

# City of **New Haven**

Connecticut

**Fiscal Year 2018**

July 1, 2017 to June 30, 2018

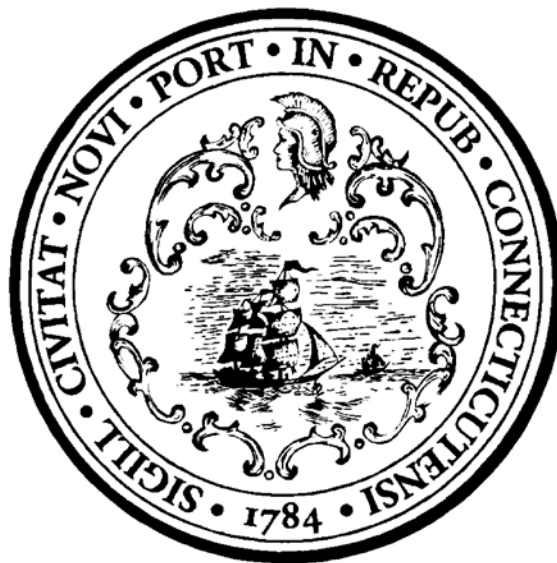


**CANAL DOCK BOATHOUSE**

**Comprehensive Annual Financial Report**

# **CITY OF NEW HAVEN, CONNECTICUT**

## ***Comprehensive Annual Financial Report***



***Fiscal Year 2018***

**July 1, 2017 – June 30, 2018**



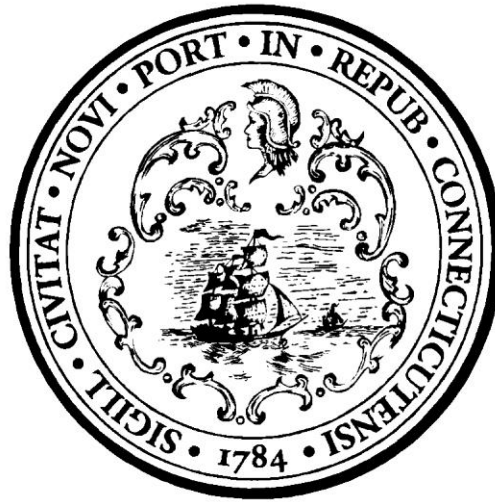
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**OF THE**

**CITY OF NEW HAVEN, CONNECTICUT**

**FOR THE FISCAL YEAR ENDED**

**June 30, 2018**



Prepared by the Department of Finance

Daryl Jones, Controller  
Carleen Laffitte, Chief Accountant

Harold Brooks, Senior Accountant  
Joseph Montagna, Accountant IV  
Linda Robinson, Accountant II  
Jean Iannuzzi, Financial Analyst

Andre Wilson, Audit Coordinator  
Maria Hunt, Accountant I  
Robert Mignosa, Account Clerk I  
Tyrone Bryan, Account Clerk I



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## Introductory Section

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**CITY OF NEW HAVEN  
DEPT. OF FINANCE  
OFFICE OF THE CONTROLLER**



**Toni N. Harp**  
*Mayor*

**Daryl H. Jones**  
*Controller*

**200 ORANGE STREET  
ROOM 301  
NEW HAVEN, CONNECTICUT 06510  
Tel. (203) 946-8300- Fax. (203) 946-7244**

March 18, 2019

To The Honorable Mayor and Board of Alders 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, 2018.

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.

RSM US, 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, 2018. 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 129,934 (Est. 2016). 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 Alders"), 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 citywide. The Board of Alders 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 Alders is required to adopt a budget for the fiscal year on or before the first Monday in June 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 Alders 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 Alders, 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 a city on the rise. Under the guidance of Mayor Toni N. Harp and her Safety, Education, and Employment (SEE) vision, violent crime has fallen to new lows; high school graduation rates have climbed; and total jobs in New Haven have expanded to a level unseen since 1991. Given New Haven's ongoing and accelerating progress against these and other measures, it is no surprise that people are choosing to work, live, and raise families in New Haven in greater numbers. Since 2000, the city has attracted more than 6,900 new residents, making its population growth rate of 5.5% the fastest in Connecticut. At the same time, it has continued to distinguish itself as a place where people gravitate who want to make great ideas happen, with an increase in its already-high college degree attainment placing it 6<sup>th</sup> highest in the nation.

New Haven is the cultural 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 0.86% in 2016, and there are now 82,121 in the City of New Haven.

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 131,014 (2017 est. - <https://www.census.gov/quickfacts/newhavencityconnecticut>). New Haven is the economic center of

a broader MSA region of 869,888 people (<https://connecticut.hometownlocator.com/cities/msa/>), 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, bioscience, 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 \$39,191 (<https://www.census.gov/quickfacts/fact/table/newhavencityconnecticut/PST045217>) as compared to \$61,640 ([https://factfinder.census.gov/faces/nav/jsf/pages/community\\_facts.xhtml?src=bkmk#](https://factfinder.census.gov/faces/nav/jsf/pages/community_facts.xhtml?src=bkmk#)) 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 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, as of November 2016, educational services employ 31,000 people. Furthermore, with over 37,000 students, colleges in the New Haven area have created \$1.5 billion in local economic impact. More importantly, however, these schools are expanding. This year Yale unveiled two new residential colleges, which cost \$600 million to construct and will add 800 additional students when at capacity. New Haven’s universities provide a platform from which the City can compete in the global arena. For example, as of 2017, Yale has \$480.2 million in federal research and development obligations, which ranks 20th nationwide, and its Cooperative Research Technology Transfer program has been instrumental in attracting new biotechnology companies to the region. Additionally, Yale has produced some 50 new start-up companies in Greater New Haven. These companies have attracted over \$700 million in venture capital.

Despite significant deindustrialization, manufacturing and food services remain important components 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 Swedish manufacturer and global leader in lock production. Assa Abloy has actually been named on Forbes’s list of 100 most innovative companies multiple times, most recently in 2016. Other examples of New Haven’s advanced manufacturing firms include Uretek, a high-tech fabric manufacturer; Radiall, a global manufacturer of connectors for use in electronic applications; and Space Craft Manufacturing, a precision parts manufacturer for jet engines.

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. As of 2010, 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. Naval Reserve Center and United States Coast Guard also have stand-alone regional centers in the City.

New Haven is not only attracting investment and business, but also people. Compared to a state growth rate of 4.9%, New Haven's population grew 5.5% since 2000, making it the fastest growing major New England city. Over the 2000s, it also achieved the 6<sup>th</sup> highest increase in college degree attainment in the nation. In addition, by 2025, New Haven is set to add an additional 10,000 to 15,000 people to the city. People are attracted to New Haven's extensive cultural amenities and high quality of life. For example, 17% of New Haven is dedicated to parks and open space, a ratio on par with famous park-friendly cities such as San Francisco. In addition, New Haven contains 40 miles of bike lane, forming the most extensive network in Southern New England. New Haven's competitiveness relates to four factors: 1) arts and culture, 2) high quality health care, 3) extensive transportation networks, and 4) impressive education and innovation.

### **Quick Facts:**

- Since 2012, the City has had housing starts for 125 single-family homes and 58 multi-family buildings with 897 total units.
- New Haven has a strong collection of museums, art galleries and theaters that attract approximately 800,000 visitors to the city each year.
- Since January 2013, unemployment has dropped from 12.4% to 5.4%. (Connecticut Department of Labor January 2019 <https://www1.ctdol.state.ct.us/lmi/laus/laustown.asp>)
- 300 new business accounts were opened in the past year (Feb 2016 to Feb 2017)
- New Haven's grand list grew by 0.26% for FY 2018-19 budget.
- Due to high demand, citywide commercial vacancy sits at 14%.
- 17% of New Haven is dedicated to parks and open space, a ratio on par with famously park-friendly cities such as San Francisco.
- New Haven contains 40 miles of bike lane, forming the most extensive network in Southern New England.
- According to City Lab, New Haven businesses attracted over \$200 million in venture capital funding in 2016.
- As of 2013, the biomedical sector accounts for approximately 12,000 jobs in the New Haven region
- New Haven placed #13 in the FierceBiotech Top 15 cities for biotech venture funding in 2014.
- Between 2006 and 2016, 233 medical school faculty members were awarded patents—many of which have been licensed to businesses. During the past 15 years, Yale's Office of Cooperative Research (OCR) has helped launch an average of four to five local, venture-backed startups per year. To date, more than 50 startups based on Yale intellectual property have raised more than \$700 million in venture capital.
- From 2002 to 2011, New Haven's urban core experienced an 11 percent increase in jobs (a gain of 9,000 jobs), even as the number of jobs in the surrounding ring and state declined. In Greater New Haven in 2002, 26 percent of all higher-paying jobs throughout the region were located within the three-mile urban core. But that figure increased to 30 percent in 2007, and to 34 percent in 2011, indicating that New Haven's suburban areas are increasingly dependent on the urban core for jobs and wages.
- Private-Sector Development: In Calendar Year 2017, Business Development worked with several privately-funded project developers to facilitate their planned investment in major residential or mixed-use projects in the City, by guiding them through land-use regulatory processes and community outreach:

- Private-Sector Development: In Calendar Year 2017, Business Development worked with several privately-funded project developers to facilitate their planned investment in major residential or mixed-use projects in the City, by guiding them through land-use regulatory processes and community outreach

Project	Units	Developer	Stage	Status
Metro 301	78	Metro Star Properties	Nearing completion	Completion in early 2018
Audubon Square	550	Spinnaker Real Estate	Planning complete	Breaking ground in early 2018
Lofts at Wooster Square	220	Spinnaker Real Estate	Planning complete	Breaking ground in 2018
Torrington Supply Site	325	Epimoni Corporation	In planning	Breaking ground in 2018
Coliseum Site	466	LiveWorkLearnPlay	In planning	Breaking ground in 2018

- **Residential Loan Programs: FY 17-18\_ Total Expended All Programs - \$ 1,011,010.00**
  - Total Units Assisted all Programs – 97
  - Intake – 78
  - Closed –64
  - Withdrawn – 14
  - In Process – 25
- **Residential Resource Development: Total Grants Awarded \$8.4 M**
  - Neighborhood Renewal Program Phase 1: Award \$1.5 M December 2014; to facilitate and promote neighborhood recovery and stabilization;
  - Neighborhood Renewal Program Phase 2: Award \$2.4 M July 2015; to facilitate and promote neighborhood recovery and stabilization through Development;
  - CDBG-DR: \$500,000 Planning Grant; Union Avenue; and
  - CDBG-DR: \$4 million Implementation Grant, Union Avenue.
- **Resource Development: Total Grants Awarded \$8.4 M**
  - Neighborhood Renewal Program Phase 1: Award \$1.5 M December 2014; to facilitate and promote neighborhood recovery and stabilization;
  - Neighborhood Renewal Program Phase 2: Award \$2.4 M July 2015; to facilitate and promote neighborhood recovery and stabilization through Development;
  - CDBG-DR: \$500,000 Planning Grant; Union Avenue; and
  - CDBG-DR: \$4 million Implementation Grant, Union Avenue.

