outside student and senior groups. Agency Funds use the accrual basis of accounting, and have no measurement focus.

Pension Trust Funds - Pension Trust Funds consist of the City Employees', the Police and Fire, and other miscellaneous retirement funds.

Other Post Employment Benefit (“OPEB”) Trust Fund - Used to account for retired City employee benefits, other than pension benefits such as medical and life insurance benefits.

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 certain City functions because the 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 including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include property taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues for the City's enterprise funds and internal service funds are charges to customers for services. Operating expenses for enterprise and internal service funds include the cost of operations and maintenance, provisions for doubtful accounts, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The City considers cash on hand, deposits, and short-term investments with an original maturity of three months or less to be cash and cash equivalents.

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued **June 30, 2013**

Investments

Investments are stated at fair value, based on quoted market prices, except as disclosed below.

The pension and OPEB trust funds allow for investments in certain alternative investments and commingled funds. Such investments may include private equity partnerships, hedge and absolute return funds for which there may be no readily available market to determine fair value. These investments are valued using the most recent valuation available from the external fund manager and is based on net asset value. These estimated values do not necessarily represent the amounts that will ultimately be realized upon the disposition of those assets, which may be materially higher or lower than values determined if a readily available market for the securities existed.

The Connecticut State Treasurer's Short-Term Investment Fund is an investment pool managed by the State of Connecticut Office of the State Treasurer. Investments must be made in instruments authorized by Connecticut General Statutes 3-27c through 3-27e. Investment guidelines are adopted by the State Treasurer. Investments in 2a7 like pools are stated at the position in the pool, and are the same as the value of the pool shares, amortized cost.

Property Taxes

Property taxes are assessed as of October 1, and are levied on the following July 1. Real estate and personal property taxes are due in two installments on July 1 and the following January 1. Motor vehicle taxes are payable on July 1 and supplemental motor vehicle taxes are payable on January 1. Liens are filed on delinquent real estate taxes within one year. Revenues from property taxes are recognized when they are levied for. For this purpose, the City considers property tax revenue to be available if it is collected within 60 days of the end of the fiscal year.

Internal Payables and Receivables

Activities between funds that are representative of lending or borrowing arrangements outstanding at the end of the fiscal year are referred to as either "Due To/From Other Funds" (current portion of interfund loans) or "Advances To/From Other Funds" (noncurrent portion of interfund loans). Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as "Internal Balances".

Allowance for Doubtful Accounts

Accounts receivable including property taxes for the primary government are reported net of allowance for doubtful accounts. The allowance for doubtful accounts represents those accounts which are deemed uncollectible based on past collection history and on analysis of creditor's ability to pay.

Inventories

Inventory of the cafeteria fund consists of supplies and food for consumption and is stated at the lower of cost or market with cost based on (a) actual cost for purchased food and (b) stated value approximating fair value assigned by the federal government for food donated by the federal government, using the first-in, first-out basis. Inventories are recorded as expenditures when purchased. Donated items are valued at market value and recorded as revenue when received and as expenditures when used.

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2013

Restricted Assets

At June 30, 2013, the City had approximately \$23,171,000 in restricted assets. This amount relates to unspent grant anticipation notes which are to be used for the acquisition of capital assets.

At June 30, 2013, the Parking Authority had approximately \$24,500,000 in restricted assets. In accordance with the resolutions of each bond issue, certain assets of their Union Station Facility are restricted and held by a trustee for the protection of the bondholders. Additionally, certain assets of the Union Station Facility are restricted in accordance with the Lease and Funding Agreement.

At June 30, 2013 the Solid Waste Authority also had approximately \$3,876,000 in restricted assets. The restricted assets were held in deposits and maintained to meet legal obligations of debt service and other repairs and maintenance reserve funds.

Capital Assets

Capital assets, which include land, buildings, equipment, and infrastructure assets (e.g. roads, bridges, curbs and gutters, streets and sidewalks, and drainage systems), are reported in the governmental activities column in the government-wide financial statements. The City defines capital assets, not including infrastructure assets, as assets with an individual cost exceeding the capitalization thresholds as listed below, and an estimated useful life of two years or more. Such assets are recorded at historical cost or estimated historical cost if actual historical cost is unavailable. Pursuant to the implementation of GASB Statement No. 34, the historical costs of infrastructure assets (retroactive to January 1, 1979) are included as part of the governmental capital assets reported in the government-wide statements.

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

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

Capital assets of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful lives:

Description	Capitalization Dollar Thresholds	Estimated Lives (Years)
Computers	\$ 5,000	5
Machinery, equipment, furniture, fixtures and other related assets	10,000	5-20
Motor vehicles	5,000	8
Land improvements	50,000	20
Buildings and other structures	50,000	50
Infrastructure	250,000	10-50

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2013

Capital assets are reported as expenditures and no depreciation expense is reported in the governmental fund financial statements.

Compensated Absences

It is the City's policy to permit employees to accumulate a limited amount of earned but unused vacation and sick pay benefits. Vacation pay and certain sick leave benefits are accrued when incurred in the government-wide and proprietary fund type financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. Compensated absences are generally paid out of the General Fund.

Long-term obligations

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

Net Position

In government-wide and proprietary fund financial statements, net position is classified in the following categories:

- **Net Investment in Capital Assets** - This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce this category.
- **Restricted Net Position** - These amounts are restricted to specific purposes when constraints placed on the use of resources are either (a) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislations.
- **Unrestricted Net Position (Deficit)** - This category represents the net position of the City which is not restricted and which is not reported in the other two categories. A deficit will require future funding.

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2013

Fund Balance

In the governmental fund financial statements, the City reports the following fund balance classifications:

- **Nonspendable Fund Balance** – Amounts which cannot be spent either because they are not in spendable form, or because they are legally or contractually required to be maintained intact.
- **Restricted Fund Balance** - These amounts are restricted to specific purposes when constraints placed on the use of resources are either (a) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislations.
- **Committed Fund Balance** – This represents amounts constrained, prior to year-end, for a specific purpose by a government using its highest level of decision-making authority (City of New Haven Board of Aldermen) in the form of a resolution. Once adopted, amounts remain committed until a similar action (resolution) is taken by the Board of Aldermen to remove or revise the limitations.
- **Assigned Fund Balance** – Amounts constrained for the intent to be used for a specific purpose by a governing board or a body or official that has been delegated authority to assign amounts. These amounts are approved and committed to by the City Council subsequent to June 30, 2013. The balance also includes encumbrances assigned for goods and services.
- **Unassigned Fund Balance** – The residual amount not allocated to any other fund balance category in the General Fund and any residual deficit balance of any other governmental funds.

When both restricted and unrestricted amounts are available for use, it is the City's practice to use restricted resources first. Additionally, the City would first use committed, then assigned, and lastly unassigned.

Pension accounting

Pension Trust Funds:

Employee contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due and the City has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.

Governmental Funds and Governmental Activities:

In governmental funds, expenditures are recognized when they are paid or are expected to be paid with current available resources. In governmental activities, expense is recognized based on actuarially required contributions. The net pension obligation (asset), the cumulative difference between annual pension cost and the City's contributions to the plans since 1986, is calculated on an actuarial basis consistent with the requirements of Government Accounting Standards Board Statement No. 27. The pension obligation (asset) is recorded as a noncurrent liability (asset) in the government-wide financial statements.

Funding Policy:

The City makes annual contributions based on the Board of Aldermen's decisions using actuaries' recommendation.

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2013

Other Post Employment Obligations (“OPEB”) accounting

OPEB Trust:

Employee contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due and the City has made a formal commitment to provide the contributions. Benefits are recognized when due and payable in accordance with the terms of each plan. Plan members began contributing on July 1, 2007.

Governmental Funds and Governmental Activities:

In governmental funds, expenditures are recognized when they are paid or are expected to be paid with current available resources. In governmental activities, expense is recognized based on actuarially required contributions. The net OPEB obligation, the cumulative difference between annual OPEB cost and the City's contributions to the plan since July 1, 2007, is calculated on an actuarial basis consistent with the requirements of Government Accounting Standards Board Statement No. 45. The OPEB obligation is recorded as a noncurrent liability in the government-wide financial statements.

Funding Policy:

The City makes annual contributions based on the Board of Aldermen's decisions using the actuaries' recommendation.

Note 2. Reconciliation Of Government-Wide And Fund Financial Statements

Explanation of Certain Differences between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Position

The governmental fund balance sheet includes reconciliation between fund balance - total governmental funds and net position of governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that "long term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds."

The details of this difference are as follows:

Bonds payable	\$	502,002,907
Premium on bond issuance		8,877,900
Gain/loss on refunding, net		(1,859,063)
Notes payable		1,775,000
Retainage payable		3,562,857
Contractual obligation		8,587,761
Compensated absences		22,308,372
Capital leases payable		3,216,771
Accrued workers compensation		27,634,502
Net pension obligation		13,867,424
Net OPEB obligation		119,433,000
Landfill post-closure costs		1,050,000
Pollution remediation		86,122
		<hr/>
Net adjustment to reduce fund balance - total governmental funds to arrive at net position - governmental activities	\$	<u>710,543,553</u>

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2013

Explanation of Certain Differences between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities

Exhibit E presents a reconciliation of the statement of revenues, expenditures and changes in fund balances of governmental funds to the statement of activities which includes reconciliation between net changes in fund balances - total governmental funds and changes in net position of governmental activities as reported in the government wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this difference are as follows:

Capital outlay	\$ 56,728,697
Depreciation expense	<u>(41,470,594)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 15,258,103</u>

Another element of that reconciliation states that "the issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities." The details of this difference are as follows:

Debt issued or incurred:	
Issuance of general obligation bonds	\$ 90,700,000
Deferred loss on refunding	(1,837,533)
Premium on bond issuance	5,643,416
Principal repayments:	
Bond principal payment	(42,544,405)
Bonds refunded	(49,535,000)
Capital lease payments	(543,521)
Notes payable	(585,000)
Contractual obligations	<u>(773,908)</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 524,049</u>

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2013

Another element of that reconciliation states that "Some expenses reported in the statement of activities do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds." The details of this difference are as follows:

Amortization of debt issuance costs	\$ 285,000
Amortization of deferred loss	355,626
Amortization of deferred premium	(814,884)
Net decrease in compensated absences	(3,473,479)
Net decrease in accrued workers' compensation	(2,552,609)
Net decrease in retainage	(752,867)
Net increase in unfunded pension obligation	289,507
Net increase in unfunded OPEB obligation	15,434,500
Net decrease in landfill closure and post-closure	(150,000)
Net increase in accrued interest	5,606
Net decrease in pollution remediation	<u>(1,713,878)</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 6,912,522</u>

Note 3. Cash, Cash Equivalents and Investments

Deposits: The City's policy for investments other than pension plan and OPEB investments is to follow the State of Connecticut statutes. The State of Connecticut requires that each depository maintain segregated collateral in an amount equal to a defined percentage of its public deposits based upon the bank's risk based capital ratio.

Investments: The investment policies of the City conform to the policies as set forth by the State of Connecticut. The City does not have a custodial credit risk policy. The City's policy is to only allow prequalified financial institution broker/dealers and advisors. The City policy allows investments in the following: (1) obligations of the United States and its agencies; (2) highly rated obligations of any state of the United States or of any political subdivision, authority or agency thereof; and (3) shares or other interests in custodial arrangements or pools maintaining constant net asset values and in highly rated no-load open-end money market funds and mutual funds (with constant or fluctuating net asset values) whose portfolios are limited to obligations of the United States and its agencies, and repurchase agreements fully collateralized by such obligations. Connecticut General Statutes (Sections 3-24f and 3-27f) also provide for investment in shares of the Connecticut Short Term Investment Fund and the Tax Exempt Proceeds Fund.

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued

June 30, 2013

Other provisions of the Statutes cover specific municipal pension and OPEB funds with particular investment authority and do not specify permitted investments. Therefore, investment of such funds is generally controlled by the laws applicable to fiduciaries (i.e., prudent person rule) and the provisions of the applicable plan. Their approved policies target an asset mix to provide the probability of meeting or exceeding the return objectives at the lowest possible risk. The set asset allocation parameters are as follows:

	Policemens' and Firemens' Plan	CERF Plan
Domestic Stocks	38% to 52%	40% to 90%
International Stocks	0% to 10%	10% to 30%
Alternative Investments	10% to 16%	0% to 20%
Bonds and Other Fixed Income	27% to 42%	15% to 50%
Cash	-	0% to 15%

Interest Rate Risk: The City's and the pension and OPEB funds' policies are to limit their exposure to fair value losses arising from changes in interest rates by structuring the investment portfolios so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and investing operating funds primarily in shorter-term securities, money market mutual fund, or similar investment pools.

Concentrations: The City's policy is to maintain a diversified portfolio to minimize the risk of loss resulting from over concentration of assets in a specific issuer.

Deposits

The bank balances of the Primary Government's cash accounts at June 30, 2013, were approximately \$120,040,000. The amount of the bank balances covered under federal depository insurance was \$3,834,000. The remaining \$116,206,000 of deposits was uninsured. Provisions of the Connecticut General Statutes provide for protection against loss in excess of deposit insurance by requiring all qualified public depositories to maintain segregated collateral for public deposits. As of June 30, 2013, approximately \$11,621,000 of uninsured deposits was collateralized under the provision.

The New Haven Parking Authority's bank balance totaled approximately \$23,750,000, of which approximately \$830,000 was covered by FDIC protection and the remaining \$22,920,000 is uninsured. As of June 30, 2013, approximately \$960,000 of the uninsured deposits was collateralized.

The New Haven Solid Waste Authority's bank balance totaled approximately \$3,267,000, of which approximately \$367,000 was insured and collateralized and \$2,900,000 was uninsured and uncollateralized.

Custodial Credit Risk:

Investments

There is a risk that in the event of failure of the counterparty (e.g., broker-dealer) to a transaction, an entity will not be able to recover the value of its investment or collateral securities that are in possession of another party.

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2013

The City's Primary Government cash, cash equivalents and investments consist of the following at June 30, 2013:

Cash and Cash Equivalents

Deposits with financial institutions	\$ 100,504,080
State of Connecticut Short-Term Investment fund	3,133,210
Cutwater Connecticut CLASS Plus	7,834,172
Total cash and cash equivalents	<u>111,471,462</u>

Investments

General Fund	
Corporate bonds	599,660
Municipal bonds	42,945
Other Bond Fund	93,261
Common Stock	1,363,094
Total General Fund	<u>2,098,960</u>

Other Nonmajor Funds

Fixed income funds	1,683,051
Corporate bonds	677,194
Municipal bonds	48,498
Other Bond Funds	105,320
Common Stock	4,293,586
Total other nonmajor funds	<u>6,807,649</u>

Pension Trust Funds:

Fixed income Funds	4,018,952
Government agency	5,789,231
Municipal bonds	138,043
Common stock	249,698,335
Government bonds	16,449,504
Commercial backed mortgages	1,145,863
Corporate bonds	34,018,485
Corporate convertible bond	2,984,476
Managed futures	12,076,871
Asset-backed securities	6,057,091
Venture capital partnerships	49,522,299
Commodity - ETF	91,688
Non-governmental backed bonds	939,607
Real estate investment trust	30,916,558
Total pension trust funds	<u>413,847,003</u>

Total investments

422,753,612

Total cash, cash equivalents and investments

\$ 534,225,074

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2013

Cash, cash equivalents and investments are classified in the accompanying financial statements as follows:

Statement of Net Position

Cash and cash equivalents	\$ 45,649,093
Investments	8,906,609
Restricted cash	23,171,406
	<u>77,727,108</u>

Fiduciary Funds

Cash and cash equivalents	42,650,963
Investments	413,847,003
	<u>456,497,966</u>

Total cash, cash equivalents and investments \$ 534,225,074

The Component Unit deposits are presented in the accompanying balance sheets as follows:

Cash and Cash Equivalents:

New Haven Parking Authority	\$ 23,615,774
New Haven Solid Waste Authority	777,167
Total deposits	<u><u>\$ 24,392,941</u></u>

At June 30, 2013, the New Haven Parking Authority cash and cash equivalents included \$21,586,420 of restricted cash and cash equivalents.

At June 30, 2013, the Solid Waste Authority's cash and cash equivalents included \$666,282 of restricted short-term investments classified as cash equivalents.

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2013

Investments

Interest rate risk: This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Information about the exposure of the City's debt-type investments to this risk using the segmented time distribution model is as follows:

	Investment Maturities (In Years)				
	Fair Value	Less than 1	1-5	6-10	More Than 10
Asset backed securities	\$ 6,057,091	\$ -	\$ -	\$ -	\$ 6,057,091
Corporate convertible bonds	2,984,476	16,163	1,313,450	640,642	1,014,221
Commercial backed mortgages	1,145,683	1,145,683	-	-	-
Corporate bonds	35,295,339	1,544,140	10,723,504	13,252,054	9,775,641
Government agencies	5,789,231	4,438,261	1,162,470	188,500	-
Government bonds	16,449,504	888,998	6,712,767	4,891,478	3,956,261
Municipal bonds	229,486	-	50,818	40,625	138,043
Other bond funds	198,581	-	-	67,754	130,827
Non-governmental backed bonds	939,607	-	-	-	939,607
Fixed income funds	5,702,003	5,702,003	-	-	-
Pooled fixed income	10,967,382	10,967,382	-	-	-
Total	\$ 85,758,383	\$ 24,702,630	\$ 19,963,009	\$ 19,081,053	\$ 22,011,691

Credit Risk

Credit Risk: Generally, credit risk is the risk that an issuer of a debt type investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S. government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure. The following table provides a summary of the City's investments (excluding U.S. Governmental Guaranteed Obligations) as rated by a nationally recognized rating organization.

	Fair Value	Standard & Poor's	Moody's
Asset-backed securities	\$ 6,057,091	Ba-B	A-BBB
Corporate convertible bonds	2,984,476	A-B	A-CCC
Commercial backed mortgages	1,145,683	A-Ba	BBB-B
Corporate bonds	35,295,339	Aa-Caa	AA-CC
Non-government backed bonds	939,607	Baa-Caa	AA- CCC
Municipal Bond	229,486	A3-Baa2	A-
Polled Fixed Income	10,967,382	AAAm	AAA
Fixed Income Funds	5,702,003	Not rated	Not rated

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2013

Foreign Currency Risk

The City Employee's Retirement Fund allows American Depository Receipts which are dollar denominated foreign securities traded on the domestic U.S. stock exchanges in proportions which each investment manager shall deem appropriate.

The City's exposure to foreign currency risk is as follows:

Investment	Currency	Maturity	Fair Value
Government Bonds, Municipal/Provincial Bonds, Corporate Bonds, Cash & Cash Equivalents	Euro	4/9/2018 - 11/29/2049	\$ 195,020
Government Bonds, Corporate Bonds, Cash & Cash Equivalents	Mexican Peso	6/10/2021 - 5/14/2043	1,172,209
Government Bonds, Cash & Cash Equivalents	Indonesian Rupiah	5/15/2022 - 5/15/2028	158,280
Government Bonds	Russian Ruble	2/3/2027 - 1/19/2028	192,258
Government Bonds, Cash & Cash Equivalents	Thai Baht	06/16/2023	154,007
Government Bonds, Corporate Bonds, Cash & Cash Equivalents	Canadian Dollar	12/1/2015 - 2/16/2021	633,465
Corporate Bonds, Cash & Cash Equivalents	British Pound Sterling	03/12/2020	156,299
Government Agencies, Cash & Cash Equivalents	New Zealand Dollar	9/18/2017 - 12/15/2017	316,254
Government Bonds	Malaysian Ringgit	10/31/2017	368,440
Corporate Bonds	Australian Dollar	3/3/2016 - 5/9/2017	221,477
Corporate Bonds, Government Agencies	Brazilian Real	2/5/2016 - 3/18/2016	32,647
Government Agencies	Phillipine Peso	11/26/2015	590,227
Government Agencies	Indian Rupee	07/24/2015	91,213
Cash & Cash Equivalents	Polish Zloty	N/A	85,513
Cash & Cash Equivalents	Uruguayan Peso	N/A	80,545
Cash & Cash Equivalents	Japanese yen	N/A	518
			\$ 4,448,371

The Pension Trust Funds have additional commitments to invest in certain alternative investments of approximately \$75.5 million at June 30, 2013.

Component Unit Investments

As of June 30, 2013, the New Haven Parking Authority's sole investment was in a Federal Home Loan Mortgage Corp. (FHLMC) Discount Note with a carrying value of \$2,910,502 and a maturity date of December 2, 2013.

As of June 30, 2013, the Solid Waste Authority had restricted investments of \$3,209,410 in Money Market Mutual Funds.

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2013

Note 4. Receivables

Receivables at June 30, 2013 were as follows:

	General	Education Grants	Capital Projects	Other Governmental Funds	Total Governmental Funds
Property taxes	\$ 15,310,123	\$ -	\$ -	\$ -	\$ 15,310,123
Amount due from component unit, Yale University and other receivables	16,831,711	63,287	315,545	304,932	17,515,475
Intergovernmental	39,835,742	5,782,375	57,162,890	2,706,067	105,487,074
Gross receivables	71,977,576	5,845,662	57,478,435	3,010,999	138,312,672
Allowance for doubtful accounts	(4,827,180)	-	-	-	(4,827,180)
Total receivables, net	\$ 67,150,396	\$ 5,845,662	\$ 57,478,435	\$ 3,010,999	\$ 133,485,492

The New Haven Parking Authority, a component unit, has accounts receivable of \$1,239,169 which includes amounts due from customers for monthly parking and from tenants under lease agreements. These receivables are net of an allowance for doubtful accounts of \$315,565. The reserve method is used by the Authority based on historical experience and review of existing receivables.

The New Haven Solid Waste Authority, a component unit, has accounts receivable of \$655,002 which includes amounts due from customers for disposal of solid waste at the Authority's Transfer Station. These receivables are net of an allowance for doubtful accounts of \$50,000. The reserve method is based on historical experience and review of existing receivables.

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2013

Note 5. Unearned Revenue/Deferred Revenue

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds and governmental activities also report unearned revenue in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of unearned revenue and deferred revenue reported in the governmental funds and governmental activities were as follows:

	<u>Deferred</u>	<u>Unearned</u>
General Fund:		
Taxes and accrued interest on delinquent property taxes	\$ 9,683,377	\$ -
School construction receivable	39,494,766	-
Miscellaneous receivable	2,736,803	-
Advance tax collection	-	10,476,327
Capital Projects Fund:		
Intergovernmental grants receivable	56,712,503	-
Nonmajor Governmental Funds:		
Intergovernmental grants receivable	1,368,352	19,785
Total	<u><u>\$ 109,995,801</u></u>	<u><u>\$ 10,496,112</u></u>

Note 6. Loans Receivable

Loans receivable are for amounts disbursed from U.S. Department of Housing and Urban Development grant proceeds and Economic Development Committee proceeds, which consist of direct loans that bear interest at rates ranging from 0.0 percent to 10.0 percent with maturities through June 2028.

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2013

Note 7. Interfund Balances and Interfund Transfers

Interfund Balances

As of June 30, 2013, interfund balances were as follows:

	<u>Due From</u>	<u>Due To</u>
Primary Government:		
General Fund	\$ 4,827,841	\$ -
Major Funds:		
Education Grants	-	3,227,078
Capital Project Funds	2,682,169	-
	<u>2,682,169</u>	<u>3,227,078</u>
Other Nonmajor Funds:		
Community Development	-	123,845
Improvement	-	965,875
Human Resources	-	298,183
Redevelopment	-	6,079
Other	-	554,426
Other ETF	-	58,660
	<u>-</u>	<u>2,007,068</u>
Internal Service Funds	<u>787,557</u>	<u>2,972,702</u>
Pension Trust Funds	<u>15,000</u>	<u>-</u>
Enterprise Funds	<u>4,281</u>	<u>110,000</u>
Total primary government	<u>\$ 8,316,848</u>	<u>\$ 8,316,848</u>

All balances result from a time lag between payment and reimbursement occurring between funds.

	<u>Advances To Other Funds</u>	<u>Advances From Other Funds</u>
General Fund	\$ 4,000,000	\$ -
Internal Service Funds	-	4,000,000
	<u>\$ 4,000,000</u>	<u>\$ 4,000,000</u>

The advances amongst funds relate to working capital loans made between the Internal Service Fund and the General Fund. The City plans to repay funds with future bonding and increased premiums. None of the balance is scheduled to be collected in the subsequent year.

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2013

Interfund Transfers

As of June 30, 2013, amounts transferred between funds were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ -	\$ 9,008,246
Education Grant Funds	7,227,600	-
Capital Projects Funds	110,000	-
Enterprise Funds	-	110,000
Other nonmajor governmental funds	1,780,646	-
	<u>\$ 9,118,246</u>	<u>\$ 9,118,246</u>

Transfers from Enterprise Funds were to reimburse Capital Projects Funds for capital expenditures on behalf of Enterprise Funds. Transfers from the General Fund to the Education Grant Funds were to write-off advances that were deemed uncollectable, and to the other non-major governmental funds to cover deficits in those funds.

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2013

Note 8. Capital Assets

Capital asset activity for the year ended June 30, 2013 is as follows:

Governmental activities:	Beginning Balance	Increases	Decreases	Transfers In/Out	Ending Balance
Capital assets, not being depreciated:					
Land	\$ 44,140,306	\$ -	\$ -	\$ -	\$ 44,140,306
Construction in progress	94,858,468	34,356,848	-	(101,919,653)	27,295,663
Total capital assets, not being depreciated	<u>138,998,774</u>	<u>34,356,848</u>	<u>-</u>	<u>(101,919,653)</u>	<u>71,435,969</u>
Capital assets, being depreciated:					
Buildings and improvements	1,488,421,307	5,732,933	-	86,105,711	1,580,259,951
Land improvements	18,729,018	837,906	-	-	19,566,924
Vehicles	47,191,058	2,085,854	-	-	49,276,912
Machinery, equipment, furniture, fixtures and other related assets	23,927,189	6,291,478	-	-	30,218,667
Infrastructure	211,657,447	7,423,678	-	15,813,942	234,895,067
Total capital assets being depreciated	<u>1,789,926,019</u>	<u>22,371,849</u>	<u>-</u>	<u>101,919,653</u>	<u>1,914,217,521</u>
Less accumulated depreciation for:					
Buildings and improvements	282,072,369	33,521,360	-	-	315,593,729
Land improvements	12,456,298	563,792	-	-	13,020,090
Vehicles	39,403,677	1,756,911	-	-	41,160,588
Machinery, equipment, furniture, fixtures and other related assets	14,218,153	812,566	-	-	15,030,719
Infrastructure	128,353,862	4,815,965	-	-	133,169,827
Total accumulated depreciation	<u>476,504,359</u>	<u>41,470,594</u>	<u>-</u>	<u>-</u>	<u>517,974,953</u>
Total capital assets, being depreciated, net	<u>1,313,421,660</u>	<u>(19,098,745)</u>	<u>-</u>	<u>101,919,653</u>	<u>1,396,242,568</u>
Governmental activities capital assets, net	<u>\$ 1,452,420,434</u>	<u>\$ 15,258,103</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,467,678,537</u>

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2013

Current period depreciation expense was charged to functions of the primary government as follows:

Governmental activities:

Education	\$ 30,891,295
General government	2,090,686
Public safety	1,635,526
Public works	6,119,628
Culture and recreation	733,459
Total Depreciation Expense - Governmental Activities	<u><u>\$ 41,470,594</u></u>

Component Units:	Beginning Balance	Increases/ Transfers	Decreases/ Transfers	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 2,561,000	\$ -	\$ -	\$ 2,561,000
Construction in progress	4,220,797	5,185,438	(212,986)	9,193,249
Total capital assets, not being depreciated	<u>6,781,797</u>	<u>5,185,438</u>	<u>(212,986)</u>	<u>11,754,249</u>
Capital assets, being depreciated:				
Buildings and improvements	87,191,038	237,579	-	87,428,617
Equipment and motor vehicles	4,860,616	138,486	(30,013)	4,969,089
Total capital assets being depreciated	<u>92,051,654</u>	<u>376,065</u>	<u>(30,013)</u>	<u>92,397,706</u>
Less accumulated depreciation for:				
Buildings and improvements	60,542,254	2,914,496	-	63,456,750
Equipment and motor vehicles	4,349,633	162,179	(30,013)	4,481,799
Total accumulated depreciation	<u>64,891,887</u>	<u>3,076,675</u>	<u>(30,013)</u>	<u>67,938,549</u>
Total capital assets, being depreciated, net	<u>27,159,767</u>	<u>(2,700,610)</u>	<u>-</u>	<u>24,459,157</u>
Capital Assets, net	<u><u>\$ 33,941,564</u></u>	<u><u>\$ 2,484,828</u></u>	<u><u>\$ (212,986)</u></u>	<u><u>\$ 36,213,406</u></u>

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2013

Construction Commitments

The City has the following major active construction projects as of June 30, 2013, the primary source of funding these projects will come from grants and bond proceeds:

Capital Project	Cumulative Authorization	Cumulative Expenditures	Remaining Construction Commitment Balance June 30, 2013	Expected Date of Completion
Bowen Field	\$ 11,600,000	\$ 659,656	\$ 10,940,344	08/01/15
New Haven Academy	40,000,000	980,521	39,019,479	08/01/15
Helene Grant	43,000,000	1,606,197	41,393,803	08/01/15
UNH Science Academy	65,500,000	8,454,977	57,045,023	01/01/16
	<u>\$ 160,100,000</u>	<u>\$ 11,701,351</u>	<u>\$ 148,398,649</u>	

Note 9. Temporary Notes Payable

The City of New Haven issued a general obligation note in anticipation of State grants for school construction projects under a tax-exempt revolving loan agreement. This general obligation note can accommodate the issuance of up to \$80,000,000 of grant anticipation notes under the revolving loan agreement, with an interest rate of 1.22%, which expires on June 1, 2014. Activity for the fiscal year for the Grant Anticipation Notes (GANs) are as follows:

	Balance June 30, 2012	Issuances	Payments	Balance June 30, 2013
GANs	\$ 49,181,244	\$ 34,073,797	\$ 15,329,114	\$ 67,925,927

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2013

Note 10. Long-Term Liabilities

A summary of changes in long-term liabilities during the year ended June 30, 2013 is as follows:

	Balance June 30, 2012	Issued/ Additions	Reductions	Balance June 30, 2013	Due Within One Year
Government Activities:					
Long-Term Debt:					
General Obligation Bonds Payable	\$ 503,382,312	\$ 90,700,000	\$ 92,079,405	\$ 502,002,907	\$ 43,742,584
Premiums/discounts on bonding, net	4,049,368	5,643,416	814,884	8,877,900	-
Loss on refunding	(377,156)	(1,837,533)	(355,626)	(1,859,063)	-
Notes payable	2,360,000	-	585,000	1,775,000	610,000
Capital leases	3,760,292	-	543,521	3,216,771	445,008
Other Long-Term Liabilities:					
Contractual obligation-GNHWPCA	9,361,669	-	773,908	8,587,761	770,000
Compensated absences	25,781,851	17,273,614	20,747,093	22,308,372	18,000,000
Accrued workers' compensation	30,187,111	6,750,249	9,302,858	27,634,502	7,000,000
Retainage	4,315,724	3,562,857	4,315,724	3,562,857	3,500,000
Unfunded pension obligation	13,577,917	41,525,229	41,235,722	13,867,424	-
Unfunded OPEB obligations	103,998,500	36,819,400	21,384,900	119,433,000	-
Landfill closure and post-closure	1,200,000	-	150,000	1,050,000	150,000
Pollution remediation	1,800,000	-	1,713,878	86,122	86,122
Total long-term liabilities	\$ 703,397,588	\$ 200,437,232	\$ 193,291,267	\$ 710,543,553	\$ 74,303,714
Component Unit Activities:					
Long-Term Debt:					
Revenue bonds*	\$ 25,691,259	\$ -	\$ 3,416,167	22,275,092	\$ 3,020,000
Total component unit	\$ 25,691,259	\$ -	\$ 3,416,167	\$ 22,275,092	\$ 3,020,000

* The New Haven Parking Authority's debt balance at June 30, 2013 is net of amount deferred on refunding bonds of \$(140,538) and premium on refunding of \$94,950. The New Haven Solid Waste Authority's debt balance at June 30, 2013 is net of deferred amounts of \$382,320.

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2013

General Obligation Bonds

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for governmental activities. During the year, general obligation bonds totaling \$43,000,000 were issued.

General obligation bonds are direct obligations and pledge the full faith and credit of the City. These bonds generally are issued as 15-year or 20-year serial bonds with equal amounts of principal maturing each year, and are payable from taxes levied on all taxable property located within the City. The City has not pledged any assets as collateral for general obligation bonds. General obligation bonds currently outstanding are as follows:

Purpose/Expiration	Interest Rate	Governmental Activities
General Purpose Bonds		
Varying Expiration Dates Ranging From August 2012 to August 2031	2.00-5.7%	\$ 192,078,398
School Bonds		
Varying Expiration Dates Ranging From August 2012 to August 2031	.34-5.7%	294,240,056
Urban Renewal Bonds		
Varying Expiration Dates Ranging From August 2012 to August 2031	2.00-5.7%	15,684,453
		<u>502,002,907</u>
Less current portion		43,742,584
Long-term portion		<u>\$ 458,260,323</u>

Annual debt service requirements to maturity for general obligation bonds are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2014	\$ 43,742,584	\$ 22,213,678
2015	43,619,860	20,360,297
2016	42,176,641	18,390,781
2017	42,535,695	16,431,700
2018	40,657,523	14,476,198
2019 through 2023	171,135,604	46,839,696
2024 through 2028	84,870,000	18,667,829
2029 through 2033	33,265,000	2,931,154
	<u>\$ 502,002,907</u>	<u>\$ 160,311,333</u>

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued **June 30, 2013**

Qualified Zone Academy Bonds (QZAB) were issued pursuant to Section 1397E of the Internal Revenue Code. As such, a tax credit will be offered to the security provider and the City receives a reduction in interest payments. The QZAB's are general obligation bonds and require that annual payments be made to an escrow account where the City is guaranteed a fixed interest rate. On the termination date, these payments, together with the interest earnings, will be used to satisfy the Bonds. These bonds are included in general obligation bonds and the related debt service requirements. The City is guaranteed to earn \$943,547 in interest over the next seven years to be used to relinquish the principal portion of the debt during the current year; the escrow account earned \$610,164.

School Bond Reimbursements

The State of Connecticut reimburses the City for eligible principal and interest costs of the capital improvement bond issues used for school reconstruction. The amount of such reimbursements for the year ended June 30, 2013 was approximately \$4,559,000. The City expects to receive approximately \$39,495,000 in principal payments and approximately \$6,783,000 in interest payments over the next 20 years.

Bonds Authorized/Unissued

At June 30, 2013, the City had approximately \$218,000,000 in bonds authorized but unissued. This amount has been authorized solely for school construction bonds as of June 30, 2013.

Advance and Current Refunding

2013 General Obligation Refunding Bond – In-Substance Defeasance

In November 2012, the City issued \$47,700,000 of general obligation refunding bonds with interest rates of 2 to 5%, of which the proceeds were used to advance refund the outstanding principal amounts of the general obligation bond of the City (the "Refunding Bonds"). Net proceeds of \$51,372,532 (after payment of expenses of \$432,533), was placed in an irrevocable trust under an Escrow Agreement dated November 2012 between the City and the Escrow Holder. The Escrow Holder used the proceeds to purchase a portfolio of primarily non-callable direct obligations of the United States of America ("Government Obligations"). The Government Obligations will have maturities and interest rates sufficient to pay principal and interest payments and redemption premiums on the Refunding Bonds on the date the payments are due.

The City advance refunded the above bonds to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$5,199,096, and a cash savings of \$5,875,712 between the old debt payments and the new debt payments.

The balance of the defeased bonds was approximately \$47.7 million at June 30, 2013. As a result, the refunded bonds are considered defeased and the liability has been removed from the basic financial statements.

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2013

In-Substance Defeasance – Prior Years

In prior years, the City has defeased various bond issues by creating separate irrevocable trust funds. New debt has been issued and the proceeds have been used to purchase U.S. government securities that were placed in the trust funds. The investments and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the debt has been considered defeased and therefore removed as a liability from the City's government-wide financial statements. As of June 30, 2013, the amount of defeased debt outstanding, but removed from the City's government-wide financial statements, is approximately \$110,830,000.

Conduit Debt

The City has issued limited obligation industrial revenue bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Accordingly, the bonds and related receivables were not reported in the general purpose financial statements.

As of June 30, 2013, there were 6 series of limited obligation industrial bonds outstanding, with an aggregate principal amount of approximately \$4,815,000.

Revenue Bonds – Component Units

The Parking Authority, a component unit of the City, also issues bonds where the pledged income is derived from parking revenue. Through the Parking Authority, the City has \$13,403,000 of outstanding revenue bond debt at June 30, 2013 with an interest rate ranging from 2.886% to 5.375%. As part of the transaction, the City, acting on behalf of the Authority, entered into an interest rate swap agreement dated January 31, 2012 and terminating January 1, 2022. The intention of the swap was to effectively change the Authority's variable interest rate on the bonds to a fixed rate of 2.886%. As of June 30, 2013, the swap agreement had a negative value of \$5,687 and is recognized as a liability on the Authority's statement of net position.

The annual debt service requirements are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2014	\$ 3,197,000	\$ 512,380
2015	3,332,000	352,172
2016	3,477,000	114,526
2017	612,000	89,807
2018	612,000	72,171
2019 through 2023	2,173,000	113,792
	<u>\$ 13,403,000</u>	<u>\$ 1,254,848</u>

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2013

The New Haven Solid Waste Authority, a component unit of the City, also issued bonds to finance the acquisition of its solid waste facility assets. Through the New Haven Solid Waste Authority, the City has \$9,300,000 of outstanding revenue bond debt at June 30, 2013, with an interest rate ranging from 4% to 5.375%.

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2014	\$ 435,000	\$ 476,269
2015	450,000	457,781
2016	470,000	438,094
2017	495,000	416,944
2018	520,000	391,575
2019 through 2023	3,025,000	1,529,938
2024 through 2028	3,905,000	651,720
	<u>\$ 9,300,000</u>	<u>\$ 4,362,321</u>

Notes Payable

In addition to general obligation bonds, the City is liable for notes payable pledged under general obligations through the HUD Section 108 Loan Program.

The annual debt service requirements on the above debt are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2014	\$ 610,000	\$ 62,566
2015	365,000	42,811
2016	390,000	26,812
2017	410,000	9,184
	<u>\$ 1,775,000</u>	<u>\$ 141,373</u>

Capital Leases

The City has entered into two lease agreements for the financing of energy conservation equipment. These equipment leases qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception. The interest rate varies on these leases from 2.695% to 4.290% per annum.

The capitalized value of property under capital leases is approximately \$5,284,000, which has accumulated depreciation of approximately \$1,458,000 at year-end.

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2013

The future minimum lease obligations and net present value of these minimum lease payments as of June 30, 2013 were as follows:

<u>Year Ending June 30,</u>	<u>General Government</u>
2014	\$ 445,008
2015	445,008
2016	445,008
2017	445,008
2018	445,008
2019	445,008
2020	445,008
2021	445,008
2022	432,798
Total minimum lease payments	<u>3,992,862</u>
Less: Amount representing interest	776,091
Present value of minimum lease payment	<u><u>\$ 3,216,771</u></u>

Note 11. Fund Deficits

The following funds had fund deficits as of June 30, 2013:

	<u>Fund Deficits</u>
Major Governmental:	
General Fund	\$ 4,721,555
Capital Project Funds	44,340,625
Internal Service Funds:	
Self-Insurance Reserve Fund	11,913,032
Medical Self-Insurance Fund	2,478,305
Special Revenue Funds	
Other Special Revenue Funds	1,762,710

The General Fund deficit will be funded through increased revenues and a reduction in expenditures in future years. The Capital Projects Funds' deficit will be funded through recognition of grant revenues under modified accrual basis of accounting. The City has major school construction projects in process as of June 30, 2013. The Internal Service Fund deficits will be funded in future years from increased premiums and/or permanent financing in accordance with City's plan to reduce the deficit. The Other Special Revenue Funds deficit will be funded through increased charges for services.

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2013

Note 12. Employee Retirement Plans and Other Post-Employment Benefit Plans

Employee Pension Plans

The City maintains two single employer contributory, defined benefit pension plans, the City Employees' Retirement Fund (CERF) and the Policemen's and Firemen's Retirement Fund. These funds cover substantially all City employees, including non-certified Board of Education employees. The City Employees' Retirement Fund was created in 1938. The Policemen's and Firemen's Retirement Fund was created in 1958 as a replacement for separate police and fire pension funds. The former Policemen's Relief Fund and the Firemen's Relief Fund were merged into the combined fund in 1990. Retirement benefits for certified teachers are provided by the Connecticut State Teachers' Retirement System. The City does not contribute to this Plan.

The individual plan net position is as follows:

STATEMENT OF NET POSITION-TRUST FUNDS
JUNE 30, 2013

	City Employees' Retirement Fund	Policemen's & Firemen's Retirement Fund	Other Retirement Fund	Post Employment Benefit Plan Fund	Total
ASSETS					
Cash and short-term investments	\$ 24,747,204	\$ 15,460,699	\$ 1,242,751	\$ 305,830	\$ 41,756,484
Interest and dividends receivable	514,226	690,878	100	-	1,205,204
Accounts receivable-investment sales	2,290,036	197,082	-	-	2,487,118
Accounts receivable-other	1,427,726	2,154,942	167	-	3,582,835
Due from other funds	-	-	-	15,000	15,000
Investments	133,257,414	280,505,083	84,506	-	413,847,003
Total assets	162,236,606	299,008,684	1,327,524	320,830	462,893,644
LIABILITIES					
Accounts payable-vendors	464,785	341,205	-	-	805,990
Accounts payable-investment purchases	3,245,681	283,650	-	-	3,529,331
Accounts payable-other	40,066	183,785	-	15,000	238,851
Accrued liabilities	444,601	60,158	-	-	504,759
Total liabilities	4,195,133	868,798	-	15,000	5,078,931
NET POSITION					
Held in Trust for Pension Benefits	\$ 158,041,473	\$ 298,139,886	\$ 1,327,524	\$ 305,830	\$ 457,814,713

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2013

Individual changes in plan net position was as follows:

STATEMENT OF CHANGES IN NET POSITION-TRUST FUNDS YEAR ENDED JUNE 30, 2013					
	City Employees' Retirement Fund	Policemen's & Firemen's Retirement Fund	Other Retirement Fund	Post Employment Benefit Plan Fund	Total
ADDITIONS					
Contributions:					
Employer contributions	\$ 16,977,367	\$ 24,258,355	\$ -	\$ 18,649,597	\$ 59,885,319
Plan members	3,482,090	6,407,456	-	2,720,319	12,609,865
Total contributions	20,459,457	30,665,811	-	21,369,916	72,495,184
Investment Earnings:					
Net increase in fair value of investments	6,648,007	37,615,383	15,587	-	44,278,977
Interest and dividends	4,518,642	8,159,310	5,441	2,078	12,685,471
Miscellaneous Income	179,159	36,074	-	-	215,233
Total investment income	11,345,808	45,810,767	21,028	2,078	57,179,681
Less Investment Expenses:	996,100	1,337,412	-	-	2,333,512
Net investment earnings	10,349,708	44,473,355	21,028	2,078	54,846,169
Total additions	30,809,165	75,139,166	21,028	21,371,994	127,341,353
DEDUCTIONS					
Benefits	28,560,169	43,896,258	31,925	21,369,916	93,858,268
Investment administrative fees	304,570	581,520	1,888	-	887,978
Total deductions	28,864,739	44,477,778	33,813	21,369,916	94,746,246
Net increase (decrease)	1,944,426	30,661,388	(12,785)	2,078	32,595,107
NET POSITION, beginning of year	156,097,047	267,478,498	1,340,309	303,752	425,219,606
NET POSITION, end of year	\$ 158,041,473	\$ 298,139,886	\$ 1,327,524	\$ 305,830	\$ 457,814,713

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2013

City Employees' Retirement Fund

Plan Description and Contribution Information

Plan Membership

Membership in the plan consisted of the following at June 30, 2012, the date of the latest actuarial valuation:

Plan Description and Contribution Information

Membership in the plan consisted of the following at the date of the latest actuarial valuation	1,124
Retirees and beneficiaries receiving benefits	28
Terminated plan members entitled to but not yet receiving benefits	
Active Plan Members	
Vested	638
Nonvested	323
Total	<u>2,113</u>

Plan Description

The City of New Haven is the administrator of a single employer Public Employee Retirement System (PERS) established and administered by the City to provide pension benefits for its employees. The PERS is considered to be part of the City of New Haven's financial reporting entity and is included in the City's financial reports as a pension trust fund.