### 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 2021-2022. 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 \$437,852,656. Financing, net of state and federal project grants, for these projects would require debt proceeds of approximately \$290 million. The financial impact of these initiatives is reviewed and approved by the Capital Projects Committee and then by the Board of Alders.



## **Relevant Financial Policies**

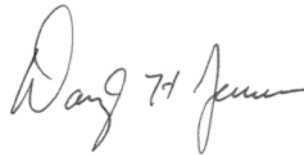
The City and the Board of Education maintain a comprehensive budgetary reporting system to monitor the results of budget operations and to ensure budgetary control and compliance with approved budgets. All annual budgets are recommended by the Mayor to the Board of Alders, which approves the final budget. 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 an assignment of fund balance in the financial statements under generally accepted accounting principles (GAAP).

## **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) awards Certificate of Achievement for Excellence in Financial Reporting. In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate. The City of New Haven has been awarded this Certificate for the past five fiscal years (fiscal year 2013, 2014, 2015, 2016 and 2017).

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 cursive script, appearing to read "Daryl H. Jones".

Daryl H. Jones  
Controller

**City of New Haven, Connecticut  
Principal City Officials**

**Mayor**

Toni N. Harp

**Mayors Cabinet**

Tomas Reyes, Chief of Staff  
John Rose, Jr., Corporation Counsel  
Dr. Carol D. Birks, Superintendent of Schools  
Michael Gormany, Acting Budget Director  
Daryl H. Jones, Controller  
Sean Matteson, Chief Administrative Officer  
Mike Piscitelli, Acting Economic Development Administrator  
Dr. Dakibu Muley, Community Services Administrator

**Board of Alders**

Tyisha Walker, President  
Jeanette L. Morrison, President Pro Tempore  
Richard Furlow, Majority Leader  
David Reyes Jr., Deputy Majority Leader  
Aaron Greenberg, 3rd Officer  
Dolores Colon, Chair, Black and Hispanic Caucus  
Delphine Clyburn, Vice-Chair, Black and Hispanic Caucus

**Ward**

1. Hacibey Catabasoglu
2. Frank E. Douglas, Jr.
3. Ron C. Hurt
4. Evelyn Rodriguez
5. Dave Reyes Jr.
6. Dolores Colón
7. Abigail Roth
8. Aaron Greenberg
9. Charles Decker
10. Anna M. Festa

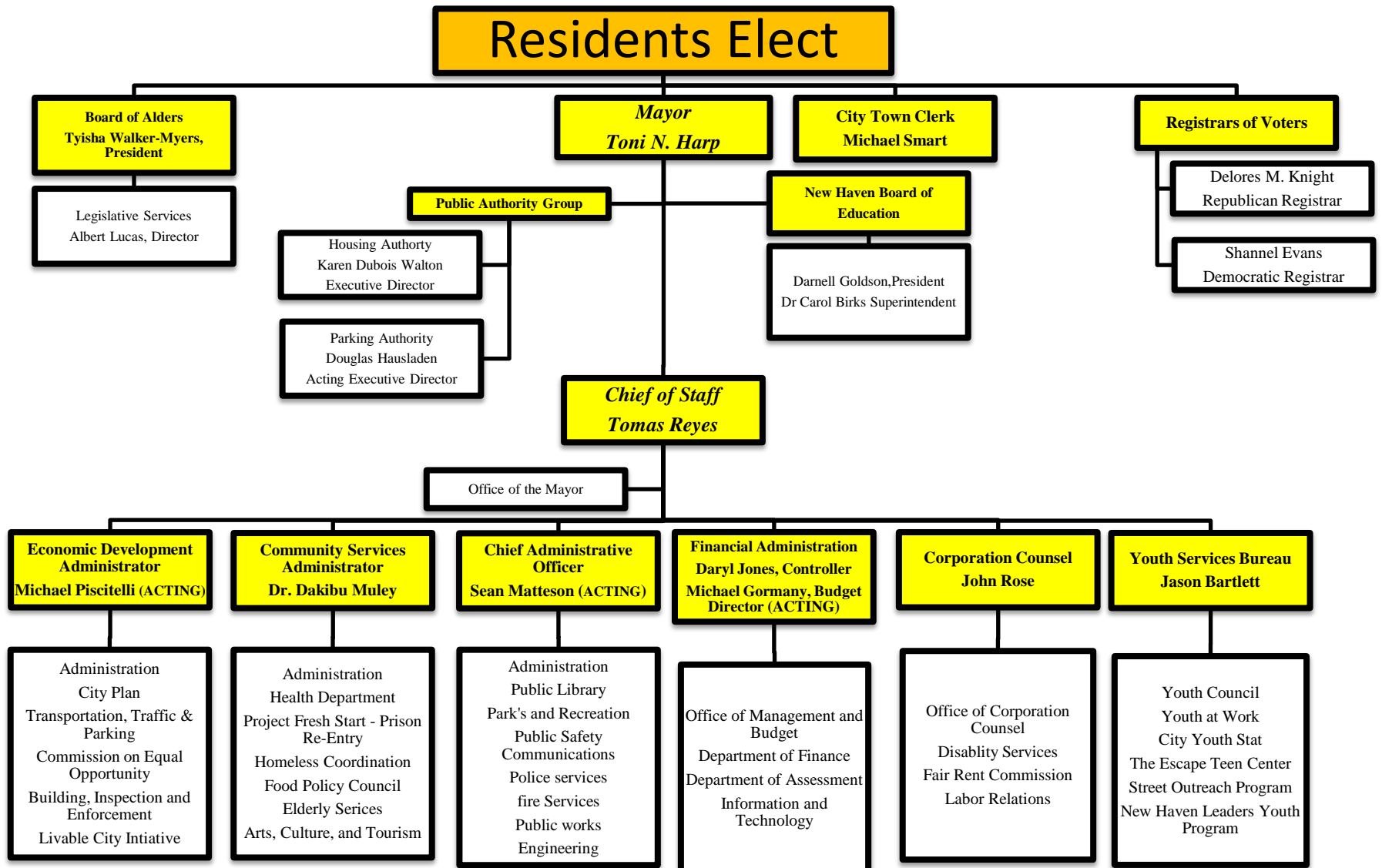
**Ward**

11. Renee Hayward
12. Gerald M. Antunes
13. Rosa Ferraro Santana
14. Kenneth Reveiz
15. Ernie G. Santiago
16. Jose Crespo
17. Jody Ortiz
18. Salvatore E. DeCola
19. Kimberly R. Edwards
20. Delphine Clyburn

**Ward**

21. Steven Winter
22. Jeanette L. Morrison
23. Tyisha Walker-Myers
24. Evette Hamilton
25. Adam J. Marchand
26. Darryl Brackeen, Jr
27. Richard Furlow
28. Jill L. Marks
29. Brian Wingate
30. Michelle Edmonds-Sepulveda

# City of New Haven Organizational Structure





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of New Haven**  
**Connecticut**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2017**

*Christopher P. Morrill*

Executive Director/CEO

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## Financial Section

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## Independent Auditor's Report

RSM US LLP

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, 2018, 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%, 92% and 76%, 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 from material misstatement.

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

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



### **Emphasis of Matter—Adoption of Standards**

As explained in the Summary of Significant Accounting Policies in the notes to the financial statements, the City adopted Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB)*, which resulted in the City restating net position for recognition of the City's OPEB-related activity incurred prior to July 1, 2017. Our opinion is not modified with respect to this matter.

### **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, 2018, 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, the budgetary comparison information, the pension and other post-employment schedules as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### 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, 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 March 18, 2019, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*RSM US LLP*

New Haven, Connecticut  
March 18, 2019

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**City of New Haven, Connecticut  
Management's Discussion and Analysis, Unaudited  
June 30, 2018**

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, 2018. 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-v of this report, as well as the City's basic financial statements that follow this section.

**Financial Highlights**

- The City finished FY 18 with a General Fund (primary operating fund) budgetary operating deficit of (\$8,344,628). (See RSI 1 and RSI 2).
- As of the year-end, the City had a General Fund - fund deficit of (\$10,603,115);

<i>Major Fund</i>	<i>Fund Balance/(Deficit)</i>
<i>General Fund</i>	(\$6,287,374)
<i>Litigation Fund</i>	(\$37,094)
<i>Medical Self Insurance Fund</i>	(\$4,421,386)
<i>Workers Compensation Fund</i>	\$142,739
<i>Grand Total</i>	(\$10,603,115)

This was a decrease from the prior year fund balance of (\$3,394,360) at the close of FY 18. The primary reason for a decrease in fund balance was a loss of state aid, not meeting building permit revenue, revenue initiative, increase in education expenditures, employee benefits, and vacancy savings.

- As of the close of the current fiscal year, the City's governmental funds reported a combined ending fund balance of \$68,783,245, an increase of \$10,380,984 in comparison with the prior year (see Exhibit D).
- On a government-wide basis, the City's total net position was (\$347,513,543) (see Table 1).
- The City's mill rate for Real Estate and Personal Property in FY 18 was 38.68 (per thousand) whereas the mill rate for motor vehicles was capped per the State of Connecticut at 37.00 (per thousand) mills. In FY17 Real Estate, Personal Property and Motor Vehicle mill rate was 41.55; Motor Vehicle mill rate was 37.00.
- The City's FY18, total net taxable grand list increased to \$6,589,755,761 as compared to FY17 total net taxable grand list of \$6,072,977,072.
- As of the year-end, the Education Grant Fund reported a fund balance of \$4,719,875. This is an increase of \$2,464,695 from the fund balance of \$2,255,180 at the close of FY 17 (see Exhibit D).
- As of the year-end, the Other Special Revenue Fund reported a fund deficit of (\$252,543). This is a decrease of \$326,987 from the fund deficit of (\$579,530) at the close of FY 17 (see Exhibit D).
- As of the year-end, the Capital Projects Fund reported a fund balance of \$54,476,521 which is a decrease of \$2,196,404 from the beginning of the year (see Exhibit D). Major impacts were intergovernmental revenues for school construction from state, issuance of bonds and expenditures mainly for school construction.

## **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, deferred outflows of resources and liabilities and deferred inflows of resources, with the difference reported as net position (deficit). 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 City's net position, the difference between assets, deferred outflows of resources and liabilities and deferred inflows of resources, is 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 one 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.