The City provides retirement benefits through a single employer, contributory, defined benefit plan. Under the Plan, all full time employees of the General Fund or full-time elected or appointed officers are eligible if, (1) hired before age 55 (age 60 for some employee groups); (2) not receiving benefits from or eligible for participation in any other pension plan of the City or the State of Connecticut; and (3) makes employee contributions. Employees are 100 percent vested after 10 years of service. If an employee leaves covered employment or dies before 10 years of service, accumulated employee contributions are returned without interest. The retirement benefit is calculated at 2 percent of the participant's highest average pay for each year of service and fraction thereof up to 20 years plus 3% of highest average pay for each year of service and fraction thereof in excess of 20 thereafter subject to a maximum of 70% of highest average pay. Normal retirement age is: Age 60 or 65 (dependent on date of entry to the Plan) or earlier if the "Rule of 80" is satisfied. Benefits and contributions are established by the City and may be amended by the City.

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2013

Contributions

Cafeteria workers contribute 5% of all earnings, Public Works employees contribute 6.25% of all earnings, and all other employees contribute 6% of all earnings. The City is required to contribute the remaining amounts necessary to finance the benefits for its employees.

Plan Changes

The latest actuarial valuation as of June 30, 2012 did not include any material changes in funding method or assumptions. The latest actuarial valuation as of June 30, 2012 reflects no material changes in plan provisions or coverage.

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/(c)
6/30/2012	\$ 169,537,900	\$ 398,562,100	\$ 229,024,200	42.5%	\$ 53,572,400	427.5%

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Actuarial Assumptions and Methods

Latest Actuarial Valuation Date	6/30/2012
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level Percent
Remaining Amortization Period	30 Year Open Period
Asset Valuation Method	Phase-in of investment gains and losses, 20% per year for 5 years
Actuarial Assumptions:	
Investment Rate of Return*	8.25%
Projected Salary Increases*	Age related scale with average of 4.0%
* Includes Inflation at	3.00%
Cost of Living Adjustments	2.50%

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2013

Calculation of Annual Pension Cost (APC) and Net Pension Obligation (NPO):

Actuarially Required

1. Contribution (ARC)	\$ 16,909,072
2. Interest on NPO	134,148
3. Adjustment To (ARC)	<u>(91,299)</u>
4. Annual Pension Cost (APC)	16,951,921
5. Contribution Made	<u>16,977,367</u>
6. Decrease in NPO	(25,446)
7. NPO Beginning of Year	<u>1,626,035</u>
8. NPO End of year	<u><u>\$ 1,600,589</u></u>

ANNUAL PENSION COST AND NET PENSION OBLIGATION
THREE YEAR TREND INFORMATION

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation	Actual Contribution
6/30/11	\$ 11,987,143	100.2%	\$ 1,656,183	\$ 12,015,996
6/30/12	16,302,366	100.2%	1,626,035	16,332,514
6/30/13	16,951,921	100.2%	1,600,589	16,977,367

Policemen and Firemen Retirement Fund

Plan Membership

Membership in the plan consisted of the following at June 30, 2012, the date of the last actuarial valuation:

Retirees and Beneficiaries Receiving Benefits	1,197
Terminated plan members entitled to but not yet receiving benefits	9
Active Plan Members	<u>699</u>
Total	<u><u>1,905</u></u>

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2013

Plan Description

The City of New Haven is the administrator of a single employer Public Employee Retirement System (PERS) established and administered by the City to provide pension benefits for its employees. The PERS is considered to be part of the City of New Haven's financial reporting entity and is included in the City's financial reports as a pension trust fund.

The City provides retirement benefits through a single employer, contributory, defined benefit plan. Under the Plan, all policemen and firemen are eligible. Employees are 100 percent vested after 10 years of service. If an employee leaves covered employment or dies before 10 years of service, accumulated employee contributions are returned without interest. The retirement benefit is calculated at 2.5 percent of the participant's highest average pay for each year of service and fraction thereof up to 20 years plus 3% of highest average pay for each year of service and fraction thereof in excess of 20 thereafter subject to a maximum of 80% (83% for police) of highest average pay. Normal Retirement Age is after 20 years of continuous service. Benefits and contributions are established by the City and may be amended by the City.

Contributions

Fire members contribute 8.75% of all City earnings. (Effective July 1, 2010 police contribute 10.00% of all City earnings). In addition, policemen contribute 4.80% of extra duty earnings and firemen contribute 4.375% of extra duty earnings. The City is required to contribute the remaining amounts necessary to finance the benefits for its employees.

Plan Changes

The latest actuarial valuation dated June 30, 2012 did not include any material changes in funding methods or actuarial assumptions. The latest actuarial valuation dated June 30, 2012 reflects no material changes in plan provisions or coverage.

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/(c)
6/30/2012	\$ 282,689,200	\$ 594,979,800	\$ 312,290,600	47.5%	\$ 56,661,400	551.2%

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2013

Actuarial Assumptions and Methods

Latest Actuarial Valuation Date	6/30/2012
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level Percent
Remaining Amortization Period	30 Year Open Period
Asset Valuation Method	Phase-in of investment gains and losses, 20% per year for 5 years
Actuarial Assumptions:	
Investment Rate of Return*	8.25%
Projected Salary Increases*	Age related scale with average of 4.00%
* Includes Inflation at	3.00%
Cost of Living Adjustments	1.50%

Calculation of Annual Pension Cost (APC) and Net Pension Obligation (NPO):

Actuarially Required

1. Contribution (ARC)	\$ 24,258,355
2. Interest on NPO	986,030
3. Adjustment To (ARC)	<u>(671,077)</u>
4. Annual Pension Cost (APC)	24,573,308
5. Contribution Made	<u>24,258,355</u>
6. Increase in NPO	314,953
7. NPO Beginning of Year	11,951,882
8. NPO End of year	<u><u>\$ 12,266,835</u></u>

ANNUAL PENSION COST AND NET PENSION OBLIGATION
THREE YEAR TREND INFORMATION

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation	Actual Contribution
6/30/11	\$ 19,002,083	98.4%	\$ 11,645,015	\$ 18,692,000
6/30/12	23,637,977	98.7%	11,951,882	23,331,000
6/30/13	24,573,308	98.7%	12,266,835	24,258,000

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2013

Teachers' Retirement Plan

All City of New Haven certified teachers participate in the State of Connecticut Teachers' Retirement System, a cost-sharing multiple-employer public employee retirement system (PERS), established under Section 10.183 of the General Statutes of the State of Connecticut. A teacher is eligible to receive a normal retirement benefit if he or she has: (1) attained age sixty and has accumulated twenty years of credited service in the public schools of Connecticut, or (2) attained any age and has accumulated thirty-five years of credited service, at least twenty-five years of which are service in the public schools of Connecticut.

The Board of Education withholds 7.25% of all teachers' annual salaries and transmits the funds to the State Teachers' Retirement Board.

The retirement system for teachers is funded by the State based upon the recommendation of the Teachers' Retirement Board. Such contribution includes amortization of actuarially computed unfunded liability. The City does not have any liability for teacher pensions. For the year ended June 30, 2013 the City has recorded, in the General Fund, intergovernmental revenue and education expenditures in the amount of \$27,467,000 as payments made by the State of Connecticut on-behalf of the City.

The State of Connecticut Teacher Retirement System is considered to be a part of the State of Connecticut financial reporting entity and is included in the State's financial reports as a pension trust fund. Those reports may be obtained by writing to the State of Connecticut, Office of the State Comptroller, 55 Elm Street, Hartford, Connecticut 06106.

Other Post-Employment Benefit Plans

Membership in the Plan consisted of the following at the date of the latest actuarial valuation, June 30, 2011:

<u>Division</u>	<u>Active Participants</u>	<u>Retired Participants and Spouses</u>	<u>Total</u>
General City	\$ 812	\$ 721	\$ 1,533
Police and Fire	689	1,219	1,908
BOE Non-Certified	215	174	389
Teachers and Administrator	1,943	881	2,824
Total	\$ 3,659	\$ 2,995	\$ 6,654

Plan Description

The City of New Haven is the administrator of a single employer, contributory, defined benefit Other Post-Employment Benefits Plan (OPEB). The OPEB Plan provides medical coverage to eligible retirees and their spouses. The OPEB Plan also provides life insurance coverage to eligible retired School Administrators and Teachers. Eligibility under the plan varies depending on specific provisions for local unions. The OPEB is considered to be part of the City of New Haven's financial reporting entity and is included in the City's financial reports as a post-employment benefit trust fund.

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2013

Funding Policy

The obligations of the plan members, employers and other entities are established by action of the City pursuant to applicable collective bargaining and employment agreements. The required contribution rate of the employer and the members varies depending on the applicable agreement. The City currently contributes enough money to the plan to satisfy current obligations on a pay-as-you go basis. The costs of administering the plan are paid by the City.

The OPEB obtained its latest actuarial valuation as of July 1, 2011 upon which the annual required contribution for the fiscal year ended June 30, 2013 was determined based on a 5% discount rate.

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/(c)
7/01/11	\$ 227,000	\$ 444,370,000	\$ 444,143,000	0.1%	\$ 285,140,448	155.7%

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

The accrued liability is equal to the portion of the present value of future benefits that is allocated to years of service before the valuation date. The accrued liability is amortized over 30 years, as a level dollar amount open.

The projection of future benefit payments for an ongoing plan involves 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 rate. Amounts determined regarding the funding status of the plans and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Annual OPEB cost and Net OPEB Obligation

The City's annual post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC). The City has engaged an actuary to calculate the ARC and related information per the provisions of GASB Statement No. 45 for employers in plans with more than 100 total plan members. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and to amortize any unfunded liabilities (or funding excess) over a period not to exceed thirty years.

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2013

The calculation of the change in the net OPEB obligation for the year ended June 30, 2013 follows:

Actuarially Required

1. Contribution (ARC)	\$ 38,063,000
2. Interest on Net OPEB obligation	5,199,900
3. Adjustment To (ARC)	<u>(6,443,500)</u>
4. Annual OPEB Cost (AOC)	36,819,400
5. Contribution Made	<u>21,384,900</u>
6. Increase in Net OPEB obligation	15,434,500
7. Net OPEB obligation, beginning of year	<u>103,998,500</u>
8. Net OPEB obligation, end of year	<u><u>\$ 119,433,000</u></u>

ANNUAL OPEB COST AND NET OPEB OBLIGATION
THREE YEAR TREND INFORMATION

Fiscal Year Ending	Annual OPEB Cost (AOC)	Annual Contribution	Percentage of AOC Contributed	Net OPEB Obligation
6/30/11	\$ 37,000,200	\$ 20,232,800	55%	\$ 90,669,300
6/30/12	37,378,600	22,471,000	60%	103,998,500
6/30/13	36,819,400	21,384,900	58%	119,433,000

City Employees' Other Post-Employment Benefit Plan

Eligibility

Executive Management, local 3144; classified employees, local 884, locals 68 and 71; trade employees; and cafeteria workers, and local 217 are eligible for medical coverage upon meeting one of the following criteria:

1. 25 years of service of Rule of 80
2. 20 years with a service connected disability or
3. 15 years of service and meet total disability requirements of Social Security

Cafeteria workers must retire after 7/1/82 and still meet one of the eligibility requirements. Trade employees must retire after 7/1/87 and still meet one of the eligibility requirements.

Medical coverage is provided for the retiree and their spouse until they reach the age of 70, except for local 884 and local 68 who are covered through age 65. The retiree's spouse will be covered in the event of the retiree's death until the date the retiree would turn age 70, except for local 884 and local 68 who are covered through the date the retiree would turn age 65.

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2013

Contributions

The cost of medical coverage for eligible retirees and their spouses is as follows:

Executive Management, local 3144 – There is no retiree contribution for those who retired prior to July 1, 2001. Retirees on or after July 1, 2001 pay the same cost as an active participant at the time of retirement.

Local 884, 68 – There is no retiree contribution for those who retired prior to July 1, 1998. Retirees on or after June 1, 1998 pay the same cost as an active participant at the time of retirement.

Local 71 – There is no retiree contribution for those who retired prior to June 30, 1998. Retirees on or after June 30, 1998 pay a portion of the cost for medical coverage.

Trade – There is no retiree contribution for those who retired prior to June 30, 2004. Retirees on or after July 1, 2004 pay a portion of the cost for medical coverage.

Cafeteria Workers, local 217 – There is no retiree contribution.

The actuarial assumptions to value benefits for all locations except Police, Fire, Teachers, and School Administrators as of July 1, 2011:

Actuarial Cost Method	Projected Unit Credit
Amortization Method	30 Years, Level Dollar, Open
Asset Valuation Method	Market Value
Mortality Basis	RP-2000 projected to the valuation year using Scale AA with separate male and female tables and separate tables for active employees and annuitants.
Disability	The assumed rates of disability are from the 1985 Pension Disability Table Class, 1 professional administrative, supervisory, sales, and clerical occupations.
Discount Rate	5.0%
Medical Inflation	Claim costs and premiums are assumed to increase 10% for 2011, decreasing 1% per year to 5% for 2016 and later.
Survivorship	85% of male employees and 65% of female employees are assumed married, wives are 2 years younger than husbands.
Percentage of Actives Eligible at Retirement Who Continue with Medical Coverage:	100%

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2013

Policemen and Firemen Other Post-Employment Benefit Plan

Eligibility

Policemen and Firemen are eligible for post-employment medical coverage when they meet 20 years of service and are eligible for full pension or are disabled from active service.

Medical coverage is provided for the retiree and their spouse until they reach the age of 70. The retiree's spouse will be covered in the event of the retiree's death until the date the retiree would turn age 70.

Contributions

The cost of medical coverage for eligible retirees and their spouses is dependent on the medical plan selected and the coverage level as follows:

	Century Preferred	Blue Care 1	Blue Care 2
Police - Individual	\$50/mo.	\$45/mo.	-
Police - Employee and Spouse	\$105/mo.	\$85/mo.	-
Fire - Individual	\$55/mo.	\$45/mo.	\$40/mo.
Fire - Employee and Spouse	\$110/mo.	\$85/mo.	\$80/mo.

The actuarial assumptions to value benefits for Police and Fire as of July 1, 2011:

Actuarial Cost Method	Projected Unit Credit
Amortization Method	30 Years, Level, Open
Asset Valuation Method	Market Value
Mortality Basis	RP-2000 projected using Scale AA to the valuation year with separate male and female tables, with blue collar adjustment for participants only, and separate tables for active members and annuitants.
Disability	The 1985 Disability Pension Study, Class 4 hazardous occupations.
Discount Rate	5.0%
Medical Inflation	Claims and premiums are assumed to increase 10% for 2011, decreasing 1% per year to 5% for 2016 and later.
Survivorship	90% of employees and wives are two years younger than husbands.
Percentage of Actives Eligible at Retirement Who Continue with Medical Coverage:	100%

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2013

School Administrators' and Teachers' Other Post-Employment Benefit Plan

Eligibility

Medical coverage is provided for the retiree and their spouse until they reach the age of 65. For administrators and teachers hired before April 1, 1986, coverage may be continued for life if ineligible for Medicare. The spouse will be covered in the event of the retiree's death until the date the retiree would turn age 65.

The face amount of a life insurance policy for eligible Administrators and Teachers is \$75,000.

Contributions

Retirees pay a portion of the cost of medical coverage.

The actuarial assumptions to value benefits for Teachers and School Administrators as of July 1, 2011:

Actuarial Cost Method	Projected Unit Credit
Amortization Method	30 Years, Level Dollar, Open
Asset Valuation Method	Market Value
Mortality Basis	As used in the Connecticut State Teachers' Retirement System 2010 OPEB Valuation; age 61 and under use the Pre-retirement rates, 62 and over the Post-retirement rates.
Disability	None
Discount Rate	5.0%
Medical Inflation	Claims and premiums are assumed to increase 10% for 2011, decreasing 1% per year to 5% for 2016 and later. It is assumed that fees and administrative expenses of \$580 per person would increase 4% per year.
Survivorship:	70% of males and 35% of females; wives are three years younger than husbands
Percentage of Actives Eligible at Retirement Who Continue with Medical Coverage:	100%
Percentage of Non-Medicare Eligible Continuing after 65:	20% (25% in prior valuation).

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2013

Component Unit

Parking Authority Pension Plan

Non-union, full-time employees of the Authority who have attained the age of 21 may participate in a contributory money accumulated pension plan. The Authority's contributions are calculated using 15 percent of nonunion salaries. Employees may elect to voluntarily contribute up to 16 percent of their salary. Employees vest 20 percent in the employer contribution after each full year in the plan and are fully vested after five years of participation.

Total payroll for nonunion employees amounted to approximately \$967,000 and the Authority's contributions amounted to \$147,577 for the year ended June 30, 2013.

The Authority also participates in the American Federation of Labor and Congress of Industrial Organizations (AFL-CIO) Local 531 Pension Fund (the "Fund"). This Plan requires contributions to be made on behalf of all bargaining unit employees and all other employees on the payroll such as temporary and casual employees. Under the terms of the union agreement, the Authority's contributions to this Fund were based on 16.7% of union salaries.

The total payroll of all bargaining unit employees for the year ended June 30, 2013 amounted to approximately \$3,332,000. The Authority's contributions for the year ended June 30, 2013 amounted to \$579,726.

Note 13. Commitments and Contingencies

General Government

The City is a defendant in various liability claims and lawsuits relating to deaths and personal injuries, civil rights violations, contractual obligations and other matters, which are incidental to performing governmental functions. The City has determined that it is probable that it has potential liability of approximately \$5,120,000 for such claims, which is recorded in the self-insurance reserve internal service fund. But the self-insurance reserve fund has a deficit of approximately \$11,913,000; therefore, funding has not been provided for these potential liabilities (see Note 11 regarding fund deficits). The City's liabilities for claims and judgments were based on information available. It is reasonably possible that, as the cases evolve, the resulting estimates will be adjusted significantly in the near term.

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed costs or claims, including amounts already received by the City, could become a liability of the City.

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2013

Operating Lease Agreements

The City leases office space and garage under cancelable and non-cancelable operating leases with terms extending over the next one to nine years. As of June 30, 2013, total future minimum rental payments under these leases are as follows:

<u>Year Ending</u> <u>June 30,</u>	
2014	\$ 3,065,389
2015	2,444,597
2016	2,083,657
2017	740,389
2018	290,035
Thereafter	298,736
	<u>\$ 8,922,803</u>

Rent expense related to these agreements amounted to approximately \$3,971,988 for the year ended June 30, 2013.

Component Units

The New Haven Parking Authority is a defendant in other litigation arising in the ordinary course of business. In the opinion of the Parking Authority's management, based upon the advice of legal counsel, the ultimate liability, if any, with respect to these matters will not be material. The Parking Authority intends to defend itself vigorously against these actions.

Parking Authority Lease Agreements

The Parking Authority also leases the Granite Square Garage facility for a period of 25 years. The lease for the facility requires monthly rental payments which are based primarily upon the recovery of costs to finance the facility. The estimated monthly rent at June 30, 2013 is \$41,905.

The following is a schedule, as of June 30, 2013, of estimated future minimum rental payments for the next three years and thereafter, which are required of the Authority as lessee under this agreement:

<u>Year Ending</u> <u>June 30,</u>	
2014	\$ 499,000
2015	535,000
	<u>\$ 1,034,000</u>

Total Parking Authority rental expense under cancelable and non-cancelable operating leases is included in the statement of revenues, expenses and changes in fund net position and totaled approximately \$947,000 for the year ended June 30, 2013.

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2013

The Parking Authority, as owner, or in its capacity as agent for the City, is also the lessor under the terms of various operating leases on property owned or operated by the Parking Authority. Such leases relate to the rental of commercial space located in the Crown Street, Temple-George, Air Rights Parking Facilities and commercial space, office space, and rail property within the Union Stations Transportation Center. Leasing arrangements generally require monthly rental payments and include terms ranging from three to seven years.

A schedule as of June 30, 2013 of minimum future rentals for the next four years on non-cancelable leases, where the Parking Authority, as owner or in its capacity as agent, is the lessor, is summarized as follows:

Year Ending June 30,	
2014	\$ 1,268,585
2015	915,256
2016	668,118
2017	668,118
	<u>\$ 3,520,077</u>

The Parking Authority has entered into several long-term contracts for improvements to its parking facilities. As of June 30, 2013, there was approximately \$4,416,000 of commitments outstanding for improvements to unrestricted facilities, and approximately \$2,300,000 of commitments outstanding for improvements to restricted facilities.

Subsidies

The City has historically subsidized various non-related party activities through General Fund expenditures for development. The amount subsidized for fiscal-year-ended June 30, 2013 was approximately \$675,000 which included approximately \$250,000 for the Shubert Performing Arts Center, \$325,000 for Tweed-New Haven Airport, and \$100,000 for the PILOT Pen tennis tournament. The Shubert and Tweed-New Haven Airport also receive a favorable lease agreement of \$1 per year for occupying City owned property. These expenditures are approved annually by the Board of Aldermen during the budgetary meetings.

Note 14. Landfill Post Closure Care Cost

State and federal laws and regulations require that the City place a final cover on its closed landfill and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. The estimated total current cost of the landfill post-closure care, aggregating \$1,050,000, is based on the amount estimated to be paid for all equipment, facilities and services required to close, monitor and maintain the landfill as of June 30, 2013. However, the actual cost of post-closure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

Note 15. Risk Management

The City is self-insured for property, general and automobile liability, workers' compensation and employee health. Workers' compensation and employee health are administered by private insurance companies. The City maintains a stop loss insurance coverage policy in the amount of \$1,000,000 for property, general and automobile liability.

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2013

The City contracts with a private insurance company to administer workers' compensation claims and provide an actuarial estimate of claims payable as of June 30, 2013. The liability for workers' compensation and heart and hypertension not expected to be paid with current available resources is reported in the government-wide statements in the amount of approximately \$27,635,000 with a discount rate of 4%. Employee health claims are funded based on estimates by the City's insurance consultants and expenses are recognized as incurred. These amounts are recorded in the Internal Service Fund as operating revenues and expenses.

Claims are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Coverage has not been reduced, nor have settled claims exceeded commercial coverage in any of the past three years.

Changes in the balances of claim liabilities during the past two years are as follows:

Fiscal Year Ended	Self-Insurance Reserve Fund			
	Claims Payable July 1	Claims and Changes in Estimates	Claims Paid	Claims Payable June 30
2013	\$ 8,358,217	\$ 2,520,096	\$ 5,758,313	\$ 5,120,000
2012	10,682,225	2,755,596	5,079,604	8,358,217

Fiscal Year Ended	Medical Self-Insurance Fund			
	Claims Payable July 1	Claims and Changes in Estimates	Claims Paid	Claims Payable June 30
2013	\$ 6,586,651	\$ 90,049,507	\$ 89,764,413	\$ 6,871,745
2012	4,782,673	67,284,909	65,480,931	6,586,651

Fiscal Year Ended	Workers' Compensation and Heart & Hypertension			
	Claims Payable July 1	Claims and Changes in Estimates	Claims Paid	Claims Payable June 30
2013	\$ 30,187,111	\$ 6,750,249	\$ 9,302,858	\$ 27,634,502
2012	35,135,704	4,812,031	9,760,624	30,187,111

Note 16. Related Party Transactions

New Haven Parking Authority

The City conducts activity with the New Haven Parking Authority (the "Parking Authority"). One of the individuals who serves on the Board of Commissioners of the Parking Authority is also an employee of the City. This individual monitors the functioning of the Parking Authority on behalf of the City and provides input from the City on various matters. All members of the Parking Authority's Board of Commissioners are appointed by the Mayor of the City of New Haven.

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2013

Related party account balances at June 30, are as follows:

	<u>2013</u>
Accounts payable and accrued expenses to the City from the Authority	<u>\$ 61,005</u>

In March 2004, the State of Connecticut transferred ownership of several surface lots operated by the Parking Authority to the City of New Haven. The Parking Authority continued to operate these lots under an annual license agreement with the City. The Parking Authority also operated the State Street Surface lots on behalf of the City.

Related Party Rental Expense of the Authority:

	<u>2013</u>
Under Air Rights	\$ 51,120
Dwight and Orchard	130,032
State Street Surface Lots	39,528
Orchard and Sherman	99,360
	<u>\$ 320,040</u>

During 2013, the City received a voluntary financial assistance payment of \$2,500,000 from the Parking Authority.

Solid Waste Authority

The City also conducts activity with the New Haven Solid Waste and Recycling Authority (the "Solid Waste Authority"). The Authority entered into an Asset Purchase Agreement with the City of New Haven in June 2008. Under the agreement, the City sold its Transfer Station assets and assigned all of its Transfer Station system responsibilities and liabilities to the Authority. Two officers of the Solid Waste Authority are also employees of the City. These individuals function as activity monitors for the City and provide input from the City on various matters. All members of the Solid Waste Authority's Board are appointed by the Mayor of the City of New Haven.

Related party activity of the Authority at June 30, 2013 is as follows:

	<u>2013</u>
Operating revenue received by Authority from the City for services	<u>\$ 2,758,313</u>

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2013

Note 17. Subsequent Events

In October 2013, the City issued \$37,750,000 in general obligation bonds due in 2032. The proceeds are to be used to fund the City's various public improvements, urban renewal and school construction projects.

In September 2013, the City issued \$40,355,000 in general obligation refunding bonds due in 2032. The proceeds were used to refund all or any portion of principal outstanding of certain City of New Haven general obligation bonds with interest from 2.0% to 5.0% and an NPV savings of \$617,051.

Note 18. Fund Balances (Deficits)

Below is a table of fund balance categories and classifications at June 30, 2013 for the City's governmental funds:

	General Fund	Education Grants	Capital Project Funds	Nonmajor Governmental Funds
Fund balances (deficits):				
Non-spendable:				
Inventory	\$ -	\$ 120,068	\$ -	\$ -
Advances	4,000,000	-	-	-
Permanent funds	-	-	-	2,381,320
	<u>4,000,000</u>	<u>120,068</u>	<u>-</u>	<u>2,381,320</u>
Restricted:				
General government	-	-	-	1,833,047
Education	-	1,969,319	-	-
Public services	-	-	-	9,656,697
Public works	-	-	-	493,143
	<u>-</u>	<u>1,969,319</u>	<u>-</u>	<u>11,982,887</u>
Assigned:				
General government	-	-	-	783,844
Unassigned	<u>(8,721,555)</u>	<u>-</u>	<u>(44,340,625)</u>	<u>(3,941,366)</u>
Total fund balances (deficits)	<u>\$ (4,721,555)</u>	<u>\$ 2,089,387</u>	<u>\$ (44,340,625)</u>	<u>\$ 11,206,685</u>

CITY OF NEW HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2013

Note 19. Governmental Accounting Standards Board (GASB) Statements

The Governmental Accounting Standards Board (GASB) has issued several pronouncements that have effective dates that may impact future financial presentations.

Management has not currently determined what, if any, impact implementation of the following statements may have on the financial statements, except for GASB 68, for which there will be an effect due to the underfunded pension plan:

- **GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, was issued March 2012.** This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. The provisions of this Statement will be effective for the City beginning with its year ending June 30, 2014.
- **GASB Statement No. 66, *Technical Corrections—2012*, was issued in March 2012.** *The objective of this Statement is to improve accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, and No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements.* The provisions of this Statement will be effective for the City beginning with its year ending June 30, 2014.
- **GASB Statement No. 67, *Financial Reporting for Pension Plans an amendment of GASB Statement No. 25*, was issued in June 2012.** The objective of this Statement is to improve financial reporting by state and local governmental pension plans. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency. This Statement replaces the requirements of Statements No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, and No. 50, *Pension Disclosures*, as they relate to pension plans that are administered through trusts or equivalent arrangements (hereafter jointly referred to as trusts) that meet certain criteria. The requirements of Statements 25 and 50 remain applicable to pension plans that are not administered through trusts covered by the scope of this Statement and to defined contribution plans that provide postemployment benefits other than pensions. The provisions of this Statement will be effective for the City beginning with its year ending June 30, 2014.
- **GASB Statement No. 68, *Accounting and Financial Reporting for Pensions, an amendment of GASB Statement No. 27*, was issued in June 2012.** The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency. This Statement is effective for fiscal years beginning after June 15, 2014.

CITY OF NEW HAVEN, CONNECTICUT

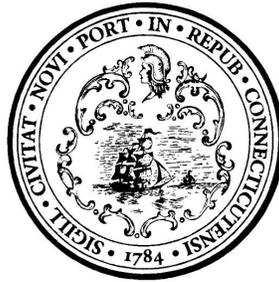
NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2013

- **GASB Statement No. 69, *Government Combinations and Disposals of Government Operations***, was issued in January 2013. This Statement provides guidance for:
 - ◆ Determining whether a specific government combination is a government merger, a government acquisition, or a transfer of operations.
 - ◆ Using carrying values (generally, the amounts recognized in the pre-combination financial statements of the combining governments or operations) to measure the assets, deferred outflows of resources, liabilities, and deferred inflows of resources combined in a government merger or transfer of operations.
 - ◆ Measuring acquired assets, deferred outflows of resources, liabilities, and deferred inflows of resources based on their acquisition values in a government acquisition.
 - ◆ Reporting the disposal of government operations that have been transferred or sold.

The requirements of this Statement are effective for periods beginning after December 15, 2013, and should be applied on a prospective basis.

- **GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees***. This Statement requires a government that extends a nonexchange financial guarantee to recognize a liability when qualitative factors and historical data, if any, indicate that it is more likely than not that the government will be required to make a payment on the guarantee. This Statement also requires a government that has issued an obligation guaranteed in a nonexchange transaction to recognize revenue to the extent of the reduction in its guaranteed liabilities. This Statement also requires a government that is required to repay a guarantor for making a payment on a guaranteed obligation or legally assuming the guaranteed obligation to continue to recognize a liability until legally released as an obligor. The provisions of this Statement are effective for reporting periods beginning after June 15, 2013.
- **GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement date, an amendment of GASB Statement No. 68***. The objective of this Statement is to improve accounting and financial reporting by addressing an issue in Statement No. 68, Accounting and Financial Reporting for Pensions, concerning transition provisions related to certain pension contributions made to defined benefit pension plans prior to implementation of that Statement by employers and nonemployer contributing entities. The provisions of this Statement are effective for reporting periods beginning after June 15, 2014.

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**REQUIRED
SUPPLEMENTARY
INFORMATION
(Unaudited)**

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL - (NON-GAAP BUDGETARY BASIS) -

GENERAL FUND

For the Year Ended June 30, 2013

(unaudited)

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Current City Taxes:				
Real Estate	\$ 192,843,560	192,843,560	193,448,761	\$ 605,201
Personal Property	19,557,602	19,557,602	20,562,353	1,004,751
Motor Vehicle	12,219,506	12,219,506	12,469,072	249,566
Supplemental	2,035,000	2,035,000	2,125,833	90,833
Current Interest	1,100,000	1,100,000	1,039,915	(60,085)
Collection Fees	-	-	(46,442)	(46,442)
Total Current City Taxes	227,755,668	227,755,668	229,599,492	1,843,824
Tax Collection Initiatives:				
Real and Personal Property Initiatives	1,500,000	1,500,000	-	(1,500,000)
Delinquent City Taxes:				
Real and Personal Property	1,700,000	1,700,000	1,158,995	(541,005)
Interest and Penalties	725,000	725,000	229,855	(495,145)
Total Delinquent City Taxes	2,425,000	2,425,000	1,388,850	(1,036,150)
Education Grants:				
Education Cost Sharing	142,509,525	142,509,525	142,378,798	(130,727)
State Aid for Construction and Reconstruction	6,185,271	6,185,271	6,185,274	3
School Transportation	3,700,659	3,700,659	3,655,948	(44,711)
Education of the Legally Blind	120,000	120,000	121,664	1,664
Health Services - Non-Public Schools	60,000	60,000	56,891	(3,109)
Total Education Grants	152,575,455	152,575,455	152,398,575	(176,880)
Other Government Grants:				
Distressed Cities Exemption	87,000	87,000	38,554	(48,446)
Homeowners Tax Relief - Elderly Circuit Breaker	437,000	437,000	439,355	2,355
Low Income Tax Abatement Program	205,000	205,000	101,429	(103,571)
Pequot Funds	6,876,864	6,876,864	6,880,445	3,581
State Property Tax Relief	3,855,548	3,855,548	2,381,832	(1,473,716)
PILOT - Colleges & Hospitals	37,557,507	37,557,507	35,110,990	(2,446,517)
PILOT Machinery & Equipment	1,175,000	1,175,000	1,086,540	(88,460)
PILOT - State Property	4,840,984	4,840,984	4,737,591	(103,393)
Reimbursements for Low Income Veterans	54,000	54,000	54,179	179
Reimbursements for the Disabled	12,000	12,000	11,322	(678)
Shell Fish	30,000	30,000	34,833	4,833
Tax Relief for the Elderly Freeze	10,000	10,000	8,000	(2,000)
Telecommunications Property Tax	585,000	585,000	622,019	37,019
Town Aid Roads	605,470	605,470	624,343	18,873
Total Other Government Grants	56,331,373	56,331,373	52,131,432	(4,199,941)
Total State Aid	208,906,828	208,906,828	204,530,007	(4,376,821)

See Note to Required Supplementary Information.

(Continued on next page)

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL - (NON-GAAP BUDGETARY BASIS) -

GENERAL FUND, Continued

For the Year Ended June 30, 2013

(unaudited)

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES (Continued)				
Licenses, Permits and Other Fees:				
Animal Shelter	6,500	6,500	2,450	(4,050)
Building Inspections	9,000,000	9,000,000	8,833,889	(166,111)
Engineers- Cost Recovery	77,000	77,000	85,065	8,065
Fire Service	77,000	77,000	75,069	(1,931)
Fire Service Emergency Response	125,000	125,000	93,831	(31,169)
Health Services	300,000	300,000	362,785	62,785
High School Athletics	25,000	25,000	32,079	7,079
Map/Bid Documents	5,000	5,000	3,323	(1,677)
Office of Technology	2,000	2,000	1,015	(985)
Parks - Kiosk	200,000	200,000	-	(200,000)
Parks - Carousel	5,000	5,000	1,717	(3,283)
Parks - Lighthouse Admissions & Concessions	130,000	130,000	68,024	(61,976)
Parks - Other Fees	75,000	75,000	63,169	(11,831)
Police Service	131,000	131,000	136,297	5,297
Public Works - Evictions	1,000	1,000	2,575	1,575
Public Works - Public Space, Licenses & Permits	200,000	200,000	132,579	(67,421)
Public Works Bulk Trash	50,000	50,000	39,211	(10,789)
Public Works - Fees	20,000	20,000	-	(20,000)
Registrar of Vital Statistics	700,000	700,000	649,359	(50,641)
Residential Parking Permits	36,000	36,000	34,040	(1,960)
Other Agencies	50,000	50,000	44,243	(5,757)
Town Clerk/City Clerk	305,000	305,000	376,998	71,998
Traffic & Parking Meter Receipts	5,700,000	5,700,000	5,253,587	(446,413)
Total Licenses, Permits and Other Fees	17,220,500	17,220,500	16,291,305	(929,195)
Investment Income:				
Interest Income	50,000	50,000	249	(49,751)
Received From Fines:				
Coliseum Lots	240,000	240,000	180,000	(60,000)
Miscellaneous Community Development Rent	92,021	92,021	15,060	(76,961)
Parking Space Rental	4,000	4,000	2,750	(1,250)
Parking Tags	5,375,000	5,375,000	5,721,901	346,901
Parks Employees Rents	10,000	10,000	7,290	(2,710)
Parking Tag Amnesty Program	350,000	350,000	-	(350,000)
Public Works - Public Space Violations	5,000	5,000	3,550	(1,450)
Superior Court	95,000	95,000	69,245	(25,755)
Total Received From Fines	6,171,021	6,171,021	5,999,796	(171,225)

See Note to Required Supplementary Information.

(Continued on next page)

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL - (NON-GAAP BUDGETARY BASIS) -

GENERAL FUND, Continued

For the Year Ended June 30, 2013

(unaudited)

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Payment in Lieu of Taxes (PILOT):				
52 Howe Street	65,000	65,000	66,114	1,114
Air Rights Garage - Temple Medical	200,000	200,000	183,333	(16,667)
Eastview PILOT	30,000	30,000	25,750	(4,250)
Ninth Square	580,000	580,000	580,065	65
Hospital of St. Raphael	9,500	9,500	5,120	(4,380)
South Central Regional Water Authority	1,112,890	1,112,890	973,970	(138,920)
Temple St. Arcade	-	-	14,874	14,874
Trinity Housing	40,000	40,000	94,158	54,158
Total Payment in Lieu of Taxes (PILOT)	2,037,390	2,037,390	1,943,384	(94,006)
Other Taxes and Assessments:				
Air Rights Garage	57,000	57,000	42,201	(14,799)
Real Estate Conveyance Tax	1,025,000	1,025,000	1,755,081	730,081
Yale Payment For Fire Services	2,704,872	2,704,872	2,704,872	-
Total Other Taxes and Assessments	3,786,872	3,786,872	4,502,154	715,282
Miscellaneous:				
BABS Revenue	891,088	891,088	891,088	-
Proceeds related to street discontinuance	-	-	3,000,000	3,000,000
Controllers	1,000,000	1,000,000	553,163	(446,837)
GNHWPCA-Pilot	639,593	639,593	608,400	(31,193)
I-95 Highway Expansion	125,000	125,000	254,094	129,094
Fines	10,000	10,000	-	(10,000)
Neighborhood Preservation Loan Payments	-	-	411	411
NHPA: PILOT	2,500,000	2,500,000	2,500,000	-
Sale of Capital Assets	1,500,000	1,500,000	1,500,000	-
Bulk Trash Permits	8,951,405	8,951,405	7,486,735	(1,464,670)
Off Track Betting	885,000	885,000	815,611	(69,389)
Personal Motor Vehicles Reimbursements	20,000	20,000	11,196	(8,804)
United Illuminating Rebate	5,000	5,000	-	(5,000)
Welfare Department	20,000	20,000	-	(20,000)
Total Miscellaneous	16,547,086	16,547,086	17,620,698	1,073,612
Total revenues and other financing sources	\$ 486,400,365	\$ 486,400,365	\$ 481,875,935	\$ (4,524,430)

Budgetary revenues are different than GAAP revenues because:

State of Connecticut "on-behalf" contributions to the Connecticut State Teachers' Retirement System for City teachers are not budgeted	27,467,000
Excess cost - student based	2,180,656
Bond proceeds	6,000,000
Bond premium recognized as GAAP revenue and as an offset to interest payments for budget purposes	1,538,351

Total revenues and other financing uses as reported on the statement of revenues, expenditures and changes in fund balance - governmental funds - Exhibit D.

\$ 519,061,942

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES - BUDGET AND ACTUAL - (NON-GAAP BUDGETARY BASIS) -
GENERAL FUND
For the Year Ended June 30, 2013
(unaudited)

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES				
Current:				
General Government:				
Assessor's Office	\$ 825,409	\$ 903,909	\$ 863,999	\$ 39,910
Chief Administrators Office	1,351,939	1,726,589	1,627,372	99,217
City/Town	471,808	471,808	425,847	45,961
Corporation Counsel	1,817,534	1,955,034	1,873,323	81,711
Finance	10,028,638	10,007,788	9,998,520	9,268
Legislative Services	812,353	812,353	727,430	84,923
Library	3,617,074	3,597,074	3,560,094	36,980
Mayor's Office	866,313	887,163	887,163	-
Parks	4,817,368	4,817,368	4,929,221	(111,853)
Registrar of Voters	564,359	564,359	534,790	29,569
Total General Government	25,172,795	25,743,445	25,427,759	315,686
Public Safety:				
Fire	30,863,762	30,863,762	31,430,019	(566,257)
Police	37,440,952	37,440,952	37,524,661	(83,709)
Public Safety Communications	3,159,913	3,159,913	3,148,485	11,428
Total Public Safety	71,464,627	71,464,627	72,103,165	(638,538)
Public Works & Engineering:				
Engineering	3,169,750	3,169,750	3,105,568	64,182
Public Works	11,585,135	11,375,135	11,134,417	240,718
Total Public Works	14,754,885	14,544,885	14,239,985	304,900
Human Services:				
Community Services Admin	1,994,084	1,994,084	1,944,205	49,879
Disability Services	87,031	87,031	83,823	3,208
Elderly Services	651,888	651,888	630,368	21,520
Fair Rent Commission	63,368	63,368	63,299	69
Health	3,104,445	3,084,445	2,947,050	137,395
Youth Services	337,405	337,405	316,056	21,349
Total Human Services	6,238,221	6,218,221	5,984,801	233,420
Economic Development:				
Building Inspection & Enforcement	905,857	905,857	905,857	-
City Plan	504,472	504,472	504,472	-
Development Operating Contributions	1,001,600	1,001,600	1,004,264	(2,664)
Economic Development	1,316,372	1,316,372	1,316,372	-
Equal Opportunities	105,708	105,708	105,708	-
Livable City Initiative	664,530	664,530	626,432	38,098
Transportation/Traffic & Parking	2,348,306	2,348,306	2,271,928	76,378
Total Economic Development	6,846,845	6,846,845	6,735,033	111,812

See Note to Required Supplementary Information.

(Continued on next page)

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES - BUDGET AND ACTUAL - (NON-GAAP BUDGETARY BASIS) -
GENERAL FUND, Continued
For the Year Ended June 30, 2013
(unaudited)

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Other Departments:				
City Match for FEMA	-	-	775,000	(775,000)
Non -Public Transportation	480,000	480,000	473,990	6,010
Various Organizations	188,295	188,295	188,295	-
Contract Reserve	(3,640,970)	(3,640,970)	-	(3,640,970)
Total Other Departments	(2,972,675)	(2,972,675)	1,437,285	(4,409,960)
Pensions/Insurance/Benefits:				
Employee Benefits	75,967,554	75,612,404	72,618,360	2,994,044
Pensions	44,737,427	44,737,427	45,686,081	(948,654)
Self-Insurance	4,254,500	4,269,000	4,681,058	(412,058)
Total Insurance Benefits	124,959,481	124,618,831	122,985,499	1,633,332
Education:				
Total Education	174,219,297	174,219,297	174,774,403	(555,106)
Debt Service:				
Principal	40,891,614	40,891,614	42,374,766	(1,483,152)
Interest	24,825,275	24,825,275	20,318,344	4,506,931
Total Debt Service	65,716,889	65,716,889	62,693,110	3,023,779
Total Expenditures and Other Financing Uses	\$ 486,400,365	\$ 486,400,365	486,381,040	\$ 19,325

Budgetary expenditures are different than GAAP expenditures because:

State of Connecticut "on-behalf" contributions to the Connecticut State Teachers' Retirement System for City teachers are not budgeted	27,467,000
Excess Cost-student based	2,180,656
GAAP transfer out not recognized for budget purposes	9,008,246
GAAP expenditure not recognized for budget purposes	6,000,000
Bond premium recognized as an offset to interest payments for budget purposes	1,538,351
Total expenditures and other financing uses as reported in the statement of revenues, expenditures and changes in fund balance - governmental funds - Exhibit D.	<u>\$ 532,575,293</u>

See Note to Required Supplementary Information.