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 (deficit) decreased from a year ago by \$107,205,779. The analysis below focuses on the net position (Table 1) and changes in net position (deficit) (Table 2) of the City's governmental and business-type activities. Approximately \$20,148,539 of the government-wide net position are restricted for education, public service, general government and a permanent fund.

Net position (deficit) may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows fell short of liabilities and deferred inflows by \$343,218,419 at the close of the fiscal year ended June 30, 2018. The decrease was due to a decrease in intergovernmental revenues in addition to an increase in expenditures.

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 (Deficit)  
 June 30, 2018 and 2017

Table 1

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Current and other assets	\$ 220,986,377	\$ 219,335,228	\$ 955,482	\$ 916,917	\$ 221,941,859	\$ 220,252,145
Capital assets	1,593,616,598	1,587,403,008	-	-	1,593,616,598	1,587,403,008
<b>Total assets</b>	<b>1,814,602,975</b>	<b>1,806,738,236</b>	<b>955,482</b>	<b>916,917</b>	<b>1,815,558,457</b>	<b>1,807,655,153</b>
Deferred amounts	119,143,438	141,671,910	-	-	119,143,438	141,671,910
<b>Total deferred outflows of resources</b>	<b>119,143,438</b>	<b>141,671,910</b>	<b>-</b>	<b>-</b>	<b>119,143,438</b>	<b>141,671,910</b>
Other liabilities	158,917,093	213,985,999	250,606	94,329	159,167,699	214,080,328
Long-term liabilities outstanding	2,097,217,423	1,953,715,974	-	-	2,097,217,423	1,953,715,974
<b>Total liabilities</b>	<b>2,256,134,516</b>	<b>2,167,701,973</b>	<b>250,606</b>	<b>94,329</b>	<b>2,256,385,122</b>	<b>2,167,796,302</b>
Deferred pension items	13,862,944	15,383,248	-	-	13,862,944	15,383,248
Advanced tax collections	11,967,372	6,455,277	-	-	11,967,372	6,455,277
<b>Total deferred inflows of resources</b>	<b>25,830,316</b>	<b>21,838,525</b>	<b>-</b>	<b>-</b>	<b>25,830,316</b>	<b>21,838,525</b>
Net position (deficit):						
Net investment in capital assets	1,001,195,147	1,024,694,383	-	-	1,001,195,147	1,024,694,383
Restricted	20,148,539	12,791,744	-	-	20,148,539	12,791,744
Unrestricted	(1,369,562,105)	(1,278,616,479)	704,876	822,588	(1,368,857,229)	(1,277,793,891)
<b>Total net position (deficit)</b>	<b>\$ (348,218,419)</b>	<b>\$ (241,130,352)</b>	<b>\$ 704,876</b>	<b>\$ 822,588</b>	<b>\$ (347,513,543)</b>	<b>\$ (240,307,764)</b>

The change in governmental net position (deficit) is illustrated below:

**City of New Haven, Connecticut  
Summary Statement of Activities  
For the Years Ended June 30, 2018 and 2017**

**Table 2**

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
<b>Revenues:</b>						
Program Revenues:						
Charges for services	\$ 34,859,383	\$ 34,325,195	\$ 898,637	\$ 890,819	\$ 35,758,020	\$ 35,216,014
Operating grants and contributions	359,569,290	382,520,519	-	-	359,569,290	382,520,519
Capital grants and contributions	38,437,427	84,762,285	-	-	38,437,427	84,762,285
General Revenues:						
Property taxes	254,463,152	252,274,961	-	-	254,463,152	252,274,961
Grants and contributions not restricted to specific programs	75,606,647	73,551,080	-	-	75,606,647	73,551,080
Investment earnings	1,769,957	411,451	864	596	1,770,821	412,047
<b>Total revenues</b>	<b>764,705,856</b>	<b>827,845,491</b>	<b>899,501</b>	<b>891,415</b>	<b>765,605,357</b>	<b>828,736,906</b>
<b>Expenses:</b>						
Program Expenses:						
General government	44,732,017	51,190,242	-	-	44,732,017	51,190,242
Education	551,501,263	539,165,020	-	-	551,501,263	539,165,020
Public Safety	168,088,802	156,935,928	-	-	168,088,802	156,935,928
Public Works	32,688,007	34,813,406	-	-	32,688,007	34,813,406
Public Services	36,205,051	41,830,406	-	-	36,205,051	41,830,406
Economic Development	15,814,990	14,790,863	-	-	15,814,990	14,790,863
Interest on long-term debt	22,763,793	21,732,765	-	-	22,763,793	21,732,765
Business type	-	-	1,017,213	668,672	1,017,213	668,672
<b>Total expenses</b>	<b>871,793,923</b>	<b>860,458,630</b>	<b>1,017,213</b>	<b>668,672</b>	<b>872,811,136</b>	<b>861,127,302</b>
<b>Excess(deficiency) before transfers</b>	<b>(107,088,067)</b>	<b>(32,613,139)</b>	<b>(117,712)</b>	<b>222,743</b>	<b>(107,205,779)</b>	<b>(32,390,396)</b>
<b>Change in net position (deficit)</b>	<b>(107,088,067)</b>	<b>(32,613,139)</b>	<b>(117,712)</b>	<b>222,743</b>	<b>(107,205,779)</b>	<b>(32,390,396)</b>
<b>Net Position (Deficit), beginning</b>	<b>(241,130,352)</b>	<b>215,482,617</b>	<b>822,588</b>	<b>599,845</b>	<b>(240,307,764)</b>	<b>216,082,462</b>
Restatement - GASB no,75	-	(423,999,830)	-	-	-	(423,999,830)
<b>Net Position (Deficit), ending</b>	<b>\$ (348,218,419)</b>	<b>\$ (241,130,352)</b>	<b>\$ 704,876</b>	<b>\$ 822,588</b>	<b>\$ (347,513,543)</b>	<b>\$ (240,307,764)</b>

**Expenses and Program Revenues – Governmental Activities**

Governmental activities' revenues totaled approximately \$765 million for fiscal year 2018. Operating grants and contributions are the largest revenue source for the City and represent 47% of the governmental revenues. Property taxes are the City's second largest revenue and represent 33% of the governmental revenues. Grants and contributions not restricted to specific programs represent 10%.

On an overall basis revenue decreased by \$63 million over FY 17. Property taxes increased by \$2.2 million, operating grants and contributions decreased by \$22 million while capital grants and contributions decreased by \$46 million.

**Expenses**

Governmental expenses totaled \$872 million for the fiscal year. Of the expenditures, 64% is related to education; 19% is related to public safety; 5% to general government; and 4% to public services.

**General Fund: Fund Balance (Deficit), Ratings and City Debt**

The year ending audited General Fund-Fund balance (deficit) is (\$10,603,115). The FY 17 fund balance (deficit) was (\$3,394,360).



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 financing the City's capital projects. During calendar year 2018, Standard & Poor's lowered its rating to BBB+. The outlook on all ratings is negative. Fitch lowered its rating to BBB, with a negative outlook as well. The City did not use Moody's services during the 2018 Calendar year. Moody's essentially published an opinion article, which maintained the City's credit rating of Baa1 (negative).

Moody's Investment Services	BAA1 Negative Did not officially use calendar YR 2018 but issued opinion
Standard and Poor's Fitch Investors Service	BBB+ negative BBB negative

The three major rating agencies, namely, Standard & Poor's, Moody's and Fitch annually review the City's credit worthiness and issue a bond rating along with a summary of the rationale.

The rating agencies recognize the City of New Haven has a strong economy, with access to a broad and diverse metropolitan statistical area (MSA) and a local stabilizing institutional influence. A strong institutional framework score, Both Standard and Poor's and Fitch Investment Services 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.

The recent state fiscal challenges have contributed to a less predictable state aid environment for Connecticut municipalities. The City of New Haven in FY 2018 lost approximately five million dollars in state and education general fund aid. This has led to an unpredictable state revenue source in regards to Education Cost Sharing (ECS) grant, PILOT for Colleges and Hospitals, and PILOT for State Property.

With the drop-in state aid, the rating agencies recognize the City has a high percentage of exempt properties within its tax base, making it difficult for management to raise local-source revenues. The City has approximately fifty percent of its property exempt which is primarily comprised of Yale University and Yale New Haven Hospital.

Noted on the operational side, The City has also seen weak budgetary performance, with operating deficits in the general fund such as the education department, public safety and employee benefits. Particular downgrades reflect the City's closing of fiscal 2017 with a deficit and an expected increase to the fiscal 2018 operations. Challenges the City will face include the education department's budget, unsettled public safety employee contracts, increase in employee benefits, debt service and other fixed cost for the City rising.

The City's bonds outstanding, as of June 30, 2018 totaled \$552,150,607 compared to June 30, 2017 total of \$522,453,130.

Bonds Outstanding at Year-End

June 30, 2018	\$ 552,150,607
June 30, 2017	\$ 522,453,130
June 30, 2016	\$ 522,993,825
June 30, 2015	\$ 515,645,466
June 30, 2014	\$ 514,855,326
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

The City's current debt service requirements attribute 41% of its costs to the City's Board of Education (includes both school construction and non-school construction capital costs) and 59% of its cost to other City capital expenses.

Additional information on the City's long-term debt can be found in Note 9.

### **Capital Assets**

At June 30, 2018, the City had \$1.594 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**

**Table 3**

#### **Capital Assets (Net of Depreciation)**

	2018	2017
Land	\$ 44,140,306	\$ 44,140,306
Construction in process	49,214,066	33,341,648
Land improvements	11,020,951	11,209,780
Building and improvements	1,330,169,729	1,345,954,241
Machinery and equipment	32,629,566	31,273,537
Vehicles	12,696,525	11,604,786
Infrastructure	113,745,455	109,878,710
<b>Total</b>	<b>\$ 1,593,616,598</b>	<b>\$ 1,587,403,008</b>

Major projects during FY18 included commitments for Economic Development, Engineering, Parks, Technology and Education.

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

### **FY18 General Fund Budget**

The following table summarizes the General Fund operating results for FY18:

Budget	\$538,906,953
Actual revenue =	\$523,913,631—negative variance
(\$14,993,322)	
Actual expenditures =	\$532,258,256—positive variance \$6,648,697
Deficit =	\$(8,344,625)

	Original Budget	Final Budget	Actual	Positive (Negative) Variance
Revenues	\$ 538,906,953	\$ 538,906,953	\$ 523,913,631	\$ (14,993,322)
Expenditures	538,909,953	538,906,953	532,258,256	6,648,697
Surplus/(Deficit)	\$ (3,000)	\$ -	\$ (8,344,625)	\$ (8,344,625)

The City budget for fiscal year 2017-18 increased by \$15.5M over FY 16-17. The mill rate decreased from 41.55 mills to 38.68 mills due to the 2016 grand list revaluation. While the FY 2017-18 budget was being prepared, the State of Connecticut had not produced its Bi-annum budget for municipal aid. In the final budget approved by the Board of Alders for FY 2017-18, State Aid for PILOT and ECS were budgeted flat over FY 2016-17. When the budget was approved in October 2017 by the state legislature, The City actually seen a decrease in funding for various PILOT funding while the grand list exemptions continue to grow. Also, ECS saw a small decrease due to the state cutting funding in the renters rebate program.