REQUIRED SUPPLEMENTARY INFORMATION

CITY EMPLOYEES'-RETIREMENT PLAN

June 30, 2013

*(Unaudited)**Schedule of Funding Progress*

Fiscal Year-End	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/(c)
6/30/08	\$ 198,695,200	\$ 327,906,400	\$ 129,211,200	60.6%	\$ 55,510,000	232.8%
6/30/09	208,351,800	344,861,000	136,509,700	60.4%	57,368,000	238.0%
6/30/10	201,039,400	357,226,500	156,187,100	56.3%	55,394,700	282.0%
6/30/11	177,317,300	381,259,400	203,942,100	46.5%	57,998,200	351.6%
6/30/12	180,206,600	394,371,700	214,165,100	45.7%	60,152,100	356.0%
6/30/13	169,537,900	398,562,100	229,024,200	42.5%	53,572,400	427.5%

Schedule of Employer Contributions

Year Ended June 30,	Annual Required Contribution	Percentage Contributed	Actual Contribution
2008	\$ 10,396,025	100%	\$ 10,396,025
2009	10,938,000	100%	10,938,000
2010	11,501,900	100%	11,501,900
2011	11,941,035	101%	12,015,996
2012	16,258,723	100%	16,332,514
2013	16,909,072	100%	16,977,367

REQUIRED SUPPLEMENTARY INFORMATION
POLICE AND FIREMEN-RETIREMENT PLAN
June 30, 2013
(Unaudited)

Schedule of Funding Progress

Fiscal Year-End	Actuarial	Actuarial	Unfunded	Funded	Covered	UAAL as a
	Value of Assets (a)	Accrued Liability (AAL) (b)	AAL (UAAL) (b-a)	Ratio (a/b)	Payroll (c)	Percentage of Covered Payroll (b-a)/(c)
6/30/08	\$ 285,490,700	\$ 470,931,700	\$ 185,441,000	60.6%	\$ 55,602,000	333.5%
6/30/09	301,004,200	512,853,100	211,848,900	58.7%	58,017,427	365.1%
6/30/10	297,398,600	534,902,000	237,503,400	55.6%	54,570,400	435.2%
6/30/11	290,172,300	557,015,300	266,843,000	52.1%	57,301,700	465.7%
6/30/12	290,015,000	580,710,100	290,695,100	49.9%	63,313,700	459.1%
6/30/13	282,689,200	594,979,800	312,290,600	47.5%	56,661,400	551.2%

Schedule of Employer Contributions

Year Ended June 30,	Annual		Actual Contribution
	Required Contribution	Percentage Contributed	
2008	\$ 15,000,000	100%	\$ 15,000,000
2009	16,687,000	100%	16,687,000
2010	17,811,000	100%	17,811,000
2011	18,692,000	100%	18,692,000
2012	23,331,000	100%	23,331,000
2013	24,258,000	100%	24,258,000

REQUIRED SUPPLEMENTARY INFORMATION

OPEB PLAN

June 30, 2013

*(Unaudited)**Schedule of Funding Progress - OPEB Plan*

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/(c)
6/30/07	\$ -	\$ 430,522,000	\$ 430,522,000	0.0%	\$ 272,235,306	158.1%
6/30/09	-	413,995,000	413,995,000	0.0%	284,120,415	145.7%
6/30/11	227,000	444,370,000	444,143,000	0.1%	285,140,448	155.7%

Schedule of Employer Contributions - OPEB Plan

Year Ended June 30,	Annual Required Contribution	Percentage Contributed	Actual Contribution
2008	\$ 42,126,000	34.1%	\$ 14,350,000
2009	42,126,000	44.9%	18,931,531
2010	42,126,000	47.1%	19,835,300
2011	37,865,000	49.3%	20,232,800
2012	38,444,000	58.0%	22,471,000
2013	38,063,000	56.0%	21,384,900

CITY OF NEW HAVEN, CONNECTICUT

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION June 30, 2013

Note 1. Budgetary Information

General Fund

The Statement of Revenues and Expenditures, and Changes in Fund Balance - Budgetary Basis - Budget to Actual presented in the financial statements for the General Fund is on the budgetary basis of accounting, which is a basis of accounting other than the accrual basis and the modified basis of accounting. The budgetary basis of accounting and the City's general budget policies are as follows:

- A. The budget is developed by the Mayor, and adopted by the Board of Aldermen on or before the first Monday in June. If the Board of Aldermen fails to act upon the recommended budget by the first Monday in June, the recommendations of the Mayor shall be the legal budget of the City. The Mayor may, within ten days subsequent to adoption of the budget, veto specific line items. Any veto by the Mayor may be overridden by a two-thirds vote of the Board of Aldermen.
- B. Concurrent with its submission to the Board of Aldermen, the budget is to be filed with the City Clerk. Within four business days after its filing, the clerk shall publish in a newspaper of general circulation in the City the proposed budget. The Board of Aldermen budget committee(s) shall hold at least two public hearings thereon. The first hearing shall be no later than 15 calendar days after the publication of the budget and another hearing shall be held at least 7 calendar days before the first reading by the Board of Aldermen.
- C. The Board of Aldermen can approve additional appropriations on the recommendation of the Mayor. However, the Board of Aldermen shall not reduce any item proposed by the Mayor for the payment of interest or principal on municipal debt.
- D. The total amount of the annual appropriations for any year shall not exceed the estimated income for that year.
- E. Formal budgetary integration is employed as a management control device during the year.
- F. Except for the use of encumbrance accounting and the classification of certain revenues and expenditures, budgets are adopted on a modified accrual basis of accounting.
- G. Budgeted amounts reported in the financial statements have been revised to include Board of Aldermen revisions that were approved during the 2012-2013 fiscal year. Budgetary comparison schedules are presented in the supplemental section as Required Supplemental Information.
- H. In general, all unobligated appropriations lapse at year end.
- I. Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order was issued and, accordingly, encumbrances outstanding at year-end are reflected in budgetary reports as expenditures in the current year whereas they are shown as assigned fund balance on a GAAP basis of accounting.

Classifications of certain revenues and expenditures under accounting principles generally accepted in the United States of America differ from classifications utilized for budgetary purposes.

CITY OF NEW HAVEN, CONNECTICUT

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION, Continued
June 30, 2013

Special Revenue Funds

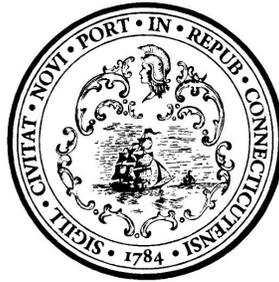
The City does not have legally adopted annual budgets for the Special Revenue Funds. Budgets for the various special revenue funds which are utilized to account for specific grant programs are established in accordance with the requirements of the grantor agencies. Such budgets carryover until completion of the grants and, therefore, may comprise more than one fiscal year.

Capital Projects Funds

Legal authorization for expenditures of the Capital Projects Funds is provided by the related bond ordinances and/or intergovernmental grant agreements or Connecticut State statutes. Capital appropriations do not lapse until the purpose for which the appropriation was made has been accomplished or abandoned.



**Combining and Individual Fund Financial
Statements and Other Schedules**



**NON-MAJOR
GOVERNMENTAL FUNDS**

NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds are established in the City pursuant to State Statutes and local ordinance or resolution. Special revenue funds are a governmental fund type used to account for the proceeds of specific revenue sources (other than for major capital projects) that are legally restricted to expenditure for specified purposes.

Fund	Funding Source	Function
Community Development	Federal grants	Housing assistance
Improvement	State, federal, other grants	Various programs
Human Resources	State and federal grants	Human Resources
Redevelopment	State and federal grants	Redevelopment project
Other	Grants and contributions	Various
Other ETF	Various	Various

Debt Service Fund

The debt service fund is used to report resources to pay down long-term debt of the City.

Permanent Funds

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes as defined by the grantor.

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CITY OF NEW HAVEN, CONNECTICUT

COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
June 30, 2013

	Special Revenue Funds			
	Community Development	Improvement	Human Resources	Redevelopment Agency
ASSETS				
Cash and cash equivalents	\$ 5,377,124	\$ 1,963,459	\$ 2,133,407	\$ 146,840
Investments	1,783,318	-	-	-
Receivables, net	124,872	7,112	21,666	2,426
Receivables from other governments	564,127	545,119	619,690	-
Total assets	\$ 7,849,441	\$ 2,515,690	\$ 2,774,763	\$ 149,266
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 1,230,821	\$ 850,651	\$ 486,775	\$ -
Accrued liabilities	59,172	288	65,469	-
Due to other funds	123,845	965,875	298,183	6,079
Due to other governments	377,421	-	-	-
Unearned revenue	-	19,785	-	-
Deferred revenue	922,362	185,460	-	-
Other liabilities	-	-	-	9,744
Total liabilities	2,713,621	2,022,059	850,427	15,823
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	5,135,820	493,631	1,924,336	133,443
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	5,135,820	493,631	1,924,336	133,443
Total liabilities and fund balances	\$ 7,849,441	\$ 2,515,690	\$ 2,774,763	\$ 149,266

SCHEDULE 6

Special Revenue Funds			Total Non-major Governmental Funds (See Exhibit C)
Other	Other ETF	Permanent Funds	
\$ -	\$ 1,356,134	\$ 1,213,724	\$ 12,190,688
-	2,161,405	2,862,926	6,807,649
99,824	49,032	-	304,932
977,131	-	-	2,706,067
<u>\$ 1,076,955</u>	<u>\$ 3,566,571</u>	<u>\$ 4,076,650</u>	<u>\$ 22,009,336</u>
\$ 1,568,879	\$ -	\$ -	\$ 4,137,126
41,923	-	-	166,852
554,426	58,660	-	2,007,068
-	-	-	377,421
-	-	-	19,785
260,530	-	-	1,368,352
413,907	1,674,863	627,533	2,726,047
<u>2,839,665</u>	<u>1,733,523</u>	<u>627,533</u>	<u>10,802,651</u>
-	-	2,381,320	2,381,320
1,394,812	1,833,048	1,067,797	11,982,887
783,844	-	-	783,844
(3,941,366)	-	-	(3,941,366)
<u>(1,762,710)</u>	<u>1,833,048</u>	<u>3,449,117</u>	<u>11,206,685</u>
<u>\$ 1,076,955</u>	<u>\$ 3,566,571</u>	<u>\$ 4,076,650</u>	<u>\$ 22,009,336</u>

CITY OF NEW HAVEN, CONNECTICUT

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 NON-MAJOR GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2013

	Special Revenue Funds			
	Community Development	Improvement	Human Resources	Redevelopment Agency
REVENUES				
Intergovernmental	\$ 8,290,418	\$ 3,431,512	\$ 9,901,054	\$ -
Investment earnings	114,302	4,000	-	47
Charges for services	644,584	-	487,429	-
Other contributions	198,947	194,494	1,719,991	-
Total revenues	9,248,251	3,630,006	12,108,474	47
EXPENDITURES				
Current:				
General government	-	-	-	227,225
Education	-	-	-	-
Public works	-	7,403,611	-	-
Public services	9,868,732	-	12,166,897	-
Debt service:	-	-	-	-
Principal	480,300	-	-	-
Interest	15,658	-	-	-
Total expenditures	10,364,690	7,403,611	12,166,897	227,225
Excess (deficiency) of revenues over expenditures	(1,116,439)	(3,773,605)	(58,423)	(227,178)
OTHER FINANCING SOURCES (USES)				
Transfer in	-	-	1,780,646	-
Total other financing sources (uses)	-	-	1,780,646	-
Net change in fund balances (deficits)	(1,116,439)	(3,773,605)	1,722,223	(227,178)
FUND BALANCES (DEFICITS), beginning	6,252,259	4,267,236	202,113	360,621
FUND BALANCES (DEFICITS), ending	\$ 5,135,820	\$ 493,631	\$ 1,924,336	\$ 133,443

SCHEDULE 7

Special Revenue Funds		Permanent Funds	Total Non-major Governmental Funds (See Exhibit D)
Other	Other ETF		
\$ 19,326,063	\$ -	\$ -	\$ 40,949,047
160	1,132	-	119,641
3,129,400	-	-	4,261,413
60,244	29,221	620,120	2,823,017
<u>22,515,867</u>	<u>30,353</u>	<u>620,120</u>	<u>48,153,118</u>
7,442,199	-	-	7,669,424
16,748,400	-	-	16,748,400
-	-	-	7,403,611
-	-	-	22,035,629
-	-	-	480,300
-	-	-	15,658
<u>24,190,599</u>	<u>-</u>	<u>-</u>	<u>54,353,022</u>
<u>(1,674,732)</u>	<u>30,353</u>	<u>620,120</u>	<u>(6,199,904)</u>
-	-	-	1,780,646
-	-	-	1,780,646
(1,674,732)	30,353	620,120	(4,419,258)
(87,978)	1,802,695	2,828,997	15,625,943
<u>\$ (1,762,710)</u>	<u>\$ 1,833,048</u>	<u>\$ 3,449,117</u>	<u>\$ 11,206,685</u>

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ENTERPRISE FUNDS

ENTERPRISE FUNDS

Enterprise Funds are used to account for ongoing organizations and activities which are similar to those found in the private sector.

Golf Course – is used to account for revenues and expenditures related to the City Golf Course.

Skating Rink – is used to account for revenues and expenditures related to the City Skating Rink.

East Rock Communication Tower – is used to account for revenues and expenditures related to the communication tower at East Rock.

COMBINING STATEMENT OF NET POSITION - NONMAJOR ENTERPRISE FUNDS

June 30, 2013

	Business-Type Activities - Enterprise Funds			
	Golf Course	Skating Rink	East Rock Communications Tower	Total
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 384,632	\$ 87,601	\$ 314,967	\$ 787,200
Accounts receivable	24,355	75	28,750	53,180
Due from other funds	-	-	4,281	4,281
Total assets	408,987	87,676	347,998	844,661
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	203,258	77,857	-	281,115
Due to other funds	110,000	-	-	110,000
Total current liabilities	313,258	77,857	-	391,115
NET POSITION				
Unrestricted	95,729	9,819	347,998	453,546
Total net position	\$ 95,729	\$ 9,819	\$ 347,998	\$ 453,546

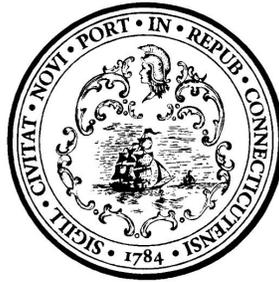
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
FUND NET POSITION - NONMAJOR ENTERPRISE FUNDS
For the Year Ended June 30, 2013**

	Business-Type Activities - Enterprise Funds			
	Golf Course	Skating Rink	East Rock Communications Tower	Total
OPERATING REVENUES				
Charges for services	\$ 900,523	\$ 207,996	\$ 80,836	\$ 1,189,355
Total operating revenues	<u>900,523</u>	<u>207,996</u>	<u>80,836</u>	<u>1,189,355</u>
OPERATING EXPENSES				
Cost of service	867,172	211,952	98,899	1,178,023
Total operating expenses	<u>867,172</u>	<u>211,952</u>	<u>98,899</u>	<u>1,178,023</u>
Operating (loss) income	<u>33,351</u>	<u>(3,956)</u>	<u>(18,063)</u>	<u>11,332</u>
NONOPERATING REVENUES				
Interest income	-	-	56	56
Total nonoperating revenues	<u>-</u>	<u>-</u>	<u>56</u>	<u>56</u>
Net (loss) income	<u>33,351</u>	<u>(3,956)</u>	<u>(18,007)</u>	<u>11,388</u>
TRANSFERS				
Transfers out	(110,000)	-	-	(110,000)
Change in net position	<u>(76,649)</u>	<u>(3,956)</u>	<u>(18,007)</u>	<u>(98,612)</u>
FUND NET POSITION, beginning	<u>172,378</u>	<u>13,775</u>	<u>366,005</u>	<u>552,158</u>
FUND NET POSITION, ending	<u>\$ 95,729</u>	<u>\$ 9,819</u>	<u>\$ 347,998</u>	<u>\$ 453,546</u>

COMBINING STATEMENT OF CASH FLOWS - NONMAJOR ENTERPRISE FUNDS
For the Year Ended June 30, 2013

	Business-Type Activities - Enterprise Funds			
	Golf Course	Skating Rink	East Rock Communications Tower	Total
Cash Flows From Operating Activities				
Receipts from customers and users	\$ 893,869	\$ 207,921	\$ 52,084	\$ 1,153,874
Payments to suppliers and personnel	(760,258)	(134,095)	(100,162)	(994,515)
Net cash provided by (used in) operating activities	133,611	73,826	(48,078)	159,359
Cash Flows From Investing Activities				
Interest income	-	-	56	56
Net increase (decrease) in cash and cash equivalents	133,611	73,826	(48,022)	159,415
Cash and Cash Equivalents				
Beginning	251,021	13,775	362,989	627,785
Ending	\$ 384,632	\$ 87,601	\$ 314,967	\$ 787,200
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities				
Operating income (loss)	\$ 33,351	\$ (3,956)	\$ (18,007)	\$ 11,388
Adjustments to reconcile operating income (loss) to net cash used in operating activities:				
Changes in assets and liabilities:				
Increase in other receivables	(6,652)	(75)	(28,750)	(35,477)
Increase (Decrease) in accounts payable	(3,088)	77,857	(1,699)	73,070
Increase in due to other funds	110,000	-	378	110,378
Net cash provided by (used in) operating activities	\$ 133,611	\$ 73,826	\$ (48,078)	\$ 159,359

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INTERNAL SERVICE FUNDS

INTERNAL SERVICE FUNDS

Internal service funds are used to report any activity that provides goods or services to other funds, departments, or agencies of the City, or to other governments, on a cost-reimbursement basis.

The City maintains three (3) internal service funds to account for the risk management program for employee benefits including retirees, municipal actives, workers' compensation, and general liability, including property damage.

**COMBINING STATEMENT OF NET POSITION (DEFICIT)
INTERNAL SERVICE FUNDS
June 30, 2013**

	Self-Insurance Reserve Fund	Medical Self-Insurance Fund	Workers' Compensation Self-Insurance Fund	Total (See Exhibit F)
ASSETS				
Current Assets:				
Cash and cash equivalents	\$ 2,205	\$ 1,718,241	\$ 56,705	\$ 1,777,151
Receivables, net	-	2,102,390	178,402	2,280,792
Due from other funds	-	787,557	-	787,557
Total current assets	2,205	4,608,188	235,107	4,845,500
LIABILITIES				
Current Liabilities:				
Accounts payable	18,298	214,748	-	233,046
Due to other funds	2,769,273	-	203,429	2,972,702
Accrued estimated healthcare claims	-	6,871,745	-	6,871,745
Claims and judgments	705,000	-	-	705,000
Other liabilities	7,666	-	-	7,666
Total current liabilities	3,500,237	7,086,493	203,429	10,790,159
Noncurrent Liabilities:				
Claims and judgments	4,415,000	-	-	4,415,000
Advances from other funds	4,000,000	-	-	4,000,000
	8,415,000	-	-	8,415,000
Total liabilities	11,915,237	7,086,493	203,429	19,205,159
NET POSITION (DEFICIT)				
Unrestricted (deficit)	(11,913,032)	(2,478,305)	31,678	(14,359,659)
Total net position (deficit)	\$ (11,913,032)	\$ (2,478,305)	\$ 31,678	\$ (14,359,659)

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION (DEFICIT)
INTERNAL SERVICE FUNDS
For the Year Ended June 30, 2013

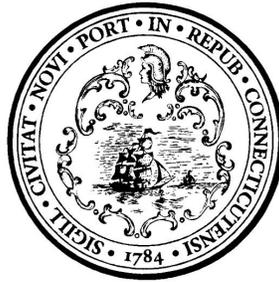
	Self-Insurance Reserve Fund	Medical Self-Insurance Fund	Workers' Compensation Self-Insurance Fund	Total (See Exhibit G)
OPERATING REVENUES				
Employer's contribution	\$ 8,400,000	\$ 56,278,828	\$ -	\$ 64,678,828
Charges for services	-	11,096,585	-	11,096,585
Total operating revenues	8,400,000	67,375,413	-	75,775,413
OPERATING EXPENSES				
Insurance claims and expenses	2,520,096	68,670,139	3,760	71,193,995
Total operating expenses	2,520,096	68,670,139	3,760	71,193,995
Change in net position (deficit)	5,879,904	(1,294,726)	(3,760)	4,581,418
NET POSITION (DEFICIT), beginning	(17,792,936)	(1,183,579)	35,438	(18,941,077)
NET POSITION (DEFICIT), ending	\$ (11,913,032)	\$ (2,478,305)	\$ 31,678	\$ (14,359,659)

**COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended June 30, 2013**

	Self-Insurance Reserve Fund	Medical Self-Insurance Fund	Workers' Compensation Self-Insurance Fund	Total (See Exhibit H)
CASH FLOWS FROM OPERATING ACTIVITIES				
City's contribution	\$ 8,400,000	\$ 74,927,877	\$ -	\$ 83,327,877
Cash received from users (including other funds)	-	14,362,864	-	14,362,864
Cash receipts from other funds	-	-	-	-
Cash payments to other funds	-	(81,660)	(300,763)	(382,423)
Claims and other expenses paid	(9,739,679)	(89,987,389)	(52,133)	(99,779,201)
Net cash (used in) provided by operating activities	(1,339,679)	(778,308)	(352,896)	(2,470,883)
CASH AND CASH EQUIVALENTS				
Beginning of year	1,341,884	2,496,549	409,601	4,248,034
End of year	\$ 2,205	\$ 1,718,241	\$ 56,705	\$ 1,777,151
Reconciliation of Operating Income (Loss) to Net Cash (Used in) Provided by Operating Activities				
Operating income (loss)	\$ 5,879,904	\$ (1,294,726)	\$ (3,760)	\$ 4,581,418
Change in Assets and Liabilities:				
Decrease (increase) in receivables, net	-	535,960	(48,373)	487,587
Increase in accrued estimated healthcare payments	-	285,094	-	285,094
Decrease in claims and judgments	(3,238,217)	-	-	(3,238,217)
Decrease in accounts payable and other	(6,489)	(222,976)	-	(229,465)
Decrease in due to other funds and advances	(3,974,877)	(81,660)	(300,763)	(4,357,300)
Net cash (used in) provided by operating activities	\$ (1,339,679)	\$ (778,308)	\$ (352,896)	\$ (2,470,883)

COMBINING STATEMENT OF ACTIVITIES
INTERNAL SERVICE FUNDS - MEDICAL SELF-INSURANCE FUND
For the Year Ended June 30, 2013

	Medical Self-Insurance Current Employees	Medical Self-Insurance Retirees	Total Medical Self-Insurance
OPERATING REVENUES			
Employer's contribution	\$ 56,278,828	\$ 18,649,597	\$ 74,928,425
Charges for services	11,096,585	2,720,319	13,816,904
Total operating revenues	<u>67,375,413</u>	<u>21,369,916</u>	<u>88,745,329</u>
OPERATING EXPENSES			
Insurance claims and expenses	68,670,139	21,369,916	90,040,055
Total operating expenses	<u>68,670,139</u>	<u>21,369,916</u>	<u>90,040,055</u>
Change in net position (deficit)	(1,294,726)	-	(1,294,726)
NET POSITION (DEFICIT), beginning	<u>(1,183,579)</u>	-	<u>(1,183,579)</u>
NET POSITION (DEFICIT), ending	<u>\$ (2,478,305)</u>	\$ -	<u>\$ (2,478,305)</u>