- State revenue adjusted based on Adopted State Budget in October 2017
  - State owned Property (\$1,026,020)
  - Colleges and Hospitals (\$3,917,604)
  - Distressed Cities (\$365,000)

- Elderly Tax Relief (\$425,000)
- MY Tax PILOT (\$2,251,326)
- Added Municipal Stabilization grant of \$2,261,574
- Education Cost Sharing reduced (\$250,000) to accommodate the Renters Rebate Program
  - Renters' Rebate Program. In its recent amendments to the budget, the General Assembly returned administration of this program from towns to OPM, but required municipalities to pay for fifty percent (50%) of the cost of the claims in their towns, up to a cap of \$250,000 per town. Although the General Assembly wanted the state and localities to split the cost of the claims under this program, the legislature also wanted claimants to receive only one check. As a result, the General Assembly directed OPM to administer the checks, and then recover the local share by reducing or withholding payments to towns from another municipal grant program. OPM has determined that the source of the local share of the Renters' Rebate program will be the Education Cost Sharing (ECS) program. The total available funding for the Renters' program for fiscal year 2018 is \$24.4 million, which reflects a 2.5% holdback equaling \$625,506. Each individual payment will also be pro-rated to keep within the available appropriation of \$24.4 million. At this time, OPM staff are working with the Office of the State Comptroller to develop a schedule to process individual checks for the 48,500 eligible recipients. Grant payments should be mailed by the middle of December to eligible renters. The average individual grant payment is expected to be around \$490, which is similar to last year's payment

Expenditures Increases/(decreases) over FY 16-17 Budget include

- Refunding savings (4,220,909)
- Debt service (3,455,919)
- Vacancy savings reduction (1,685,420)
- All others 20,635
- Information technology maintenance contracts 800,000
- Fire 917,136
- Contract reserve negotiations 943,944
- Medical self-insurance fund balance replenishment 1,000,000
- Police 3,571,966 20
- Medical benefits 4,000,000
- Education 5,000,000
- Pension increases 8,675,324
- Medical benefits 4,000,000

As the fiscal year progressed, there were many areas of change from the original budget. Some of these factors, both expenditure and revenue are highlighted below:

### **Expenditures**

The expenditure budget experienced several significant variances and ended the year \$6,648,697 under budget.

At the end of fiscal year 2017-18, Many General Fund Departments remained within budget. The most notable exceptions being Youth Services, Transportation, Traffic, and Parking, Pensions, Employee Benefits and Board of Education. All other departments or functions performed significantly under budget for fiscal year 2017-18.

## Revenues

The revenue budget was short of budget by (\$14,993,322) due primarily to building permits not achieving budget, parking receipts not achieving budget, and revenue initiative not recognized. Categories which helped offset these shortfalls were property taxes which exceeded budget overall by \$3M, increase in New Haven Parking Authority PILOT payment, Real Estate Conveyance Tax which exceeded budget, and increase in the Yale University voluntary payment.

## Taxes

Property Taxes exceeded budget as the overall collection rate slightly increased but remained at a very strong 98.43%. Real Estate property taxes, the largest tax roll, achieved a collection rate of 98.75% which was a slight decrease over 98.82% in FY 2017. While there was a slight decrease versus the previous year in collection rate percentage, Real Estate collections exceeded the budget in the amount of \$2,267,622. Also, there were excess collections in Supplemental MV taxes thus coming up \$395,247 versus budget.

Tax collections as an overall percentage of the Grand List 2016 were as follow:

Category	FY 17-18 Grand List 16	FY 16-17 Grand List 15	+/- FY 18 VS FY 17
Real Estate	98.75%	98.82%	-0.07%
Personal Property	99.49%	99.24%	0.25%
Motor Vehicle	93.17%	92.86%	0.31%
Supplemental MV	88.75%	89.20%	-0.45%
Overall Collection	98.43%	98.42%	0.01%

Tax collections as overall collections versus budget were as follow:

Category	FY 17-18 Budget	FY 16-17 Collections	+/- FY 18 VS FY 17
Real Estate	\$ 204,331,154	\$ 204,063,532	\$ 2,267,622
Personal Property	24,603,330	26,088,948	(1,485,618)
Motor Vehicle	12,732,184	12,732,249	(65)
Supplemental MV	1,930,027	1,534,780	395,247
Current Interest	1,000,000	1,000,000	-
Tax Initiative	1,177,612	2,354,798	(1,177,186)
Delinquent RE/PP	1,550,000	1,550,000	-
Delinquent Interest and Penalties	600,000	600,000	-

## 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 Management and Budget and Controller's Office 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 2018, Capital Project Funds collectively had a fund balance of \$54,476,521, which was a decrease from the prior year fund balance of \$56,672,925.

**Education Grants:**

The City's Education Grant Funds reported revenues of \$121.5 million and expenses totaling \$119.1 million for a net operating result of \$2,464,695 and an ending fund balance of \$4,719,875.

**Other Special Revenue Fund:**

The City's Other Special Revenue Fund reported revenues of \$16.2 million and expenses and other financing sources totaling \$15.9 million for a net operating result of \$326,987 and an ending fund balance (deficit) of \$252,543.

**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 Toni N. Harp, Board of Alders President Tyisha Walker, Finance Committee Chair Evette Hamilton and the Board of Alders for their interest and support in the conducting of the financial operations of this City in a responsible and progressive manner.

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**Basic Financial  
Statements**

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**Statement of Net Position (Deficit)**  
**June 30, 2018**

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total *	Parking Authority	Solid Waste Authority
<b>Assets</b>					
Cash and cash equivalents	\$ 85,748,758	\$ 958,621	\$ 86,707,379	\$ 5,617,336	\$ 4,277,975
Investments	9,662,670	-	9,662,670	-	-
Receivables (net of allowance for uncollectible)	54,716,410	12,170	54,728,580	1,393,828	946,755
Inventories	171,314	-	171,314	-	-
Prepaid expenses and other assets	-	-	-	96,990	-
Due from component units	2,704,164	-	2,704,164	-	-
Internal balances	15,309	(15,309)	-	-	-
Restricted cash and cash equivalents	42,208,489	-	42,208,489	19,543,107	-
Long-term intergovernmental receivables	25,759,263	-	25,759,263	-	-
Capital assets not being depreciated	93,354,372	-	93,354,372	4,325,677	-
Capital assets being depreciated, net	1,500,262,226	-	1,500,262,226	28,709,563	6,629,498
<b>Total assets</b>	<b>1,814,602,975</b>	<b>955,482</b>	<b>1,815,558,457</b>	<b>59,686,501</b>	<b>11,854,228</b>
Deferred outflows of resources:					
Deferred pension/OPEB items	108,379,102	-	108,379,102	-	-
Deferred charges on refunding	10,764,336	-	10,764,336	-	588,664
	<b>119,143,438</b>	<b>-</b>	<b>119,143,438</b>	<b>-</b>	<b>588,664</b>
<b>Liabilities</b>					
Accounts payable and accrued liabilities	74,480,921	250,606	74,731,527	1,766,502	1,759,690
Accrued interest payable	11,545,639	-	11,545,639	23,366	-
Due to fiduciary funds	405,010	-	405,010	-	-
Due to primary government	-	-	-	2,614,164	90,000
Unearned revenue	2,094,083	-	2,094,083	-	-
Long-term liabilities:					
Due within one year	70,391,440	-	70,391,440	992,000	580,000
Due in more than one year	2,097,217,423	-	2,097,217,423	5,188,000	5,955,000
<b>Total liabilities</b>	<b>2,256,134,516</b>	<b>250,606</b>	<b>2,256,385,122</b>	<b>10,584,032</b>	<b>8,384,690</b>
Deferred inflows of resources:					
Deferred pension/OPEB items	13,862,944	-	13,862,944	-	-
Advance tax collections	11,967,372	-	11,967,372	-	-
<b>Total deferred inflows of resources</b>	<b>25,830,316</b>	<b>-</b>	<b>25,830,316</b>	<b>-</b>	<b>-</b>
Net position (deficit):					
Net investment in capital assets	1,001,195,147	-	1,001,195,147	26,885,240	1,663,412
Restricted for:					
Expendable:					
Education	5,790,615	-	5,790,615	-	-
Public service	8,214,101	-	8,214,101	16,458,166	-
General government	3,762,503	-	3,762,503	-	-
Nonexpendable:					
Permanent funds	2,381,320	-	2,381,320	-	-
Unrestricted (deficit)	(1,369,562,105)	704,876	(1,368,857,229)	5,759,063	2,394,790
<b>Total net position (deficit)</b>	<b>\$ (348,218,419)</b>	<b>\$ 704,876</b>	<b>\$ (347,513,543)</b>	<b>\$ 49,102,469</b>	<b>\$ 4,058,202</b>

See notes to financial statements.

\* After internal receivable and payables have been eliminated.

City of New Haven, Connecticut

Statement of Activities  
For the Year Ended June 30, 2018

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ (44,732,017)	\$ 15,347,227	\$ 4,370,793	\$ 1,167,855
Education	(551,501,263)	554,004	323,635,930	31,170,009
Public safety	(168,088,802)	3,055,483	-	-
Public works	(32,688,007)	14,682,388	35,078	3,639,108
Public services	(36,205,051)	1,220,281	31,527,489	2,460,455
Economic development	(15,814,990)	-	-	-
Interest on long-term debt	(22,763,793)	-	-	-
<b>Total governmental activities</b>	<b>(871,793,923)</b>	<b>34,859,383</b>	<b>359,569,290</b>	<b>38,437,427</b>
Business-type activities:				
Golf course	(958,642)	874,864	-	-
East Rock communications tower	(58,571)	23,773	-	-
<b>Total business-type activities</b>	<b>(1,017,213)</b>	<b>898,637</b>	<b>-</b>	<b>-</b>
<b>Total primary government</b>	<b>(872,811,136)</b>	<b>35,758,020</b>	<b>359,569,290</b>	<b>38,437,427</b>
Component units:				
Parking Authority	(24,943,216)	24,543,841	-	-
Solid Waste Authority	(7,163,984)	7,659,123	-	-
<b>Total component units</b>	<b>(32,107,200)</b>	<b>32,202,964</b>	<b>-</b>	<b>-</b>

General revenues:  
Property taxes  
Grants and contributions not restricted to specific programs  
Investment earnings  
**Total general revenues**

**Change in net position (deficit)**

Net position (deficit), beginning, as restated (Note 1)  
Net position (deficit) – ending

See notes to financial statements.