FIDUCIARY FUNDS

COMBINING STATEMENT OF TRUST FUND NET POSITION
FIDUCIARY FUNDS
June 30, 2013

	City Employees' Retirement Fund	Policemen's and Firemen's Retirement Fund	Other Retirement Fund	Post-Employment Benefit Plan Fund	Combined Trust Funds (See Exhibit I)
ASSETS					
Cash and short-term investments	\$ 24,747,204	\$ 15,460,699	\$ 1,242,751	\$ 305,830	\$ 41,756,484
Interest and dividends receivable	514,226	689,990	100	-	1,204,316
Accounts receivable-investment sales	2,290,036	197,082	-	-	2,487,118
Accounts receivable- other	1,427,726	2,155,830	167	-	3,583,723
Due from other funds	-	-	-	15,000	15,000
	<u>28,979,192</u>	<u>18,503,601</u>	<u>1,243,018</u>	<u>320,830</u>	<u>49,046,641</u>
INVESTMENTS					
Government agencies	4,918,890	870,341	-	-	5,789,231
Government bonds	4,449,781	11,999,723	-	-	16,449,504
Municipal bonds	-	138,043	-	-	138,043
Common stock	75,193,288	174,420,541	84,506	-	249,698,335
Fixed income funds	4,018,952	-	-	-	4,018,952
Commercial backed mortgages	-	1,145,863	-	-	1,145,863
Corporate bonds	10,872,320	23,146,165	-	-	34,018,485
Corporate convertible bond	-	2,984,476	-	-	2,984,476
Managed futures	12,076,871	-	-	-	12,076,871
Asset-backed securities	-	6,057,091	-	-	6,057,091
Venture capital partnerships	10,899,156	38,623,143	-	-	49,522,299
Commodity - ETFs	91,688	-	-	-	91,688
Non-governmental backed bonds	-	939,607	-	-	939,607
Real estate funds	10,736,468	20,180,090	-	-	30,916,558
Total investments	<u>133,257,414</u>	<u>280,505,083</u>	<u>84,506</u>	<u>-</u>	<u>413,847,003</u>
Total assets	<u>162,236,606</u>	<u>299,008,684</u>	<u>1,327,524</u>	<u>320,830</u>	<u>462,893,644</u>
LIABILITIES					
Accounts payable-vendors	464,785	341,205	-	-	805,990
Accounts payable-investment purchases	3,245,681	283,650	-	-	3,529,331
Accounts payable-other	40,066	183,785	-	15,000	238,851
Accrued liabilities	444,601	60,158	-	-	504,759
Total liabilities	<u>4,195,133</u>	<u>868,798</u>	<u>-</u>	<u>15,000</u>	<u>5,078,931</u>
NET POSITION					
Held in Trust for Pension Benefits	<u>\$ 158,041,473</u>	<u>\$ 298,139,886</u>	<u>\$ 1,327,524</u>	<u>\$ 305,830</u>	<u>\$ 457,814,713</u>

**COMBINING STATEMENT OF CHANGES IN TRUST FUND NET POSITION
FIDUCIARY FUNDS
For the Year Ended June 30, 2013**

	City Employees' Retirement Fund	Policemen's and Firemen's Retirement Fund	Other Retirement Fund	Post-Employment Benefit Plan Fund	Combined Trust Funds (See Exhibit J)
ADDITIONS					
Contributions:					
Employer contributions	\$ 16,977,367	\$ 24,258,355	\$ -	\$ 18,649,597	\$ 59,885,319
Plan members	3,482,090	6,407,456	-	2,720,319	12,609,865
Total contributions	20,459,457	30,665,811	-	21,369,916	72,495,184
Investment Earnings:					
Net appreciation in fair value of investments	6,648,007	37,615,383	15,587	-	44,278,977
Interest and dividends	4,518,642	8,159,310	5,441	2,078	12,685,471
Miscellaneous Income	179,159	36,074	-	-	215,233
Total investment income	11,345,808	45,810,767	21,028	2,078	57,179,681
Less Investment Expense:	996,100	1,337,412	-	-	2,333,512
Net investment earnings	10,349,708	44,473,355	21,028	2,078	54,846,169
Total additions	30,809,165	75,139,166	21,028	21,371,994	127,341,353
DEDUCTIONS					
Benefits	28,560,169	43,896,258	31,925	21,369,916	93,858,268
Investment administrative fees	304,570	581,520	1,888	-	887,978
Total deductions	28,864,739	44,477,778	33,813	21,369,916	94,746,246
Net increase (decrease)	1,944,426	30,661,388	(12,785)	2,078	32,595,107
FUND NET POSITION, beginning of year	156,097,047	267,478,498	1,340,309	303,752	425,219,606
FUND NET POSITION, end of year	\$ 158,041,473	\$ 298,139,886	\$ 1,327,524	\$ 305,830	\$ 457,814,713

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUNDS

For the Year Ended June 30, 2013

	Balance July 1, 2012	Additions	Deductions	Balance June 30, 2013
STUDENT ACTIVITY FUNDS				
Assets:				
Cash and cash equivalents	\$ 519,553	\$ 957,553	\$ (1,043,163)	\$ 433,943
Total assets	\$ 519,553	\$ 957,553	\$ (1,043,163)	\$ 433,943

Liabilities:				
Due to student groups	\$ 519,553	\$ 957,553	\$ (1,043,163)	\$ 433,943
Total liabilities	\$ 519,553	\$ 957,553	\$ (1,043,163)	\$ 433,943

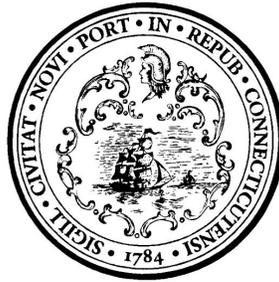
	Balance July 1, 2012	Additions	Deductions	Balance June 30, 2013
PERFORMANCE BOND				
Assets:				
Cash and cash equivalents	\$ 238,933	\$ 221,603	\$ -	\$ 460,536
Total assets	\$ 238,933	\$ 221,603	\$ -	\$ 460,536

Liabilities:				
Amounts held for others	\$ 238,933	\$ 221,603	\$ -	\$ 460,536
Total liabilities	\$ 238,933	\$ 221,603	\$ -	\$ 460,536

	Balance July 1, 2012	Additions	Deductions	Balance June 30, 2013
TOTAL AGENCY FUNDS				
Assets:				
Cash and cash equivalents	\$ 758,486	\$ 1,179,156	\$ (1,043,163)	\$ 894,479
Total assets	\$ 758,486	\$ 1,179,156	\$ (1,043,163)	\$ 894,479

Liabilities:				
Amounts held for others	\$ 758,486	\$ 1,179,156	\$ (1,043,163)	\$ 894,479
Total liabilities	\$ 758,486	\$ 1,179,156	\$ (1,043,163)	\$ 894,479

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OTHER SCHEDULES

SCHEDULE OF DEBT LIMITATION
For the Year Ended June 30, 2013

Total tax collections (including interest and lien fees) received for the year ended June 30, 2013	\$ 232,049,177
Reimbursement for revenue loss from: Elderly tax relief	<u>8,000</u>
BASE	<u>\$ 232,057,177</u>

	General Purpose	Schools	Sewer	Urban Renewal	Pension Bonding	Total
Debt Limitation						
2-1/4 times base	\$ 522,128,648	\$ -	\$ -	\$ -	\$ -	\$ 522,128,648
4-1/2 times base	-	1,044,257,297	-	-	-	1,044,257,297
3-3/4 times base	-	-	870,214,414	-	-	870,214,414
3-1/4 times base	-	-	-	754,185,825	-	754,185,825
3 times base	-	-	-	-	696,171,531	696,171,531
Total debt limitation	<u>522,128,648</u>	<u>1,044,257,297</u>	<u>870,214,414</u>	<u>754,185,825</u>	<u>696,171,531</u>	<u>3,886,957,715</u>
Indebtedness						
Bonds payable	192,078,398	294,240,056	-	15,684,453	-	502,002,907
Grant anticipation note	-	67,925,927	-	-	-	67,925,927
School grants receivable	-	(39,494,765)	-	-	-	(39,494,765)
Bonds authorized and unissued	-	237,145,677	-	-	-	237,145,677
Total indebtedness of the City	<u>192,078,398</u>	<u>559,816,895</u>	<u>-</u>	<u>15,684,453</u>	<u>-</u>	<u>767,579,746</u>
Component Unit Indebtedness						
New Haven Parking Authority	16,465,000	-	-	-	-	16,465,000
New Haven Solid Waste Authority	9,300,000	-	-	-	-	9,300,000
Total indebtedness	<u>217,843,398</u>	<u>559,816,895</u>	<u>-</u>	<u>15,684,453</u>	<u>-</u>	<u>793,344,746</u>
Debt Limitation in Excess of Outstanding and Authorized Debt						
	<u>\$ 304,285,250</u>	<u>\$ 484,440,402</u>	<u>\$ 870,214,414</u>	<u>\$ 738,501,372</u>	<u>\$ 696,171,531</u>	<u>\$ 3,093,612,969</u>

Total indebtedness amounts to \$767,579,746, but in no event shall total indebtedness exceed \$1,624,400,000 (seven times the base for debt limitation).

CITY OF NEW HAVEN, CONNECTICUT

SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED AND OUTSTANDING

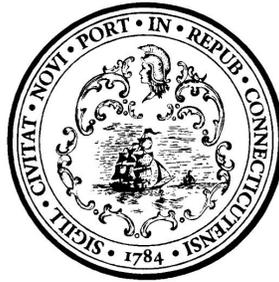
For the Year Ended June 30, 2013

Grand List	Uncollected Taxes July 1, 2012	Current Levy	Lawful Corrections		Transfers to Suspense	Net Amount Collectible
			Additions	Deductions		
1996	\$ 74,906	\$ -	\$ -	\$ (74,906)	\$ -	\$ -
1997	66,146	-	-	-	-	66,146
1998	65,072	-	-	-	-	65,072
1999	63,621	-	-	-	-	63,621
2000	65,763	-	-	-	-	65,763
2001	80,464	-	-	-	-	80,464
2002	94,585	-	-	-	-	94,585
2003	103,627	-	-	-	-	103,627
2004	117,226	-	-	(4,385)	-	112,841
2005	176,138	-	-	(4,630)	-	171,508
2006	242,287	-	-	(12,050)	-	230,237
2007	335,393	-	-	(124,227)	-	211,166
2008	547,360	-	-	(209,726)	-	337,634
2009	3,064,698	-	-	(856,366)	-	2,208,332
2010	6,333,161	-	-	(1,138,743)	-	5,194,418
Prior Years' Total	11,430,447	-	-	(2,425,033)	-	9,005,414
2011	-	236,360,311	-	(2,933,332)	-	233,426,979
	<u>\$ 11,430,447</u>	<u>\$ 236,360,311</u>	<u>\$ -</u>	<u>\$ (5,358,365)</u>	<u>\$ -</u>	<u>\$ 242,432,393</u>

SCHEDULE 19

Collections				Uncollected Taxes
Taxes	Interest	Lien Fees	Total	June 30, 2013
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	66,146
-	-	-	-	65,072
32	74	-	106	63,589
32	68	-	100	65,731
376	681	-	1,057	80,088
383	634	-	1,017	94,202
1,013	1,537	-	2,550	102,614
(2,421)	(1,744)	-	(4,165)	115,262
(1,219)	2,171	-	952	172,727
2,201	3,195	-	5,396	228,036
(94,301)	(10,177)	-	(104,478)	305,467
(76,341)	(10,120)	-	(86,461)	413,975
297,082	108,500	-	405,582	1,911,250
2,801,163	497,076	-	3,298,239	2,393,255
2,928,000	591,895	-	3,519,895	6,077,414
227,626,731	902,553	-	228,529,284	5,800,248
230,554,731	1,494,448	-	232,049,179	\$ 11,877,662

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**STATISTICAL SECTION
(Unaudited)**

Statistical Section - Unaudited

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

Statistical section information is presented in the following categories:

Financial trends information is intended to assist users in understanding and assessing how financial position has changed over time.

Revenue capacity information is intended to assist users in understanding and assessing the factors affecting the ability to generate own-source revenues (property taxes, charges for services, etc.).

Debt capacity information is intended to assist users in understanding and assessing debt burden and the ability to issue additional debt.

Demographic and economic information is intended 1) to assist users in understanding the socioeconomic environment and 2) to provide information that facilitates comparisons of financial statement information over time and among governments.

Operating information is intended to provide contextual information about operations and resources to assist readers in using financial statement information to understand and assess economic condition.

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

Sources: Unless otherwise noted, the information in the tables is derived from the financial reports for the relevant year.

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CITY OF NEW HAVEN, CONNECTICUT

NET POSITION BY COMPONENT - GOVERNMENTAL ACTIVITIES

Last Ten Fiscal Years

(Unaudited)

	Fiscal Year			
	2004	2005	2006	2007
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	\$ 323,566,090	\$ 392,890,484	\$ 475,295,189	\$ 590,164,856
Restricted	1,182,962	16,805,421	34,516,475	27,821,177
Unrestricted	24,273,612	(39,174,978)	(68,687,186)	(70,483,768)
Total governmental activities	349,022,664	370,520,927	441,124,478	547,502,265
BUSINESS-TYPE ACTIVITIES				
Unrestricted	98,115,926	93,389,793	3,619,367	3,835,849
Total business-type activities	98,115,926	93,389,793	3,619,367	3,835,849
CITY NET POSITION				
Net Invested in capital assets,	323,566,090	392,890,484	475,295,189	590,164,856
Restricted	1,182,962	16,805,421	34,516,475	27,821,177
Unrestricted (deficit)	122,389,538	54,214,815	(65,067,819)	(66,647,919)
Total governmental activities	\$ 447,138,590	\$ 463,910,720	\$ 444,743,845	\$ 551,338,114

Source: Department of Finance

Fiscal Year					
2008	2009	2010	2011	2012	2013
\$ 690,783,952	\$ 795,545,245	\$ 790,216,721	\$ 889,013,623	\$ 933,256,161	\$ 950,575,226
15,289,232	12,887,497	12,550,193	16,979,104	13,770,223	16,333,526
(108,981,890)	(148,878,781)	(37,143,425)	(97,426,220)	(136,664,640)	(154,091,504)
597,091,294	659,553,961	765,623,489	808,566,507	810,361,744	812,817,248
1,785,564	1,647,934	652,000	520,387	552,158	453,546
1,785,564	1,647,934	652,000	520,387	552,158	453,546
690,783,952	795,545,245	790,216,721	889,013,623	933,256,161	950,575,226
15,289,232	12,887,497	12,550,193	16,979,104	13,770,223	16,333,526
(107,196,326)	(147,230,847)	(36,491,425)	(96,905,833)	(136,112,482)	(153,637,958)
\$ 598,876,858	\$ 661,201,895	\$ 766,275,489	\$ 809,086,894	\$ 810,913,902	\$ 813,270,794

CITY OF NEW HAVEN, CONNECTICUT

STATEMENT OF ACTIVITIES

Last Ten Fiscal Years

(Unaudited)

	Fiscal Year			
	2004	2005	2006	2007
Expenses				
Governmental Activities:				
General government	\$ 22,104,292	\$ 33,331,449	\$ 37,587,972	\$ 32,110,858
Education	240,583,172	241,022,920	256,839,100	267,469,133
Public safety	56,652,505	58,787,561	60,927,432	64,576,785
Public works	24,009,505	24,064,622	24,219,150	25,542,135
Public services	38,483,755	40,469,049	35,216,619	35,211,562
Employee benefits and insurance	75,890,123	68,942,717	73,886,275	82,174,588
Culture and recreation	-	-	-	9,273,135
Economic development	-	-	-	23,549,651
Health and welfare	8,464,729	8,619,934	8,465,545	-
Other	38,765,338	35,889,536	24,432,970	-
Interest on long-term debt	18,221,409	23,593,036	19,686,081	20,141,346
Total governmental expenses	523,174,828	534,720,824	541,261,144	560,049,193
Business-type activities:				
Recreation	17,405,850	17,986,375	67,698,317	1,379,843
Total business-type expenses	17,405,850	17,986,375	67,698,317	1,379,843
Total expenses	540,580,678	552,707,199	608,959,461	561,429,036
Program Revenues:				
Governmental activities:				
Charges for services	33,147,486	47,916,429	54,068,180	69,016,817
Operating grants and contributions	230,859,756	217,694,875	233,395,097	230,990,261
Capital grants and contributions	108,604,271	72,110,067	71,712,343	123,116,731
Total governmental activities	372,611,513	337,721,371	359,175,620	423,123,809
Business-type activities:				
Recreation	21,593,184	13,260,242	(22,072,109)	1,596,325
Total business-type activities	21,593,184	13,260,242	(22,072,109)	1,596,325
Total program revenues	394,204,697	350,981,613	337,103,511	424,720,134
Net (expense)/revenue				
Governmental activities	(150,563,315)	(196,999,453)	(182,085,524)	(136,925,384)
Business-type activities	4,187,334	(4,726,133)	(89,770,426)	216,482
Total net expenses	(146,375,981)	(201,725,586)	(271,855,950)	(136,708,902)

Source: Department of Finance

Fiscal Year						
2008	2009	2010	2011	2012	2013	
\$ 37,693,461	\$ 33,128,676	\$ 38,324,187	\$ 38,378,265	\$ 42,912,415	\$ 44,273,863	
345,341,470	281,171,745	369,049,226	387,620,341	398,188,801	422,504,443	
68,514,288	70,113,405	95,866,212	100,362,361	100,752,656	100,514,476	
24,673,176	25,800,652	46,150,257	43,462,757	29,571,591	28,086,703	
42,186,718	41,512,155	36,094,387	34,963,806	35,226,515	34,109,046	
114,344,620	115,508,082	-	-	-	-	
9,927,948	9,665,487	12,194,921	11,008,820	-	-	
21,962,659	39,221,060	8,599,509	7,778,651	7,748,513	16,022,738	
-	-	-	-	-	-	
-	-	-	-	-	-	
24,529,443	21,900,866	22,380,844	22,625,151	24,802,662	26,153,935	
689,173,783	638,022,128	628,659,543	646,200,152	639,203,153	671,665,204	
1,772,097	1,255,002	883,496	1,269,621	1,086,086	1,178,023	
1,772,097	1,255,002	883,496	1,269,621	1,086,086	1,178,023	
690,945,880	639,277,130	629,543,039	647,469,773	640,289,239	672,843,227	
65,209,673	48,839,095	32,703,214	23,694,252	25,775,734	36,907,521	
310,303,937	273,622,190	304,571,883	290,018,680	281,391,602	299,280,981	
108,404,390	110,706,951	69,966,267	94,495,718	43,861,614	49,720,146	
483,918,000	433,168,236	407,241,364	408,208,650	351,028,950	385,908,648	
(278,188)	1,117,372	1,353,464	1,137,624	1,227,809	1,189,355	
(278,188)	1,117,372	1,353,464	1,137,624	1,227,809	1,189,355	
483,639,812	434,285,608	408,594,828	409,346,274	352,256,759	387,098,003	
(205,255,783)	(204,853,892)	(221,418,179)	(237,991,502)	(288,174,203)	(285,756,556)	
(2,050,285)	(137,630)	469,968	(131,997)	141,723	11,332	
(207,306,068)	(204,991,522)	(220,948,211)	(238,123,499)	(288,032,480)	(285,745,224)	

(Continued)

CITY OF NEW HAVEN, CONNECTICUT

STATEMENT OF ACTIVITIES, Continued

Last Ten Fiscal Years

(Unaudited)

	Fiscal Year			
	2004	2005	2006	2007
General Revenues and Other				
Changes in Net Position:				
Governmental activities:				
Property taxes	151,805,328	151,508,587	170,130,655	179,455,921
Grants and contributions not restricted to specific purposes	53,829,479	51,603,825	51,943,898	58,812,019
Investment income	1,076,470	2,075,304	3,642,522	4,925,231
Miscellaneous	-	-	-	-
Transfers	494,000	7,310,000	27,242,000	110,000
Other - prior period adjustments	(269,824)	6,000,000	-	-
Total governmental activities	206,935,453	218,497,716	252,959,075	243,303,171
Business-type activities:				
Investment income	-	-	-	-
Transfers	-	-	-	-
Total business-type activities	-	-	-	-
Total general revenues	206,935,453	218,497,716	252,959,075	243,303,171
Change in Net Position:				
Governmental activities	56,372,138	21,498,263	70,873,551	106,377,787
Business-type activities	4,187,334	(4,726,133)	(89,770,426)	216,482
Change in net position	\$ 60,559,472	\$ 16,772,130	\$ (18,896,875)	\$ 106,594,269

Source: Department of Finance

Fiscal Year						
2008	2009	2010	2011	2012	2013	
189,489,128	205,341,992	213,331,992	223,589,061	229,270,651	232,021,388	
56,177,412	53,565,509	54,721,798	53,781,158	60,472,827	55,960,782	
3,068,272	823,478	192,676	114,301	115,962	119,890	
-	7,475,580	3,775,000	3,450,000	-	-	
6,110,000	110,000	1,466,241	-	110,000	110,000	
-	-	-	-	-	-	
254,844,812	267,316,559	273,487,707	280,934,520	289,969,440	288,212,060	
-	1,818	339	384	48	56	
-	(110,000)	(1,466,241)	-	(110,000)	(110,000)	
-	(108,182)	(1,465,902)	384	(109,952)	(109,944)	
254,844,812	267,208,377	272,021,805	280,934,904	289,859,488	288,102,116	
49,589,029	62,462,667	52,069,528	42,943,018	1,795,237	2,455,504	
(2,050,285)	(245,812)	(995,934)	(131,613)	31,771	(98,612)	
\$ 47,538,744	\$ 62,216,855	\$ 51,073,594	\$ 42,811,405	\$ 1,827,008	\$ 2,356,892	

CITY OF NEW HAVEN, CONNECTICUT

FUND BALANCES, GOVERNMENTAL FUNDS

Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

(Unaudited)

	Fiscal Year				
	2004	2005	2006	2007	2008
General Fund:					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Reserved	-	-	-	-	-
Unreserved/unassigned	12,948,501	12,979,396	13,023,677	14,722,550	15,508,258
Total general fund	\$ 12,948,501	\$ 12,979,396	\$ 13,023,677	\$ 14,722,550	\$ 15,508,258
All Other Governmental Funds:					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Reserved	119,885,651	113,570,894	135,103,246	164,214,106	162,569,834
Unreserved, reported in:					
Special revenue funds	(988,609)	(3,567,842)	(379,035)	3,270,197	(1,030,960)
Capital projects funds	(120,566,700)	(134,175,840)	(165,069,421)	(187,149,898)	(194,775,989)
Permanent funds	2,852,620	2,801,892	2,862,116	3,253,463	2,992,757
Total all other governmental funds	\$ 1,182,962	\$ (21,370,896)	\$ (27,483,094)	\$ (16,412,132)	\$ (30,244,358)

* In fiscal year 2011, the City implemented GASB Statement No. 54, which requires fund balance to be reported as nonspendable, restricted, committed, assigned or unassigned. See Notes to the Financial Statements for definitions of each type of fund balance.