**Exhibit B**

Primary Government			Component Units	
Governmental Activities	Business-Type Activities	Total	Parking Authority	Solid Waste Authority
\$ (23,846,142)	\$ -	\$ (23,846,142)	\$ -	\$ -
(196,141,320)	-	(196,141,320)	-	-
(165,033,319)	-	(165,033,319)	-	-
(14,331,433)	-	(14,331,433)	-	-
(996,826)	-	(996,826)	-	-
(15,814,990)	-	(15,814,990)	-	-
(22,763,793)	-	(22,763,793)	-	-
(438,927,823)	-	(438,927,823)	-	-
-	(83,778)	(83,778)	-	-
-	(34,798)	(34,798)	-	-
-	(118,576)	(118,576)	-	-
(438,927,823)	(118,576)	(439,046,399)	-	-
-	-	-	(399,375)	-
-	-	-	-	495,139
-	-	-	(399,375)	495,139
254,463,152	-	254,463,152	-	-
75,606,647	-	75,606,647	-	-
1,769,957	864	1,770,821	223,359	52,323
331,839,756	864	331,840,620	223,359	52,323
(107,088,067)	(117,712)	(107,205,779)	(176,016)	547,462
(241,130,352)	822,588	(240,307,764)	49,278,485	3,510,740
\$ (348,218,419)	\$ 704,876	\$ (347,513,543)	\$ 49,102,469	\$ 4,058,202

**Balance Sheet – Governmental Funds  
June 30, 2018**

	General Fund	Education Grant Funds	Capital Project Funds	Other Special Revenue Fund	Other Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>						
Cash and cash equivalents	\$ 30,842,983	\$ 10,642,042	\$ 11,535,293	\$ 5,080,234	\$ 27,648,206	\$ 85,748,758
Investments	3,029,660	-	-	-	6,633,010	9,662,670
Restricted cash	-	-	42,208,489	-	-	42,208,489
Receivables from other governments	163,037	11,202,545	42,468,675	1,293,242	1,650,550	56,778,049
Receivables, net	25,759,263	311,851	4,500	37,399	288,775	26,401,788
Due from other funds	10,634,935	-	7,161,322	-	1,657,001	19,453,258
Inventories	-	171,314	-	-	-	171,314
<b>Total assets</b>	<b>\$ 70,429,878</b>	<b>\$ 22,327,752</b>	<b>\$ 103,378,279</b>	<b>\$ 6,410,875</b>	<b>\$ 37,877,542</b>	<b>\$ 240,424,326</b>
<b>Liabilities</b>						
Accounts payable	\$ 35,373,566	\$ 5,076,424	\$ 6,423,505	\$ 1,392,859	\$ 4,664,158	\$ 52,930,512
Accrued liabilities	16,387,234	4,872,021	43,356	29,373	93,827	21,425,811
Due to other funds	5,136,108	7,659,432	-	5,059,008	1,988,411	19,842,959
Due to other governments	104,473	-	-	-	20,125	124,598
Unearned revenue	1,913,316	-	-	-	180,767	2,094,083
<b>Total liabilities</b>	<b>58,914,697</b>	<b>17,607,877</b>	<b>6,466,861</b>	<b>6,481,240</b>	<b>6,947,288</b>	<b>96,417,963</b>
Deferred inflows of resources:						
Advance tax collections	11,967,372	-	-	-	-	11,967,372
Unavailable revenues	10,150,924	-	42,434,897	182,178	106,763	52,874,762
<b>Total deferred inflows of resources</b>	<b>22,118,296</b>	<b>-</b>	<b>42,434,897</b>	<b>182,178</b>	<b>106,763</b>	<b>64,842,134</b>
Fund balances (deficits):						
Nonspendable	-	171,314	-	-	2,381,320	2,552,634
Restricted	-	4,548,561	54,476,521	-	13,218,658	72,243,740
Assigned - Debt service	-	-	-	-	15,223,513	15,223,513
Unassigned	(10,603,115)	-	-	(252,543)	-	(10,855,658)
<b>Total fund balances (deficits)</b>	<b>(10,603,115)</b>	<b>4,719,875</b>	<b>54,476,521</b>	<b>(252,543)</b>	<b>30,823,491</b>	<b>79,164,229</b>
<b>Total liabilities, deferred inflows of resources and fund balances (deficits)</b>	<b>\$ 70,429,878</b>	<b>\$ 22,327,752</b>	<b>\$ 103,378,279</b>	<b>\$ 6,410,875</b>	<b>\$ 37,877,542</b>	

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.	1,593,616,598
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.	(11,545,639)
Some expenses including deferred outflows/inflows reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds	
Deferred outflows of resources – refunding charges	10,764,336
Deferred inflows of resources – revenues	52,874,762
Deferred outflows of resources – pension/OPEB items	108,379,102
Deferred inflows of resources – pension/OPEB items	(13,862,944)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(2,167,608,863)
<b>Net position (deficit) of governmental activities</b>	<b>\$ (348,218,419)</b>

See notes to financial statements.

**Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits) –  
Governmental Funds  
For the Year Ended June 30, 2018**

	General Fund	Education Grant Funds	Capital Project Funds	Other Special Revenue Fund	Other Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues:</b>						
Property taxes	\$ 253,562,833	\$ -	\$ -	\$ -	\$ -	\$ 253,562,833
Licenses and permits	22,328,301	-	-	-	-	22,328,301
Intergovernmental	299,089,386	120,641,096	9,369,869	14,569,312	18,179,670	461,849,333
Charges for services	5,703,398	8,850	-	501,155	711,582	6,924,985
Fines	5,249,736	-	-	-	-	5,249,736
Investment earnings	1,389,114	87	-	7,303	373,453	1,769,957
Payment in lieu of taxes	1,303,720	-	-	-	-	1,303,720
Contributions and other	19,160,866	882,540	1,880,055	1,167,855	3,060,704	26,152,020
<b>Total revenues</b>	<b>607,787,354</b>	<b>121,532,573</b>	<b>11,249,924</b>	<b>16,245,625</b>	<b>22,325,409</b>	<b>779,140,885</b>
<b>Expenditures:</b>						
Current:						
General government	29,599,662	-	238,766	4,536,606	11,479	34,386,513
Public safety	79,360,860	-	-	-	-	79,360,860
Public works	17,345,495	-	598,370	-	773,076	18,716,941
Public services	8,475,681	-	-	-	20,093,958	28,569,639
Other departments	1,206,219	-	-	-	-	1,206,219
Employee benefits and insurance	166,023,048	-	-	-	-	166,023,048
Economic development	7,978,871	-	2,978,428	-	-	10,957,299
Education	260,920,722	119,067,878	-	-	-	379,988,600
Debt service:						
Principal	10,467,592	-	7,000,000	-	-	17,467,592
Interest	24,113,674	-	-	-	-	24,113,674
Debt issuance costs	273,192	-	-	-	-	273,192
Capital outlay	-	-	53,765,903	11,565,865	-	65,331,768
<b>Total expenditures</b>	<b>605,765,016</b>	<b>119,067,878</b>	<b>64,581,467</b>	<b>16,102,471</b>	<b>20,878,513</b>	<b>826,395,345</b>
<b>Revenues over (under) expenditures</b>	<b>2,022,338</b>	<b>2,464,695</b>	<b>(53,331,543)</b>	<b>143,154</b>	<b>1,446,896</b>	<b>(47,254,460)</b>
<b>Other financing sources (uses):</b>						
Issuance of bonds	-	-	43,300,000	-	-	43,300,000
Premium on bond issuances	11,282,904	-	-	-	-	11,282,904
Issuance of grant anticipation notes	-	-	8,045,524	-	-	8,045,524
Transfers in	-	-	-	183,833	15,552,827	15,736,660
Transfers out	(15,521,013)	-	(210,385)	-	(5,262)	(15,736,660)
Payment to escrow agent	(38,407,984)	-	-	-	-	(38,407,984)
Issuance of refunding bonds	33,415,000	-	-	-	-	33,415,000
<b>Total other financing sources (uses)</b>	<b>(9,231,093)</b>	<b>-</b>	<b>51,135,139</b>	<b>183,833</b>	<b>15,547,565</b>	<b>57,635,444</b>
<b>Net change in fund balances (deficits)</b>	<b>(7,208,755)</b>	<b>2,464,695</b>	<b>(2,196,404)</b>	<b>326,987</b>	<b>16,994,461</b>	<b>10,380,984</b>
Fund balances (deficits), beginning	(3,394,360)	2,255,180	56,672,925	(579,530)	13,829,030	68,783,245
Fund balances (deficits), ending	\$ (10,603,115)	\$ 4,719,875	\$ 54,476,521	\$ (252,543)	\$ 30,823,491	\$ 79,164,229

See notes to financial statements.

**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficits) of Governmental Funds to the Statement of Activities  
For the Year Ended June 30, 2018**

Reconciliation of the balance sheet – governmental funds  
to the statement of net position (deficit):

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

Net change in fund balances (deficits)-total governmental funds (Exhibit D)	\$ 10,380,984
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 outlay exceeded depreciation in the current period.	6,213,590
Changes in some revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	(14,435,029)
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 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.	(35,310,077)
Some expenses including deferred outflow/inflows reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.	
The change in these expenses are as follows:	
Change in deferred outflows - pension / OPEB items	(22,130,323)
Change in deferred inflows - pension / OPEB items	1,520,304
Changes in 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.	<u>(53,327,516)</u>
Change in net position (deficit) of governmental activities (Exhibit B)	<u><u>\$ (107,088,067)</u></u>

See notes to financial statements.

**Statement of Net Position – Proprietary Funds  
June 30, 2018**

	Business-Type Activities – Enterprise Funds <u>Other Enterprise Funds</u>
<b>Assets</b>	
Current assets:	
Cash and cash equivalents	\$ 958,621
Accounts receivable (net allowance for uncollectible)	12,170
Due from other funds	9,373
<b>Total assets</b>	<u>980,164</u>
<b>Liabilities</b>	
Current liabilities:	
Accounts payable and accrued liabilities	250,606
Due to other funds	24,682
<b>Total current liabilities</b>	<u>275,288</u>
<b>Total liabilities</b>	<u>275,288</u>
Net position:	
Unrestricted	<u>704,876</u>
<b>Total net position</b>	<u>\$ 704,876</u>

See notes to financial statements.



**Statement of Activities – Proprietary Funds  
For the Year Ended June 30, 2018**

	Business-Type Activities – <u>Enterprise Funds</u> Other Enterprise Funds
Operating revenues:	
Charges for sales and services:	
User fees	\$ 898,637
<b>Total operating revenues</b>	<u>898,637</u>
Operating expenses:	
Costs of sales and services	<u>1,017,213</u>
<b>Total operating expenses</b>	<u>1,017,213</u>
<b>Operating loss</b>	<u>(118,576)</u>
Nonoperating revenues:	
Interest income	<u>864</u>
<b>Total non-operating revenues</b>	<u>864</u>
<b>Net loss</b>	(117,712)
Fund net position , beginning	<u>822,588</u>
Fund net position , ending	<u>\$ 704,876</u>

See notes to financial statements.

**Statement of Cash Flows – Proprietary Funds  
For the Year Ended June 30, 2018**

	Business-Type Activities – <u>Enterprise Fund</u> <u>Other Enterprise</u> <u>Funds</u>
Cash flows from operating activities:	
Charges for services from users	\$ 894,207
Payments to suppliers	(860,152)
<b>Net cash provided by operating activities</b>	<u>34,055</u>
Cash Flows From Investing Activities	
Interest and dividends	<u>864</u>
<b>Increase in cash and cash equivalents</b>	34,919
Cash and cash equivalents:	
Beginning	<u>923,702</u>
Ending	<u>\$ 958,621</u>
Reconciliation of operating loss to net cash provided by operating activities:	
Operating loss	\$ (118,576)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Change in assets and liabilities:	
Decrease in accounts receivable, net	291
Increase in accounts payable	155,379
Decrease in due to other funds	(3,039)
<b>Net cash provided by operating activities</b>	<u>\$ 34,055</u>

See notes to financial statements.

**Statement of Fiduciary Net Position – Fiduciary Funds  
June 30, 2018**

	Trust Funds	Agency Funds
<b>Assets</b>		
Cash and short-term investments	\$ 30,009,627	\$ 1,170,977
Interest and dividends receivable	789,362	-
Accounts receivable – investment sales	569,630	-
Accounts receivable – other	168,240	-
Due from other funds	405,010	-
	<u>31,941,869</u>	<u>1,170,977</u>
Investments:		
Government agencies	17,212,638	-
Real estate funds	2,137,877	-
Common stock	219,894,546	-
Preferred stock	25,943,300	-
Corporate bonds	31,396,438	-
Equity mutual funds	9,062,396	-
Hedge funds	49,951,386	-
Asset-backed securities	19,571,997	-
Venture capital partnerships	52,986,508	-
Private equity – real estate funds	32,635,054	-
<b>Total investments</b>	<u>460,792,140</u>	<u>-</u>
<b>Total assets</b>	<u>492,734,009</u>	<u>1,170,977</u>
<b>Liabilities</b>		
Accounts payable – vendors	-	506,000
Accounts payable – investment purchases	514,175	-
Amounts held for others	-	664,977
<b>Total liabilities</b>	<u>514,175</u>	<u>1,170,977</u>
Net position – restricted for pension and OPEB benefits	<u>\$ 492,219,834</u>	<u>\$ -</u>

See notes to financial statements.

**Statement of Changes in Fiduciary Net Position – Fiduciary Funds  
For the Year Ended June 30, 2018**

	Trust Funds
Additions:	
Contributions:	
Employer contributions	\$ 84,175,845
Plan members	13,740,913
<b>Total contributions</b>	<u>97,916,758</u>
Investment income:	
Net appreciation in fair value of investments	15,347,741
Interest and dividends	6,168,961
Miscellaneous income	170,491
<b>Total investment income</b>	<u>21,687,193</u>
Less investment expenses	<u>3,593,346</u>
<b>Net investment income</b>	<u>18,093,847</u>
<b>Total additions</b>	<u>116,010,605</u>
Deductions:	
Benefits	<u>116,488,398</u>
<b>Total deductions</b>	<u>116,488,398</u>
<b>Changes in net position</b>	(477,793)
Net position – restricted for Pension and OPEB benefits:	
Beginning of year	<u>492,697,627</u>
End of year	<u><u>\$ 492,219,834</u></u>

See notes to financial statements.

## City of New Haven, Connecticut

### Notes to Financial Statements

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#### 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.

**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. One of the individuals who serves on the Board of Commissioners of the Authority is also an employee of the City. This individual monitors the functioning of the Authority on behalf of the City and provides input from the City on various matters. All members of the Authority's Board of Commissioners are appointed by the Mayor of New Haven. Separately issued financial statements are available.

**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. The City appoints a voting majority of the Board. Separately issued financial statements are available.

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

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Accounting standards adopted in the current year:**

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB)*, was implemented on July 1, 2017. This statement revised and established new financial reporting requirements for most governments that provide their employees with postemployment benefits other than pensions. Among other requirements, Statement No. 75 required governments to report a liability on the face of the financial statements for the OPEB that they provide: 1) Governments that are responsible only for OPEB liabilities related to their own employees and that provide OPEB through a defined benefit OPEB plan administered through a trust that meets specified criteria will report a net OPEB liability—the difference between the total OPEB liability and assets accumulated in the trust and restricted to making benefit payments. 2) Governments that participate in a cost-sharing OPEB plan that is administered through a trust that meets the specified criteria will report a liability equal to their proportionate share of the collective OPEB liability for all entities participating in the cost-sharing plan. 3) Governments that do not provide OPEB through a trust that meets specified criteria will report the total OPEB liability related to their employees.

The effects of the implementation of this statement are as follows: The beginning net position was decreased by \$423,459,830, a net OPEB liability of \$590,064,830 was added and a net OPEB obligation of \$166,605,000 was removed.

**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 and 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.

## City of New Haven, Connecticut

### Notes to Financial Statements

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#### Note 1. Summary of Significant Accounting Policies (Continued)

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.

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 recognized when earned and expenses are recognized 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. 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 (60 days). 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).

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 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 **Other Special Revenue Fund** is used to account for and report the expenditures of various State and Federal grants, as well as contributions, received for a variety of general 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.

## City of New Haven, Connecticut

### Notes to Financial Statements

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#### Note 1. Summary of Significant Accounting Policies (Continued)

*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.

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

#### **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.

#### **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.

The effect of interfund activity has been eliminated from the government-wide financial statements.

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 are charges to customers for services. Operating expenses for enterprise 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 GAAP requires management to make estimates and assumptions that affect the amounts reported and disclosures in the financial statements. 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

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#### Note 1. Summary of Significant Accounting Policies (Continued)

**Investments:** Investments are stated at fair value.

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.

**Fair value:** The City uses fair value measurements to record fair value adjustments to certain assets and to determine fair value disclosures. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is best determined based upon quoted market prices in active markets. However, in certain instances, there are no quoted market prices for certain assets or liabilities. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the asset or liability.

Fair value measurements focus on exit prices in an orderly transaction (that is, not a forced liquidation or distressed sale) between market participants at the measurement date under current market conditions. If there has been a significant decrease in the volume and level of activity for the asset or liability, a change in valuation technique or the use of multiple valuation techniques may be appropriate. In such instances, determining the price at which willing market participants would transact at the measurement date under current market conditions depends on the facts and circumstances and requires the use of significant judgment.

The City's fair value measurements are classified into a fair value hierarchy based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value.

The three categories within the hierarchy are as follows:

**Level 1:** Quoted prices in active markets for identical assets and liabilities.

**Level 2:** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, including quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, interest rates and yield curves observable at commonly quoted intervals, implied volatilities, credit spreads, and market-corroborated inputs.

**Level 3:** Unobservable inputs shall be used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flows methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgement.

See Note 3 for additional information regarding fair value measures and disclosures.

## City of New Haven, Connecticut

### Notes to Financial Statements

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#### Note 1. Summary of Significant Accounting Policies (Continued)

**Investments measured at the net asset value (NAV):** Investments valued using the net asset value (NAV) per share (or its equivalent) are considered “alternative investments” and, unlike more traditional investments, generally do not have readily obtainable market values and take the form of limited partnerships. The City values these investments based on the partnerships’ audited financial statements. If June 30 statements are available, those values are used preferentially. However, some partnerships have fiscal years ending at other than June 30. If June 30 valuations are not available, the value is progressed from the most recently available valuation taking into account subsequent calls and distributions.

**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 that are deemed uncollectible based on past collection history and on analysis of creditor’s ability to pay.

**Inventories:** All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

**Restricted assets:** At June 30, 2018, the City had approximately \$42,000,000 in restricted assets. This amount relates to unspent note and bond proceeds which are to be used for the acquisition of capital assets.

At June 30, 2018, the Parking Authority had approximately \$19,500,000 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.

**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 one year or more. Such assets are recorded at historical cost or estimated historical cost if actual historical cost is unavailable. Donated capital assets are recorded at acquisition value at the date of donation.

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.

## City of New Haven, Connecticut

### Notes to Financial Statements

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#### Note 1. Summary of Significant Accounting Policies (Continued)

Major outlays for capital assets and improvements are capitalized as projects are 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

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 governmental activities, business-type activities or proprietary fund type statement of net position. Bond premiums and discounts 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. Bond issuance costs are expensed.

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 financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, and bond principal payments are reported as debt service expenditures.

**Net pension liability:** The net pension liability is measured as the portion of the actuarial present value of projected benefits that is attributed to past periods of employee service (total pension liability), net of the pension plan's fiduciary net position. The pension plan's fiduciary net position is determined using the same valuation methods that are used by the pension plan for purposes of preparing its statement of fiduciary net position. The net pension liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period. The net pension liability is reported in the statement of net position. In the governmental funds, expenditures are recognized when they are paid or are expected to be paid with current available resources.

**Note 1. Summary of Significant Accounting Policies (Continued)**

**Net OPEB liability:** The net OPEB liability is measured as the portion of the actuarial present value of projected benefits that is attributed to past periods of employee service (total OPEB liability), net of the OPEB plan's fiduciary net position. The OPEB plan's fiduciary net position is determined using the same valuation methods that are used by the OPEB plan for purposes of preparing its statement of fiduciary net position. The net OPEB liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period. The net OPEB liability is reported in the statement of net position. In the governmental funds, expenditures are recognized when they are paid or are expected to be paid with current available resources.

**Deferred outflows/inflows of resources:** In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period or periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City reports a deferred charge on refunding in this manner in the government-wide statement of net position. A deferred charge on debt refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The City also reports deferred outflows related to pension/OPEB in the government-wide statement of net position. A deferred outflow of resources related to pension/OPEB results from differences between expected and actual experience, changes in assumptions or other inputs and differences between expected and actual investment earnings. These amounts are deferred and included in pension expense in a systematic and rational manner.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The City reports a deferred inflow of resources related to pension/OPEB in the government-wide statement of net position. A deferred inflow of resources related to pension/OPEB results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension/OPEB expense in a systematic and rational manner. Advance property tax collections represent taxes inherently associated with a future period. This amount is recognized during the period in which the revenue is associated. Also, for governmental funds the City reports unavailable revenues from property taxes, interest on property taxes, and charges for services. These amounts are deferred and recognized as an inflow of resources (revenue) in the period during which the amounts become available, in accordance with the modified accrual basis of accounting.