Source: Department of Finance

Fiscal Year					
2009	2010	2011*	2012	2013	
\$ -	\$ -	\$ 7,000,000	\$ 5,000,000	\$ 4,000,000	
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	9,827,620	3,791,796	-	-
-	7,000,000	-	-	-	-
16,025,789	9,177,717	-	-	(8,721,555)	
<u>\$ 16,025,789</u>	<u>\$ 16,177,717</u>	<u>\$ 16,827,620</u>	<u>\$ 8,791,796</u>	<u>\$ (4,721,555)</u>	
\$ -	\$ -	\$ 2,495,040	\$ 2,415,247	\$ 2,501,388	
-	-	13,149,999	12,577,203	13,952,206	
-	-	2,480,268	2,480,268	-	
-	-	858,106	696,429	783,844	
-	-	(42,124,903)	(41,238,667)	(48,281,991)	
119,254,075	74,673,938	-	-	-	
(4,394,417)	(10,990,440)	-	-	-	
(166,587,369)	(107,306,164)	-	-	-	
2,447,525	2,536,873	-	-	-	
<u>\$ (49,280,186)</u>	<u>\$ (41,085,793)</u>	<u>\$ (23,141,490)</u>	<u>\$ (23,069,520)</u>	<u>\$ (31,044,553)</u>	

CITY OF NEW HAVEN, CONNECTICUT

**CHANGES IN FUND BALANCE, GENERAL FUND
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)
(Unaudited)**

	Fiscal Year			
	2004	2005	2006	2007
Revenues:				
Property taxes	\$ 151,484,011	\$ 154,152,809	\$ 171,146,908	\$ 180,637,982
Licenses and permits	10,202,934	8,736,457	11,883,627	17,057,976
Intergovernmental	193,247,992	195,217,738	206,882,655	213,875,363
Charges for services	-	-	-	-
Fines	2,282,090	3,735,640	4,673,454	4,623,108
Investment income	748,993	1,597,216	3,258,300	4,447,214
Payments in lieu of taxes	3,262,738	3,021,734	2,595,622	2,490,936
Other	6,903,703	10,217,841	11,286,873	12,908,838
Total revenues	368,132,461	376,679,435	411,727,439	436,041,417
Expenditures:				
Current:				
General government	22,259,309	21,771,687	25,391,443	26,533,223
Public safety	55,038,482	57,323,054	59,561,325	63,189,813
Public works	15,446,675	15,684,406	16,380,352	17,586,935
Public services	6,655,735	6,980,100	6,927,069	7,839,371
Other departments	-	-	-	-
Culture and recreation	7,864,929	8,016,916	7,931,044	8,659,659
Employee benefits and insurance	61,331,045	66,606,908	75,337,706	79,590,747
Economic development	-	-	-	-
Education	159,770,810	162,878,021	174,302,677	179,948,440
Debt service:				
Principal	25,755,796	28,899,255	29,487,295	34,248,447
Interest	13,564,376	15,688,193	16,364,247	16,745,909
Capital outlay	-	-	-	-
Bond issuance costs	-	-	-	-
Total expenditures	367,687,157	383,848,540	411,683,158	434,342,544
Excess (Deficiency) of Revenues over Expenditures	445,304	(7,169,105)	44,281	1,698,873
Other Financing Sources (Uses):				
Bond proceeds	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Payment to escrow	-	-	-	-
Premium on bonds issued	-	-	-	-
Transfers in	-	7,200,000	-	-
Transfers out	-	-	-	-
Sale of general capital assets	-	-	-	-
Total other financing sources (uses)	-	7,200,000	-	-
Net Change in Fund Balances	445,304	30,895	44,281	1,698,873
Fund Balance at Beginning of Year	12,503,197	12,948,501	12,979,396	13,023,677
Fund Balance at End of Year	\$ 12,948,501	\$ 12,979,396	\$ 13,023,677	\$ 14,722,550
Debt Service as a Percentage of Noncapital Expenditures	11.97%	13.14%	12.53%	13.30%

Fiscal Year						
2008	2009	2010	2011	2012	2013	
\$ 186,365,020	\$ 203,404,742	\$ 206,824,921	\$ 218,720,737	\$ 226,146,445	\$ 230,988,343	
15,747,687	17,319,960	18,844,871	13,195,587	12,562,691	16,207,851	
289,221,907	226,037,552	228,896,975	227,634,807	237,628,410	234,142,830	
-	-	-	3,698,997	3,860,919	5,999,796	
5,316,063	5,351,710	5,077,231	5,709,988	5,312,756	4,502,154	
2,808,124	690,339	120,213	20,088	37,183	249	
2,596,308	2,435,344	5,364,603	1,820,138	2,018,863	1,943,383	
14,799,598	13,839,495	12,765,347	15,121,761	12,974,300	13,238,985	
516,854,707	469,079,142	477,894,161	485,922,103	500,541,567	507,023,591	
27,431,981	27,477,865	25,646,932	22,657,537	24,261,712	25,676,922	
67,413,221	68,810,405	70,769,960	73,739,649	72,617,616	72,103,165	
17,944,810	18,304,262	16,625,665	15,178,767	13,916,281	14,239,985	
7,408,779	6,959,729	6,354,148	6,537,247	5,911,710	5,984,801	
-	-	-	677,539	665,839	1,437,285	
9,367,840	9,110,439	8,700,514	8,576,710	-	-	
84,643,661	91,498,136	97,698,274	106,160,244	120,102,608	122,736,336	
-	-	-	-	6,262,137	6,735,033	
256,210,171	192,024,547	194,071,482	193,103,792	203,686,746	204,422,059	
35,916,870	37,296,440	39,149,788	41,068,348	40,356,563	42,374,766	
15,731,666	21,555,368	20,417,006	23,246,280	20,989,969	21,856,695	
-	-	-	-	3,663,000	-	
-	-	-	-	-	432,533	
522,068,999	473,037,191	479,433,769	490,946,113	512,434,181	517,999,580	
(5,214,292)	(3,958,049)	(1,539,608)	(5,024,010)	(11,892,614)	(10,975,989)	
-	-	-	15,695,000	-	47,700,000	
-	4,475,580	3,775,000	3,450,000	3,663,000	-	
-	-	-	(16,569,312)	-	(51,372,532)	
-	-	-	874,312	2,549,093	5,643,416	
6,000,000	-	-	4,356,227	-	-	
-	-	(2,083,464)	(2,132,314)	(2,355,303)	(9,008,246)	
-	-	-	-	-	4,500,000	
6,000,000	4,475,580	1,691,536	5,673,913	3,856,790	(2,537,362)	
785,708	517,531	151,928	649,903	(8,035,824)	(13,513,351)	
14,722,550	15,508,258	16,025,789	16,177,717	16,827,620	8,791,796	
\$ 15,508,258	\$ 16,025,789	\$ 16,177,717	\$ 16,827,620	\$ 8,791,796	\$ (4,721,555)	
10.98%	14.21%	14.19%	15.07%	13.60%	14.16%	

CITY OF NEW HAVEN, CONNECTICUT

**ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(Amounts Expressed in Thousands) (Unaudited
(Unaudited)**

Fiscal Year	Real Property		Personal Property	
	Residential Property	Commercial Property	Motor Vehicles	Other
2004	\$ 1,790,219,720	\$ 1,600,820,740	\$ -	\$ -
2005	1,790,884,410	1,571,946,910	271,349,697	467,055,237
2006	1,802,062,890	1,621,556,170	278,942,500	422,021,275
2007	1,819,398,620	1,597,853,900	67,486,299	(37,058,790)
2008	3,411,397,150	2,260,828,080	313,342,830	404,019,919
2009	3,428,850,340	2,310,515,125	321,996,973	396,358,880
2010	3,437,114,420	2,208,958,215	315,393,301	407,674,964
2011	3,973,614,568	1,840,721,855	321,478,498	409,367,741
2012	3,571,992,829	2,395,227,050	343,992,459	509,570,687
2013	2,772,894,791	2,496,147,879	361,250,916	605,119,213

Source: City Assessor's Office

Note: By state law property is assessed at 70% of actual value with periodic revaluation of real property.

Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate (Mill Rate)	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
\$ -	\$ 3,391,040,460	38.53	\$ 4,844,343,514	70%
150,824,459	3,950,411,795	39.53	5,858,908,934	70%
146,505,344	3,978,077,491	42.53	5,892,261,193	70%
146,291,211	3,301,388,818	44.85	4,925,257,184	70%
1,983,059,263	4,406,528,716	42.21	9,127,982,827	70%
1,512,930,290	4,944,791,028	42.21	9,225,316,169	70%
1,019,742,733	5,349,398,167	42.21	9,098,772,714	70%
1,095,687,099	5,449,495,563	43.90	9,350,260,946	70%
1,669,479,635	5,151,303,390	43.90	9,743,975,750	70%
240,681,083	5,994,731,716	38.88	8,907,732,570	70%

CITY OF NEW HAVEN, CONNECTICUT

PRINCIPAL TAXPAYERS

Current Year and Ten Years Ago

(Unaudited)

	Current Fiscal year			Ten Years Ago			
	Taxable Assessed Value	Rank	Percentage of Net Taxable Assessed Grand List	Taxable Assessed Value	Rank	Percentage of Net Taxable Assessed Grand List	
United Illuminating Co	\$ 193,306,511	1	3.225% %	\$ -	-	-	%
Winn-Stanley	161,493,106	2	2.694%	-	-	-	
Fusco	151,623,835	3	2.529%	40,649,770	4	1.046%	
MEPT Chapel Street LLC	130,747,825	4	2.181%	-	-	-	
Yale University	107,386,651	5	1.791%	58,140,570	1	1.496%	
PSEG Power Connecticut LLC	85,267,649	6	1.422%	55,352,500	2	1.424%	
Carabetta	71,475,552	7	1.192%	-	-	-	
Chase Family LP #9 ET ALS	58,066,006	8	0.969%	-	-	-	
Intercontinental Fund IV	45,467,520	9	0.758%	-	-	-	
SNET	44,692,955	10	0.746%	45,918,810	3	1.182%	
	<u>\$ 1,049,527,610</u>		<u>17.507% %</u>	<u>\$ 200,061,650</u>		<u>5.148% %</u>	

Source: City Assessor's Capital Office

CITY OF NEW HAVEN, CONNECTICUT

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Fiscal Years

(Unaudited)

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2004	\$ 149,550,639	\$ 145,503,999	97.29 %	\$ 2,521,723	\$ 148,025,722	98.98 %
2005	152,337,248	149,063,884	97.85	1,026,246	150,090,130	98.52
2006	168,035,275	165,513,357	98.50	1,055,739	166,569,096	99.13
2007	179,529,208	176,093,542	98.09	2,285,124	178,378,666	99.36
2008	185,890,697	182,089,417	97.96	2,160,629	184,250,046	99.12
2009	204,055,698	199,464,168	97.75	2,952,422	202,416,590	99.20
2010	206,066,188	201,314,351	97.69	2,147,788	203,462,139	98.74
2011	219,290,220	213,902,372	97.54	2,346,329	216,248,701	98.61
2012	226,835,431	220,502,270	97.21	-	220,502,270	97.21
2013	233,426,979	227,626,731	97.52	-	227,626,731	97.52

Source: Department of Finance, Office of the Tax Collector

CITY OF NEW HAVEN, CONNECTICUT

**RATIO OF NET GENERAL BONDED DEBT TO
ASSESSSED VALUE AND NET GENERAL BONDED DEBT PER CAPITA
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year	General Obligation Bonds (in 000's)	Percentage of Actual Taxable Value of Property	Debt Per Capita	Percentage of Personal Income
2004	\$ 500,848	10.34%	4,006	(1)
2005	525,279	8.97%	4,845	24.01%
2006	503,308	8.54%	3,954	20.06%
2007	490,897	9.97%	3,976	18.89%
2008	497,008	5.44%	3,994	19.12%
2009	501,192	5.43%	4,064	18.70%
2010	511,288	5.62%	3,938	18.31%
2011	499,238	5.34%	3,852	18.96%
2012	503,382	5.17%	3,783	(1)
2013	510,590	5.73%	3,934	(1)

(1) - Information not available.
Source: Department of Finance

CITY OF NEW HAVEN, CONNECTICUT

SCHEDULE OF DEBT LIMITATION
For the Year Ended June 30, 2013
(Unaudited)

Total tax collections (including interest and lien fees) received for the year ended June 30, 2013	\$ 232,049,177
Reimbursement for revenue loss from: Elderly tax relief	<u>8,000</u>
BASE	<u><u>\$ 232,057,177</u></u>

	General Purpose	Schools	Sewer	Urban Renewal	Pension Bonding	Total
Debt Limitation						
2-1/4 times base	\$ 522,128,648	\$ -	\$ -	\$ -	\$ -	\$ 522,128,648
4-1/2 times base	-	1,044,257,297	-	-	-	1,044,257,297
3-3/4 times base	-	-	870,214,414	-	-	870,214,414
3-1/4 times base	-	-	-	754,185,825	-	754,185,825
3 times base	-	-	-	-	696,171,531	696,171,531
Total debt limitation	<u>522,128,648</u>	<u>1,044,257,297</u>	<u>870,214,414</u>	<u>754,185,825</u>	<u>696,171,531</u>	<u>3,886,957,715</u>
Indebtedness						
Bonds payable	192,078,398	294,240,056		15,684,453		502,002,907
Grant anticipation note		67,925,927				67,925,927
School grants receivable		(39,494,765)				(39,494,765)
Bonds authorized and unissued		237,145,677				237,145,677
Total indebtedness of the City	<u>192,078,398</u>	<u>559,816,895</u>	<u>-</u>	<u>15,684,453</u>	<u>-</u>	<u>767,579,746</u>
Component Unit Indebtedness						
New Haven Parking Authority	16,465,000					16,465,000
New Haven Solid Waste Authority	9,300,000					9,300,000
Total indebtedness	<u>217,843,398</u>	<u>559,816,895</u>	<u>-</u>	<u>15,684,453</u>	<u>-</u>	<u>793,344,746</u>
Debt Limitation in Excess of Outstanding and Authorized Debt	<u><u>\$ 304,285,250</u></u>	<u><u>\$ 484,440,402</u></u>	<u><u>\$ 870,214,414</u></u>	<u><u>\$ 738,501,372</u></u>	<u><u>\$ 696,171,531</u></u>	<u><u>\$ 3,093,612,969</u></u>

Source: Department of Finance

CITY OF NEW HAVEN, CONNECTICUT

LEGAL DEBT MARGIN INFORMATION
Last Ten Fiscal Years
(Unaudited)

	2004	2005	2006	2007
Debt limit	\$ 1,061,120,249	\$ 1,079,596,861	\$ 1,198,488,158	\$ 1,264,844,147
Total net debt applicable to limit	701,936,534	736,180,410	676,866,724	677,462,562
Legal debt margin	\$ 359,183,715	\$ 343,416,451	\$ 521,621,434	\$ 587,381,585
Total net debt applicable to the limit as a percentage of debt limit	66.15%	68.19%	56.48%	53.56%

Source: Department of Finance

2008	2009	2010	2011	2012	2013
\$ 1,304,875,551	\$ 1,424,007,039	\$ 2,984,366,075	\$ 3,650,066,669	\$ 3,760,220,716	\$ 3,812,881,744
688,741,505	692,566,863	770,266,215	743,923,424	723,700,313	743,095,502
\$ 616,134,046	\$ 731,440,176	\$ 2,214,099,860	\$ 2,906,143,245	\$ 3,036,520,403	\$ 3,069,786,242
52.78%	48.64%	25.81%	20.38%	19.25%	19.49%

CITY OF NEW HAVEN, CONNECTICUT

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year	Population	Personal Income (thousands of dollars)	Per Capita Personal Income	Median Age
2005	108,412	2,187,537	20,178	30.7
2006	127,288	2,509,483	19,715	29.7
2007	123,475	2,598,037	21,041	29.5
2008	124,447	2,599,076	20,885	29.4
2009	123,314	2,680,476	21,737	28.6
2010	129,849	2,792,533	21,506	30.5
2011	129,591	2,633,289	20,320	30.2
2012	129,585	2,956,352	22,814	30.0
2013	130,749	3,055,212	23,367	29.0

Note: Information for years prior to 2005 is not available.

Source: U.S. Department of Commerce, Census Bureau

Educational Attainment		School Enrollment	Unemployment Rate
High School	Bachelors Degree		
26.4%	17.4%	20,451	5.0%
32.9%	12.6%	20,214	4.6%
31.0%	12.3%	20,033	4.8%
25.7%	16.5%	19,846	5.8%
26.7%	15.0%	19,050	8.2%
29.4%	14.8%	19,810	9.5%
30.0%	14.1%	19,841	9.2%
28.3%	14.7%	19,826	9.7%
29.3%	14.1%	20,794	10.1%

CITY OF NEW HAVEN, CONNECTICUT

PRINCIPAL EMPLOYERS
Current Year and Nine Years Ago
(Unaudited)

	Current Fiscal Year			Nine Years Ago		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Yale University	11,500	1	14.51%	9,123	1	16.36%
Yale-New Haven Hospital	9,323	2	11.76%	2,712	2	4.86%
AT&T (includes SBC/SNET)	7,700	3	9.71%	700	7	1.25%
Hospital of Saint Raphael	3,250	4	4.10%	3,400	3	6.10%
New Alliance Bank	-	5	0.00%	-	-	0.00%
Southern Connecticut State University	965	6	1.22%	917	4	1.64%
Comcast Corporation	1,000	7	1.26%	-	-	0.00%
United Illuminating	920	8	1.16%	837	5	1.50%
Knights of Columbus	2,300	9	2.90%	600	10	1.08%
ASSA ABLOY America	6,600	10	8.33%	750	6	1.34%
Pritchard Industries	1,200	11	1.51%	-	-	0.00%
Wal-Mart Stores	346	12	0.44%	-	-	0.00%
Covidien	-	13	0.00%	-	-	0.00%
Higher One	273	14	0.34%	-	-	0.00%
	<u>45,377</u>		<u>57.24%</u>	<u>19,039</u>		<u>34.13%</u>
Total City Employment		Estimate	<u>79,279</u>		Estimate	<u>55,779</u>

Source: City Assessor's Office

CITY OF NEW HAVEN, CONNECTICUT

FULL-TIME EQUIVALENT GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
Last Six Fiscal Years
(Unaudited)

	2011	2010	2009	2008	2007	2006
GENERAL GOVERNMENT						
Mayor's Office	10	10	11	13	12	11
Legislative Services	10	10	10	10	10	10
Human Resources	7	7	7	7	6	5
Labor Relations	2	2	2	2	2	2
ECONOMIC DEVELOPMENT						
Economic Development	11	9	9	6	5	6
Transportation, Traffic and Parking	31	31	33	33	32	33
City Plan	7	7	9	9	9	8
Building Inspection and Enforcement	14	14	16	-	15	13
Commission on Equal Opportunity	2	2	3	3	3	3
Livable City Initiative	11	11	16	34	19	19
ADMINISTRATIVE SERVICES						
Chief Administrator's Office	5	5	7	7	9	6
Finance Department	66	64	73	68	51	51
Assessor's Office	13	13	7	7	7	7
Corporation Counsel	18	18	22	22	22	22
Town Clerk	5	5	5	5	5	5
Registrar of Voters	6	6	6	6	6	6
Fair Rent	1	1	1	1	1	1
Disability Services	2	2	2	2	2	2
PUBLIC SAFETY						
Police	551	589	614	616	603	548
Fire	382	397	399	400	399	400
Public Safety Communications	53	-	-	-	-	-
PHYSICAL SERVICES						
Public Works	116	115	132	130	129	130
Engineering	8	8	9	9	9	8
HUMAN SERVICES						
Youth & Family Services	1	1	2	1	1	1
Senior & Community Services	10	10	20	22	22	22
Public Health	62	62	68	66	65	66
LEISURE/CULTURE						
Parks & Recreation	59	59	69	69	68	69
Public Library	45	45	50	50	50	47
EDUCATION						
	2,295	2,307	2,301	2,276	2,305	2,273
TOTAL TOWN & EDUCATION						
	3,803	3,810	3,903	3,874	3,867	3,774

* Estimated. As of FY2012 board of education positions are not authorized by the Board of Aldermen in conjunction with the City's annual budget process.

Note: Information prior to 2006 is not available.

CITY OF NEW HAVEN, CONNECTICUT

OPERATING INDICATORS BY FUNCTION/PROGRAM

For the Years Ended June 30, 2013 and 2012

(Unaudited)

	2013	2012
<u>Performance Indicator: Corporation Counsel</u>		
<u>A. Lawsuits:</u>		
i. Total New Cases Received During Year	422	461
ii. Total New Cases Closed During Year	259	450
iii. Settlement	95	76
iv. Withdrawal	44	36
v. Statute Expired, Bankruptcy & Workers Compensation)	74	279
vi. Dispositive Motion	9	7
vii. Pending Active Cases (as of 12/7/12)	1,268	1,292
viii. CMN-19, MAW-69, ACK-271, RRW-116	111	119
<u>B. Notices Of Intent To Sue:</u>		
i. Notices Received	132	132
<u>C. Contracts:</u>		
i. Number of New Contracts Received	635	637
ii. Number of Contracts Completed	624	570
iii. Contracts Not Executed)	19	32
<u>D. Legal Opinions:</u>		
i. Legal Opinions Formally Delivered	8	9
<u>E. Freedom of Information Requests:</u>		
i. Freedom of Information Requests Received	168	243
<u>F. Subrogation Claims:</u>		
i. Claims Brought Against the City	23	27
ii. Amount Claimed	\$ -	\$ 26,765
iii. Amount Paid by the City	\$ 15,340	\$ 19,687
<u>G. Property Damage Claims:</u>		
i. Claims Brought Against the City	99	98
ii. Amount Claimed	\$ 166,935	\$ 190,068
iii. Amount Paid By the City	\$ 15,612	\$ 35,562
<u>Performance Indicator: Department of Finance</u>		
<u>A. Accounting:</u>		
i. Total Bank Reconciliations	199	196
ii. Completion Date of Audit	12/31/2013	02/14/2012
<u>Performance Indicator: Department of Assessments</u>		
A. Real Estate Corrections	600	749
B. Motor Vehicle Corrections	4000	4,404
C. Supp Motor Vehicle Corrections	600	1,546
D. Personal Property Corrections	700	957
E. City Elderly Applications	400	333
F. State Elderly Applications	350	361
G. City Veterans Applications	125	85
H. State Veterans Applications	100	116
I. Change Mailing Address Apps)	500	500 (Approx)
J. Number of Field Inspections	750	500 (Approx)
K. Personal Property Declarations	4000	4000 (Approx)
L. Income and Expense Reports	2300	2300 (Approx)

CITY OF NEW HAVEN, CONNECTICUT

OPERATING INDICATORS BY FUNCTION/PROGRAM, Continued
 For the Years Ended June 30, 2013 and 2012
 (Unaudited)

	2013	2012
<u>Performance Indicator: Library</u>		
<u>A. Hours/Week open to Public</u>	178	168
<u>B. Number of visits (Total)</u>	604,331	581,023
i. Main	354,309	336,144
ii. Branches	250,022	244,879
C. New Card Registrations	9,687	15,102
D. Circulation	365,078	314,686
E. Reference Activity	102,164	96,012
F. Database Usage	308,337	67,284
G. Library Programs	2,058	2,214
H. Attendance	45,129	46,485
<u>Performance Indicator: Parks, Recreation, and Trees</u>		
<u>A. Parks System Profile:</u>		
i. Parks	142	142
ii. Playgrounds	65	65
iii. Acres per 1,000 Persons	15.40	2,275
<u>B. Park Services & Programs:</u>		
i. # of Park Visits	600,000	540,000
ii. # of Playground Inspections Performed	355	375
iii. # of Trees Trimmed	1,825	1,962
iv. # of Trees Removed	500	475
v. # of Stumps Removed	510	495
vi. # of Trees Planted	500+	383
<u>C. Recreation Programs:</u>		
i. Athletic Field Permits Issued	6,000	6,000
ii. # of Participants in Summer Day Camp (average per day)	1,500	1,500
iii. # of Participants in Youth Basketball	225	200
iv. # of Youth Programs	51	36
v. # of Adult Programs	15	10
vi. Total # of Participants	350,000	350,000
vii. # of Summer Day Camps	15	15
viii. # of Volleyball Participants (ages 12-15)	159	150
ix. Youth Basketball	221	200
x. Youth Baseball Little Leagues	7	7
<u>D. Revenue:</u>		
i. Skating Rinks	\$ 210,000	\$ 200,000
ii. Golf Course	\$ 945,000	\$ 838,000
iii. Lighthouse	\$ 153,030	\$ 151,000

CITY OF NEW HAVEN, CONNECTICUT

OPERATING INDICATORS BY FUNCTION/PROGRAM, Continued
For the Years Ended June 30, 2013 and 2012
(Unaudited)

	<u>2013</u>	<u>2012</u>
<u>E. Other Park Services:</u>		
i. # of participations/Visitors Ranger Programs (non-school)	30,000	30,000
ii. # of Ranger Programs offered to the Public	450	450
iii. # of Park Permits	7,000	6,700
iv. # of School Groups Visit to Lighthouse Park	150	130
v. # of Lighthouse Park Permits Issued for Parking	3,000	3,500
vi. # of Permits Issued for Carousel Facility	80	78
vii. # of Volunteers in Park Programs/Services	2,500	2,000
viii. # of Organized Park Friends Groups	14	14
<u>Performance Indicator: City/Town Clerk</u>		
i. # of deeds Recorded	12,392	12,054
ii.# of recording fees	335,462	281,699
iii. Conveyance fees	\$ 1,742,380.00	\$ 1,065,973.00
iv. City Land Preservation	\$ 36,238.00	\$ 36,530.00
v.Capital Projects Land Preservation	\$ 39,960.00	\$ 36,530.00
vi. Trade Name Certificates	\$ 2,730.00	\$ 1,977.00
vii. Liquor Permits	494	278
viii. Notary Fees	1,085.00	112.00
ix. Copies	38,379	39,226
x. Maps	360	546
xi. Dog Licenses	\$ 4,731.00	\$ 4,998.00
xii. Legal Documents - Scanned/Indexe	1,198	6,956
xiii. Absentee Ballots Issued	5,000	3,062
xiv. Aldermanic Committee Minutes	1	100% Bound
xv. Dog Licenses Issued	669	635
<u>Performance Indicator: Department of Public Safety</u>		
i. Number of 911 Calls Received	133,543	135,919
ii. Number of Dispatchers Crossed Trained	6	8
iii. Number of Complaints Received	13	15
iv. Percentage of 911 Calls Answered in less than 10 seconds	95.90	96.50
<u>Performance Indicator: Public Health</u>		
<u>A. Health Program Division</u>		
i. Syringes Distributed Through Needle Exchange	75,754	33,543
ii. Average # of Clients Served Through Needle Exchange	600	602
iii. HIV Tests Performed	266	377
iv. Child Home Safety Assessments	N/A	13
v. Child Passenger Safety Presentations	7	8
<u>B. Bureau of Nursing:</u>		
i. Schools Served	51	51
ii Students Served	22,569	24,445
iii. Students With Health Problems	7,480	6,431
iv. Nurse/Student Ratio	1:753	1:842
<u>Information Services:</u>		
<u>C. Epidemiology</u>		
i. Average # of Reportable Disease and Lab Findings Reviewed Per Month	446	350

CITY OF NEW HAVEN, CONNECTICUT

OPERATING INDICATORS BY FUNCTION/PROGRAM, Continued
For the Years Ended June 30, 2013 and 2012
(Unaudited)

	<u>2013</u>	<u>2012</u>
<u>D. Vital Statistics</u>		
i. Birth Certificates (Full Size)	17,616	17,646
ii. Death Certificates	10,190	11,423
iii. Burial, Cremation, Disinterment	2,362	2,598
iv. Marriage Licenses	1,315	1,275
v. Marriage Certificates	2,370	2,238
vi. State Copies Processed	3,000	3,094
vii. Resident Town Copies Processed	3,265	2,625
<u>E. Maternal & Child Health Division:</u>		
i. Pregnant/Postpartum Women Enrolled in HUSKY	911	1,059
ii. Children Enrolled in HUSKY	615	651
iii. Pregnant/Postpartum Women Screened for Depression & Appropriately Educated/Referred	722	866
iv. Woman Served Through Intensive Care Management	78	75
v. Children Served Through Intensive Care Management	98	103
vi. Home Visits Through CT Healthy Start	514	599
vii. Outreach Sessions Conducted Each Month Through Federal Healthy Start	30	20
viii. Families Served Through Nurturing Families Program	40	51
ix. Home Visits Through Nurturing Families	1,128	856
<u>F. Bureau of Environmental Health:</u>		
i. Food Service Inspections & Re-Inspections	1,802	1,765
ii. Food Service Licenses	1,089	1,055
iii. Temporary Food Service Inspections & Licenses	1,668	1,763
iv. Child Daycare Inspections	32	25
v. Group Daycare Inspections	2	8
vi. Swimming Pool Inspections	148	184
vii. Bathing Area Inspections	93	67
viii. Lead Inspections of Housing Units	55	51
ix. New Cases of Lead Housing Units	55	51
x. Re-Inspections Performed During Lead Abatement	731	1,524
xi. Cases of Lead Poisoning Close	16	34
xii. Housing Units Abated for Lead	12	22
xiii. Nuisance Complaints Investigated & Resolved	182	252
xiv. Food Service Complaints Investigated and Resolved	40	38
<u>G. HUD Lead Hazard Control Grant Activities:</u>		
i. Housing Units Inspected for Lead	47	69
ii. Housing Units Lead Abated	39	81
iii. Individuals Trained in Lead Abatement Field	63	5
iv. Education Outreach Events	52	27
v. Individuals Reached	36,639	4,479
<u>H. Office of Emergency Preparedness:</u>		
i. Flu Vaccinations Provided	510	1,765
ii. Number of Mass Vaccination Tabletop Exercises	0	1,055
iii. Number of Activation EOC Events	2	1,572

CITY OF NEW HAVEN, CONNECTICUT

OPERATING INDICATORS BY FUNCTION/PROGRAM, Continued
For the Years Ended June 30, 2013 and 2012
(Unaudited)

	<u>2013</u>	<u>2012</u>
<u>Performance Indicator: Fair Rent</u>		
i. Number of Inquiries	1,300	1,300
ii. Number of Complaints	80	60
iii. Number of Inspections	80	60
iv. Number of Preliminary Hearings	60	60
v. Number of Public Hearings	30	20
<u>Performance Indicator: Elderly Services</u>		
<u>A. Estimated Service Population</u>		
i. 55 and Up		19,000*
ii. 65 and Up	11,996	12,000*
iii. 85 and Up	1794	1,700*
<u>B. Senior Centers:</u>		
i. Average Weekly Attendance	891	822
<u>C. Energy Assistance:</u>		
i. Seniors Served	215	138
ii. Number of Centers Providing Services	3	3
<u>D. Rental Rebate</u>		
i. Seniors Approved	5,048	4,654
ii. Centers Providing Service	3	3
<u>E. Share Program</u>		
i. Centers Providing Service	3	3
<u>F. Transportation Services:</u>		
i. Seniors Transported to Centers	130	126
ii. Trips	11,572	10,565
<u>Performance Indicators: Youth Services Department</u>		
<u>A. Youth Commission:</u>		
i. Youth Commission Number of Meetings	6	6
<u>B. Youth @ Work</u>		
i. Jobs Funding	650,000	1,099,618
ii. Number of School Year Employers	49	47
iii. Number of Summer Employers	82	87
iv. Number of Applicants Processed	1,120	1,227
v. Number of Students Employed School Year/ Summer	844	641
vi. % of Participants Job Ready: Pre Program	50%	36%
vii. % of Participants Job Ready: Post Program	85%	94%
<u>C. CDBG Programs:</u>		
i. CDBG Monitoring Number of Programs Monitored	15	17
<u>D. Open Schools:</u>		
iv. Programs offered	12	12
<u>E. Summer Busing:</u>		
i. Number of Organizations served	36	43

CITY OF NEW HAVEN, CONNECTICUT

OPERATING INDICATORS BY FUNCTION/PROGRAM, Continued
For the Years Ended June 30, 2013 and 2012
(Unaudited)

	<u>2013</u>	<u>2012</u>
<u>F. Street Outreach Workers:</u>		
i. # of outreach workers	8	8
ii. # of youth served (undup)	220	206
iii. Ratio (Workers to Youth)	1:25	1:25
iv. Percentage of youth engaged in a program who have not recommitted a crime or acts of violence	90%	91%
v. % Employment of program participants	30%	35%
vi. % of Participants Enrolled in School	60%	50%
<u>G. Leadership Council</u>		
i. # of youth engaged/enrolled	20	20
ii. % attendance	80%	80%
<u>H. Youth Map:</u>		
i. # of organizational partners registered	201	180
ii. # of website hits	na	2,000
<u>I. Youth Texting:</u>		
i. # of teens signed up	na	1,000
<u>J. Youth Guide</u>		
i. # of guides distributed	18,000	18,000
<u>Performance Indicator: Services for Persons With Disability</u>		
i. Handles all requests for disability related accommodations as requested by the Americans With Disabilities Act. Pursuant to 42 USC 1201 et seq. and New Haven Ordinance 16 1/2 - 17 (c)(5)	24	12
ii. Monitoring and taking appropriate action to ensure that federal and state laws and regulations pertaining to persons with disabilities are complied with the City. New Haven Ordinance 16 1/2 - 17 (c)(5)	2	4
iii. Upon request or complaint assist other department with various aspects of ADA compliance.	7	4
iv. Represent residents with disabilities at various local and statewide events, committees and conferences.	23	12
v. Advocate for legislative initiatives that will benefit New Haven residents with disabilities	1	3
vi. Provide training and/or consultations on various disability related issues, promote access and understanding of individuals with disabilities. Recent trainings include Yale Medical School, UNH Diversity Class, and Greater New Haven Chamber of Commerce.	13	12
<u>Performance Indicator: Community Service Administration</u>		
i. Persons receiving SAGA Medical/ Medical LIA (SS)*	7,725	6,524
ii. Persons receiving SNAP's - Food Stamps (S)*	7,837	6,059
iii. Outreach to SNAP Recipients (S)	7,874	5,041
iv. Number of clients served through SNAP E&T (S)	7,252	5,585
v. Structured Job Skill Training	179	166
vi. Work Experience in Community Service Programs (S)	70	33
vii. SNAP Recipients Education Enrollment (S)	2	6
viii. Vocational/Occupational Skills Training Services (S)	4	8
ix. Number of Client Assessments Completed (SS)	322	418
x. Number of Client Assessments Completed (S)	167	143
xi. Number of Client Service Plans Created (SS)	322	418
xii. Number of Client Service Plans Created (S)	167	143
xiii. % Clients in the program have successfully obtained food, clothing, fuel assistance, shelter and other basic needs (SS)*	89%	71%
xiv. % Clients in Program seeking employment that obtain employment (SS)*	11%	19%
xv. Amt (\$) collected on liens and assignments of interest (Welfare)	-	15,180

CITY OF NEW HAVEN, CONNECTICUT

OPERATING INDICATORS BY FUNCTION/PROGRAM, Continued
For the Years Ended June 30, 2013 and 2012
(Unaudited)

	<u>2013</u>	<u>2012</u>
<u>Performance Indicator: Public Works</u>		
<u>A. Administration</u>		
i. Creation of budget materials, monitoring of expenditures, purchase requisitions and ordering results. Surplus/(Deficit)	\$ 246,359.00	\$ 1,069,323.00
ii. Solid Waste and Recycling Authority Surplus/(Deficit)	\$ 626,403.00	\$ 57,889.00
<u>B. Bridges (24 hour operation of three bridges):</u>		
i. Maintenance cost: Ferry Street	\$ 2,621	\$ 1,232.00
ii. Maintenance cost: Chapel Street	\$ 3,029	\$ 2,401.00
iii. Maintenance cost: Grand Avenue	\$ 2,637	\$ 1,754.00
vi. Total number of closures	11	12
<u>C. Solid Waste/Refuse Management:</u>		
i. Tons of residential solid waste	29,946	32,295
ii. Tons of residential recycling	6,337	5,723
iii. Recycling per household	1.09 lbs/day	0.99 lbs/day
iv. Percent Recycling	17.66%	15.09%
v. Number of litter barrels	400	400
vi. Number of residential transfer station customers served	2,218	1,544
vii. Number of commercial transfer station customers served	9,882	10,733
viii. Total tons of municipal solid waste	65,087	68,806
<u>D. Street Division:</u>		
i. Tons of pothole patching	4,080	3,500
ii. Pavement conditions rating	10	75
iii. Number of storms	13	7
iv. Overtime expenses	\$ 164,831.00	\$ 110,484.00
v. Cost of bulk trash pickup	\$ 300.00	\$ 300.00
<u>E. Storage and disposal of the possessions of evicted individuals:</u>		
i. Total labor hours	68	30
ii. Number of right of way warnings issued	75	100
iii. Number of right of way citations issued	13	10
<u>Performance Indicator: Engineering</u>		
<u>A. Sewer Separation:</u>		
i. Pollution Overflow	24	24
ii. Miles of Combined Sewer	52	53
iii. Miles of New Storm Sewers Installed	1	1
iv. Projects Under Design or Construction	2	4
<u>B. City Bridges</u>		
i. City Bridges	49	49
ii. Bridges in Poor Condition	7	8
iii. Projects Under Design or Construction	7	7
iv. Bridges Completed and Open	-	1
<u>C. Drainage:</u>		
i. Drainage Complaints	300	260
ii. Catch Basin Backlog	65	50

CITY OF NEW HAVEN, CONNECTICUT

OPERATING INDICATORS BY FUNCTION/PROGRAM, Continued
For the Years Ended June 30, 2013 and 2012
(Unaudited)

	<u>2013</u>	<u>2012</u>
<u>D. Road Improvements:</u>		
i. Miles of Local Roads	224.8	224.8
ii. Road Design	1.80	2.60
iii. Road Reconstructed	2.30	1.50
<u>E. Support Service:</u>		
i. Department Support Service Project	120	85
ii. Property Inquires	600	200
iii. Plan Reviews	150	150
<u>Performance Indicator: City Plan</u>		
<u>A. Zoning Board of Appeals:</u>		
i. Hearings	12	10
ii. Zoning Compliance Letter	251	195
iii. Agenda Items	115	109
<u>B. City Plan Commission:</u>		
i. CAL	10	2
ii. Meetings	13	13
iii. Total Number of Agenda Items	224	171
iv. Ordinance Text & Map Amendments	11	11
v. Items Associated with Planned Development	2	10
vi. Items Associated with Inland Wetlands Reviews	17	7
vii. Items Associated with Land Disposition	21	1
viii. Items Associated with Coastal Site Plans	24	17
ix. Items Associated with Site Plan Review	56	53
x. Items Referred by Zoning Board of Appeals	21	18
xi. Items Associated with Livable City Initiative	43	18
xii. Items Associated with Special Permits	10	5
xiii. Other Items referred to by the Board of Alderman	56	28
<u>C. Walk-In Applicants Assistance:</u>		
i. Zoning & City Plan Inquiries	850	700
<u>D. Project Management:</u>		
i. Development Projects	6	8
ii. Dollar Value of Development Projects Managed	\$80m	\$50m
<u>F. Neighborhood Plans:</u>		
i. Zoning Ordinance Amendments/Sections	3	4
ii. G.I.S. Maps provided to public	N/A	199
iii. G.I.S. Maps to City Departments	No Charge	No Charge
<u>G. Publications Sold:</u>		
i. Zoning Maps	N/A	3
<u>H. Zoning:</u>		
i. Applications/Historic District Commission - New	6	0

CITY OF NEW HAVEN, CONNECTICUT

OPERATING INDICATORS BY FUNCTION/PROGRAM, Continued
For the Years Ended June 30, 2013 and 2012
(Unaudited)

	<u>2013</u>	<u>2012</u>
<u>Performance Indicator: Transportation, Traffic and Parking</u>		
<u>A. Traffic Signals:</u>		
i. Signalized Intersections	331	331
ii. Intersections Rebuilt	18	22
iii. Repair Visits	1,500	1,800
iv. % of Requests for Emergency Service on Traffic Control Equipment within 1 hour	100%	100%
<u>B. Signs and Markings:</u>		
i. Inventory of Street Signs	110,000	110,000
ii. Signs Replaced	3,500	3,000
iii. Cost of Contact Service (Painting)	150,000	150,000
<u>C. Enforcement & Collection:</u>		
i. Tickets Written	161,870	157,000
ii. Revenue Collected	5,721,901	5,400,000
iii. Appeals Adjudicated	9,712	16,000
<u>D. Meters:</u>		
i. Total Collections	5,709,645	5,100,000
ii. Repair Visits	3,000 (+/-)	3,000 (+/-)
iii. Total Replacements	600	1,017 (+)
<u>E. Other:</u>		
i. % of Plans Reviews within 30 days	100%	100%
ii. Zoning Changes	100%	100%
iii. Building Permits	100%	100%
iv. Planned Unit Development	100%	100%
v. Streetscape Projects	100%	100%
vi. Reported Crashes per 1000 population	100%	100%
<u>Performance Indicator: Office of Building Inspection and Enforcement</u>		
<u>A. Number of Permits Issued:</u>		
i. Building	1,515	1,501
ii. Electrical	1,072	884
iii. HVAC	632	559
iv. Plumbing	613	658
v. Demolition	47	43
vi. Total	3,879	3,645
<u>B. Building Permits Issued By Category:</u>		
i. Residential (new)	44	84
ii. Non-Residential (new)	16	17
iii. Mixed Use (new)	1	3
iv. Residential (Rehab)	937	916
v. Non-Residential (Rehab)	450	437
vi. Mixed Use(Rehab)	67	44

CITY OF NEW HAVEN, CONNECTICUT

OPERATING INDICATORS BY FUNCTION/PROGRAM, Continued
For the Years Ended June 30, 2013 and 2012
(Unaudited)

	<u>2013</u>	<u>2012</u>
<u>C. Demolition</u>		
i. Residential	9	12
ii. Non-Residential	39	27
iii. Revenue from Permits & Fees	\$ 8,904,381.68	\$ 5,727,959.00
iv. Routine Building Inspections	7,069	7,100
v. Building & Zoning Code Violations Cited	379	385
vi. Auction	0	2
vii. Broker	22	23
viii. One Day Food Vendor	8	64
xi. Food Vendor	219	190
x. Parking Lot	13	17
xi. Peddler	57	51
xii. One Day Peddler	66	72
xiii. Rooming House	44	42
xiv. Excavation Permit	599	672
xv. Obstruction	404	450
xvi. Sidewalk License	45	24
xvii. Sandwich Board	14	19
xviii. Special Event	159	67
xix. Outdoor Seating	27	22
<u>Performance Indicator: Livable City Initiative</u>		
i.# of Complaints	41	45
ii. # of Letters	41	45
iii. # of Citations	15	33
iv. # of Foreclosures	5	4
v. # of Community Meetings Attended	227	235
vi. # of Complaints Addressed	2400	1,375
vii. # of Vacant Homes Monitored	750	810
viii. # of Foreclosed Properties Registered	469	554
ix. # of Tons of Trash Removed	244	225
x. # of Properties Maintained	250	220
xi. # of Liens Placed as it relates to Property Maintenance	117	35
xii. # of Structures to be Demolished	13	25
xiii. # of Properties Demolished	12	22
xiv. # of Liens Placed as it Relates to Demolition of Private & City Owned Property	6	9
xv. # of Properties for Sale	221	238
xvi. # of Properties Sold	13	18
xvii. # of Properties Condemned	36	27
xviii. # of Persons Temporarily Relocated	43	4
xix. # of Persons Permanently Relocated	104	87
xx. # of Liens Placed as it Relates to Relocation	14	16
xxi. # of For Profit Community Partners	5	3
xxii. # of Not-For-Profit Community Partners	17	17
xxiii. # of Projects in Development	31	29
xxiv. # of Units in Development	328	332
xxv. # of Rental Units Completed	38	296
xxvi. # of Homeownership Units Completed	62	35
xxvii. # of Individuals Completing Post Purchase/Homeownership/Counseling	15	29

CITY OF NEW HAVEN, CONNECTICUT

OPERATING INDICATORS BY FUNCTION/PROGRAM, Continued
For the Years Ended June 30, 2013 and 2012
(Unaudited)

	<u>2013</u>	<u>2012</u>
<u>Performance Indicator: Livable City Initiative, Continued</u>		
xxviii. # of Down Payment Loans	14	19
xxix. # of Energy Improvement Loans	15	25
xxx. # of Elderly/Disabled Emergency Repair Loans	17	11
xxxi. # of Complaints as it Relates to Code Enforcement	1,800	1,560
xxxii. # of Cases Resolved	1,200	1,100
xxxiii. # of Units Inspected.	5,200	4,600
<u>Performance Indicator: Economic Development Administration</u>		
i. # of Neighborhood Commercial District Improvement Projects.	15	12
ii. # of Entrepreneurs served through Technical Assistance	182	176
iii. # of Registered Small and MBE Contractors	139	119
iv. # MBE Contractor Participation Rate	8%	16%
v. # of Arts, Culture, and Tourism Events.	42	30
vi. # of Project Storefront Participating Businesses.	35	25

*These numbers are from the Police mapping system (not CAD records) and should not be considered official statistics.