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

**Net investment in capital assets:** The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, notes, or other borrowings net of unspent bond proceeds that are attributable to the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.

**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.

City of New Haven, Connecticut

Notes to Financial Statements

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**Note 1. Summary of Significant Accounting Policies (Continued)**

**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.

**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. Under the City's fund balance policy, the Board of Alderman has by resolution authorized the Controller or Chief Accountant to assign fund balance.

**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.

City of New Haven, Connecticut

Notes to Financial Statements

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**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, “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	\$ 552,150,607
Premium on bond issuance	54,009,698
GANs	57,633,475
Capital leases payable	3,178,702
Contractual obligation	6,974,784
Compensated absences	21,479,526
Accrued workers compensation	30,001,162
Retainage payable	2,078,364
Net pension liability	804,230,333
Net OPEB liability	616,661,212
Landfill post-closure costs	300,000
Accrued claims and other	11,911,000
Other claims	<u>7,000,000</u>
Net adjustment to reduce fund balance – total governmental funds to arrive at net position – governmental activities	<u><u>\$ 2,167,608,863</u></u>

**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	\$ 59,051,783
Depreciation expense	<u>(52,838,193)</u>
Net adjustment to increase net changes in fund balances – total governmental funds to arrive at changes in net position of governmental activities	<u><u>\$ 6,213,590</u></u>

## City of New Haven, Connecticut

### Notes to Financial Statements

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#### Note 2. Reconciliation of Government-Wide and Fund Financial Statements (Continued)

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 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	\$ (43,300,000)
Issuance of general obligation refunding bonds	(33,415,000)
Deferred loss on refunding	1,082,984
Issuance of grant anticipation notes	(8,045,524)
Premium on bond issuance	(11,282,904)
Principal repayments:	
Bond principal payment	8,609,539
Payment to escrow	38,407,984
Amortization of bond premium	5,269,729
Payment on GANS	7,000,000
Capital lease payments	1,095,718
GNHWPCA clean water fund notes	748,530
Amortization of deferred items	(1,481,133)
Net adjustment to decrease net changes in fund balances – total governmental funds to arrive at changes in net position of governmental activities	<u>\$ (35,310,077)</u>

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 changes in various liability accounts that represent this difference are as follows:

Compensated absences	\$ 2,022,634
Other claims	2,500,000
Accrued claims and other	933,950
Accrued workers' compensation	(5,924,028)
Retainage	2,638,004
Net pension liability	(27,105,522)
Net OPEB liability	(26,056,382)
Landfill closure and post-closure	150,000
Accrued interest	(2,486,172)
Net adjustment to decrease net changes in fund balances – total governmental funds to arrive at changes in net position of governmental activities	<u>\$ (53,327,516)</u>

## City of New Haven, Connecticut

### Notes to Financial Statements

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#### Note 3. Cash, Cash Equivalents and Investments

**Deposits:** The City's policy for deposits 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 (excluding the retirement and other post-employment benefit plans) 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.

**Interest rate risk:** The City's and the pension and OPEB plans' 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 of credit risk:** 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.

#### **Custodial credit risk:**

**Deposits:** This is the risk that, in the event of failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The bank balances of the Primary Government's cash accounts at June 30, 2018 were approximately \$175,055,000. The amount of the bank balances covered under federal depository insurance was \$3,478,000. The remaining \$154,420,000 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, 2018, approximately \$17,158,000 of uninsured deposits was collateralized under the provision.

The New Haven Parking Authority's bank balance totaled approximately \$24,256,000, of which approximately \$570,000 was covered by FDIC protection and the remaining \$23,686,000 is uninsured.

The New Haven Solid Waste Authority's bank balance totaled approximately \$787,000, of which approximately \$250,000 was insured and collateralized and \$537,000 was uninsured and uncollateralized.



## City of New Haven, Connecticut

### Notes to Financial Statements

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#### Note 3. Cash, Cash Equivalents and Investments (Continued)

**Investments:** Custodial credit risk for an investment is the risk that, in the event of the failure of the counterparty (the institution that pledges collateral or repurchase agreement securities to the City or that sells investments to or buys them for the City), the City or Plans will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's or Plan's individual investments in fixed income securities, equities, U.S. treasury securities, domestic corporate bonds, foreign bonds, and U.S. government agency securities are uninsured and registered securities held by a counterparty, or by its trust department or agent that are in the City's or Pension Plan's name. The City's or Plan's other investments are held in alternative investments which, because they are evidenced by contracts rather than by securities, are not subject to custodial credit risk determination. The City or the Pension and OPEB plans do not have a custodial credit risk policy for investments.

The City's Primary Government cash, cash equivalents and investments consist of the following at June 30, 2018:

Cash and cash equivalents:	
Deposits with financial institutions	\$ 157,816,339
State of Connecticut Short-Term Investment fund	2,280,133
Total cash and cash equivalents	<u>160,096,472</u>
Investments:	
General Fund:	
Corporate bonds	1,212,471
Municipal bonds	224,222
Other bond fund	88,488
Common stock	1,504,479
Total General Fund	<u>3,029,660</u>
Other nonmajor funds:	
Fixed income funds	35,817
Corporate bonds	1,890,804
Municipal bonds	270,540
Real estate investments	70,949
Certificates of deposit	125,000
Common stock	4,239,900
Total other nonmajor funds	<u>6,633,010</u>
Pension trust funds:	
Government securities	17,212,638
Real estate funds	2,137,877
Common stock	219,894,546
Preferred stock	25,943,300
Corporate bonds	31,396,438
Mutual funds	9,062,396
Hedge funds	49,951,386
Hedge funds equity	19,571,997
Venture capital partnerships	52,986,508
Exchange traded funds	32,635,054
Total pension trust funds	<u>460,792,140</u>
Total investments	<u>470,454,810</u>
Total cash, cash equivalents and investments	<u>\$ 630,551,282</u>

**City of New Haven, Connecticut**

**Notes to Financial Statements**

**Note 3. Cash, Cash Equivalents and Investments (Continued)**

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

Statement of net position:	
Cash and cash equivalents	\$ 86,707,379
Investments	9,662,670
Restricted cash	42,208,489
	<u>138,578,538</u>
Fiduciary funds:	
Cash and cash equivalents	31,180,604
Investments	460,792,140
	<u>491,972,744</u>
Total cash, cash equivalents and investments	<u>\$ 630,551,282</u>

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

Cash and cash equivalents:	
New Haven Parking Authority	\$ 25,160,443
New Haven Solid Waste Authority	4,277,975
Total deposits	<u>\$ 29,438,418</u>

At June 30, 2018, the New Haven Parking Authority cash and cash equivalents included \$19,543,000 of restricted cash and cash equivalents.

**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 primarily held in pension trust funds 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
Corporate bonds	\$ 34,499,713	\$ 1,587,214	\$ 15,399,120	\$ 16,415,320	\$ 1,098,059
Fixed income funds	35,817	35,817	-	-	-
Government agencies	17,212,638	219,347	2,119,035	4,004,119	10,870,137
Municipal bonds	494,762	259,857	135,823	99,082	-
Other bond funds	88,488	88,488	-	-	-
Total	<u>\$ 52,331,418</u>	<u>\$ 2,190,723</u>	<u>\$ 17,653,978</u>	<u>\$ 20,518,521</u>	<u>\$ 11,968,196</u>

City of New Haven, Connecticut

Notes to Financial Statements

**Note 3. Cash, Cash Equivalents and Investments (Continued)**

**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 primarily held in pension trust funds (excluding U.S. Governmental Guaranteed Obligations) as rated by a nationally recognized rating organization.

Actual Rating	Corporate Bonds	Government Agencies	Fixed Income	Municipal Bonds
AAA	\$ -	\$ 13,846,635	\$ -	\$ -
AA	1,890,851	580,890	35,817	135,823
A	8,280,466	-	-	259,346
BBB	14,558,209	-	-	-
BB	5,967,271	-	-	-
B	2,502,115	-	-	-
Unrated	1,300,801	2,785,113	-	99,593
	<u>\$ 34,499,713</u>	<u>\$ 17,212,638</u>	<u>\$ 35,817</u>	<u>\$ 494,762</u>

**City of New Haven, Connecticut**

**Notes to Financial Statements**

**Note 3. Cash, Cash Equivalents and Investments (Continued)**

**Fair value:** The Plans categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The Plans has the following recurring fair value measurements as of June 30, 2018:

	June 30, 2018	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Observable Inputs (Level 3)
Investments by fair value level:				
Common Stock	\$ 225,638,925	\$ 225,638,925	\$ -	\$ -
Preferred stock	25,943,300	25,943,300	-	-
Mutual funds	9,062,396	9,062,396	-	-
Fixed income funds	35,817	35,817	-	-
Debt securities:				
Government bonds	34,499,712	427,878	34,071,834	-
Corporate bonds	10,927,574	580,890	10,346,684	-
U.S. Treasury	6,285,064	-	6,285,064	-
Municipal bonds	494,763	-	494,763	-
Total debt securities	52,207,113	1,008,768	51,198,345	-
Exchange traded funds	32,700,554	32,700,554	-	-
Real estate funds	2,267,631	-	-	2,267,631
Total investments by fair value level	321,912,436	268,410,643	51,198,345	2,267,631
Investments measured using net asset level (NAV):				
*Private equity funds	18,456,061			
*Hedge Funds	30,867,802			
*Venture capital investments	40,766,844			
*Partnerships	19,083,582			
*Equity hedge funds	13,335,601			
Total investments measured using NAV	122,509,890			
Total investments measured at fair value	\$ 444,422,326			

\* These amounts include investments in alternative investments which invest in various types of investments. The fair value of these investments have been determined using the NAV per share of the investment.

**City of New Haven, Connecticut**

**Notes to Financial Statements**

**Note 3. Cash, Cash Equivalents and Investments (Continued)**

	Fair Value	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Investments Measured using NAV:				
*Private equity funds	\$ 18,456,061	\$ 6,736,665	none	none
*Partnerships	19,083,582	8,378,387	none	none
*Hedge Funds	30,867,802	8,603,889	Quarterly	various
*Venture capital investments	40,766,844	-	none	none
*Equity hedge funds	13,335,601	-	none	none
Total Investments Measured at the NAV	<u>\$ 122,509,890</u>			

**Hedge Funds:** These investments consist of limited partnerships. Hedged equity funds are designed to benefit from the stock market with considerably less risk. They own stakes in companies they expect to outperform and also sell short stocks they expect to underperform.

**Private Equity, Partnerships and Venture Capital Funds:** These investments can never be redeemed by the funds. Instead, the nature of the investments in this type is that distributions are received through liquidation of the underlying assets of the fund capital. As of June 30, 2018, it is probable that all of the investments in these types will be sold as an amount different from NAV per share (or its equivalent) of the Plan's ownership interest in partners' capital. Therefore, the fair values of the investments in these types have been determined using recent observation transaction information for similar investment and nonbinding bids received from potential buys of the investments.

**Note 4. Receivables**

Receivables at June 30, 2018 were as follows:

	General	Education Grants	Capital Projects	Other Special Revenue	Other Nonmajor Funds	Total Governmental Funds
Property taxes and interest	\$ 25,915,651	\$ -	\$ -	\$ -	\$ -	\$ 25,915,651
Amount due from component unit, Yale University and other receivables	17,761,845	311,851	4,500	37,399	288,775	18,404,370
Intergovernmental	163,037	11,202,545	42,468,675	1,293,242	1,650,550	56,778,049
Gross receivables	43,840,533	11,514,396	42,473,175	1,330,641	1,939,325	101,098,070
Allowance for doubtful accounts	(17,918,233)	-	-	-	-	(17,918,233)
Total receivables, net	<u>\$ 25,922,300</u>	<u>\$ 11,514,396</u>	<u>\$ 42,473,175</u>	<u>\$ 1,330,641</u>	<u>\$ 1,939,325</u>	<u>\$ 83,179,837</u>

The New Haven Parking Authority, a component unit, has accounts receivable of \$1,393,828 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 \$239,870. 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 \$946,755 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 \$46,500. The reserve method is based on historical experience and review of existing receivables.

**City of New Haven, Connecticut**

**Notes to Financial Statements**

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**Note 5. Unearned Revenue/Deferred Inflows of Resources**

Governmental funds report deferred inflows of resources 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 inflows of resources reported in the governmental funds and governmental activities were as follows:

	<u>Deferred Inflows</u>	<u>Unearned</u>
General Fund:		
Taxes and accrued interest on delinquent property taxes	\$ 8,500,374	\$ -
Intergovernmental grants receivable	1,650,550	-
Miscellaneous receivable	-	1,913,316
Advance tax collection	11,967,372	-
Capital Projects Fund:		
Intergovernmental grants receivable	42,434,897	-
Other Special Revenue Fund:		
Intergovernmental grants receivable	182,178	-
Nonmajor Governmental Funds:		
Miscellaneous receivable	106,763	-
Intergovernmental grants receivable	-	180,767
Total	<u>\$ 64,842,134</u>	<u>\$ 2,094,083</u>

**Note 6. Loans Receivable**

Loans receivable, net of allowance, 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**

**Note 7. Interfund Balances and Interfund Transfers**

**Interfund balances:** As of June 30, 2018, interfund balances were as follows:

	<u>Due From</u>	<u>Due To</u>
Primary Government:		
General Fund	\$ 10,634,935	\$ 5,136,108
Major Funds:		
Education grants	-	7,659,432
Other Special Revenue	-	5,059,008
Capital Projects Funds	7,161,322	-
	<u>7,161,322</u>	<u>12,718,440</u>
Other Nonmajor Funds:		
Community Development	1,145,493	771,685
Improvement	-	465,832
Human Resources	511,508	750,894
	<u>1,657,001</u>	<u>1,988,411</u>
Pension Trust Funds	<u>405,010</u>	-
Enterprise Funds	9,373	24,682
Total primary government	<u>\$ 19,867,641</u>	<u>\$ 19,867,641</u>

All balances result from a time lag between payment and reimbursement occurring between funds. All amounts are expected to be collected within one year.

**Interfund transfers:** For the year ended June 30, 2018, amounts transferred between funds were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ -	\$ 15,521,013
Capital Projects Funds	-	210,385
Other Special Revenue	183,833	-
Other nonmajor governmental funds	15,552,827	5,262
	<u>\$ 15,736,660</u>	<u>\$ 15,736,660</u>

All transfers result from budgetary appropriations.

Transfers from General Fund to the Debt Service Fund were for future debt service payments. Transfers from the Capital Projects Fund to Other Nonmajor Funds was for various small improvement projects.

**City of New Haven, Connecticut**

**Notes to Financial Statements**

**Note 8. Capital Assets**

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

Governmental activities:	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 44,140,306	\$ -	\$ -	\$ 44,140,306
Construction in progress	33,341,648	15,872,418	-	49,214,066
Total capital assets, not being depreciated	<u>77,481,954</u>	<u>15,872,418</u>	<u>-</u>	<u>93,354,372</u>
Capital assets, being depreciated:				
Buildings and improvements	1,801,418,427	22,803,068	-	1,824,221,495
Land improvements	26,712,367	630,198	-	27,342,565
Vehicles	39,508,690	3,526,515	(257,452)	42,777,753
Machinery, equipment, furniture, fixtures and other related assets	57,801,170	6,558,123	-	64,359,293
Infrastructure	265,525,358	9,661,461	-	275,186,819
Total capital assets being depreciated	<u>2,190,966,012</u>	<u>43,179,365</u>	<u>(257,452)</u>	<u>2,233,887,925</u>
Less accumulated depreciation for:				
Buildings and improvements	455,464,186	38,587,580	-	494,051,766
Land improvements	15,502,587	819,027	-	16,321,614
Vehicles	27,903,904	2,434,776	(257,452)	30,081,228
Machinery, equipment, furniture, fixtures and other related assets	26,527,633	5,202,094	-	31,729,727
Infrastructure	155,646,648	5,794,716	-	161,441,364
Total accumulated depreciation	<u>681,044,958</u>	<u>52,838,193</u>	<u>(257,452)</u>	<u>733,625,699</u>
Total capital assets, being depreciated, net	<u>1,509,921,054</u>	<u>(9,658,828)</u>	<u>-</u>	<u>1,500,262,226</u>
Governmental activities capital assets, net	<u>\$ 1,587,403,008</u>	<u>\$ 6,213,590</u>	<u>\$ -</u>	<u>\$ 1,593,616,598</u>

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

Governmental activities:	
Education	\$ 36,896,265
General government	6,594,017
Public safety	2,362,890
Public works	5,901,359
Culture and recreation	1,083,662
Total depreciation expense – governmental activities	<u>\$ 52,838,193</u>



**City of New Haven, Connecticut**

**Notes to Financial Statements**

**Note 8. Capital Assets (Continued)**

Component units:	Beginning Balance	Increase	Decreases	Transfers	Ending Balance
Capital assets, not being depreciated:					
Land	\$ 2,561,000	\$ -	\$ -	\$ -	\$ 2,561,000
Construction in progress	3,727,613	3,568,758	(3,076,692)	-	4,219,679
Total capital assets, not being depreciated	6,288,613	3,568,758	(3,076,692)	-	6,780,679
Capital assets, being depreciated:					
Buildings and improvements	109,873,280	3,040,786	-	-	112,914,066
Equipment and motor vehicles	9,049,036	180,099	(23,998)	-	9,205,137
Total capital assets being depreciated	118,922,316	3,220,885	(23,998)	-	122,119,203
Less accumulated depreciation for:					
Buildings and improvements	77,631,641	4,080,279	-	-	81,711,920
Equipment and motor vehicles	6,242,738	1,291,883	(11,397)	-	7,523,224
Total accumulated depreciation	83,874,379	5,372,162	(11,397)	-	89,235,144
Total capital assets, being depreciated, net	35,047,937	(2,151,277)	(12,601)	-	32,884,059
Capital assets, net	\$ 41,336,550	\$ 1,417,481	\$ (3,089,293)	\$ -	\$ 39,664,738

**Construction commitments:** The City has the following major active construction projects as of June 30, 2018, 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, 2018	Expected Date of Completion
Strong Elementary School K-4	\$ 45,000,000	\$ 3,163,186	\$ 41,836,814	8/1/2020
	\$ 45,000,000	\$ 3,163,186	\$ 41,836,814	

**City of New Haven, Connecticut**

**Notes to Financial Statements**

**Note 9. Long-Term Liabilities**

A summary of changes in long-term liabilities during the year ended June 30, 2018 is as follows:

	Balance* July 1, 2017	Issued/ Additions	Reductions	Balance June 30, 2018	Due Within One Year
Government activities:					
Long-term debt:					
General obligation bonds payable	\$ 522,453,130	\$ 76,715,000	\$ 47,017,523	\$ 552,150,607	\$ 38,462,000
Premiums/discounts on bonding, net	47,996,523	11,282,904	5,269,729	54,009,698	-
GANS	56,587,951	8,045,524	7,000,000	57,633,475	-
Capital leases	4,274,420	-	1,095,718	3,178,702	1,128,502
Other long-term liabilities:					
Clean water fund notes-GNHWPCA	7,723,314	-	748,530	6,974,784	761,305
Compensated absences	23,502,160	21,527,000	23,549,634	21,479,526	12,811,269
Accrued workers' compensation	24,077,134	15,237,776	9,313,748	30,001,162	5,000,000
Accrued claims and other	12,844,950	132,919,609	133,853,559	11,911,000	9,000,000
Claims, Other	9,500,000	7,000,000	9,500,000	7,000,000	1,000,000
Retainage	4,716,368	246,483	2,884,487	2,078,364	2,078,364
Net pension liability	777,124,811	27,105,522	-	804,230,333	-
Net OPEB liability*	590,604,830	26,056,382	-	616,661,212	-
Landfill closure and post-closure	450,000	-	150,000	300,000	150,000
Total long-term liabilities	<u>\$ 2,081,855,591</u>	<u>\$ 326,136,200</u>	<u>\$ 240,382,928</u>	<u>\$ 2,167,608,863</u>	<u>\$ 70,391,440</u>
Component unit activities:					
Long-term debt:					
Revenue bonds	\$ 14,277,000	\$ -	\$ 1,562,000	\$ 12,715,000	\$ 1,572,000
Total component unit	<u>\$ 14,277,000</u>	<u>\$ -</u>	<u>\$ 1,562,000</u>	<u>\$ 12,715,000</u>	<u>\$ 1,572,000</u>

\* Amounts restated due to implementation of GASB Statement No. 75.

The net liabilities related to pension and OPEB are liquidated by the General Fund.

2017 general obligation refunding bond in-substance defeasance: On August 1, 2017 the City issued \$33,415,000 of general obligation refunding bonds with interest rates of 4% to 5%, of which the proceeds were used to advance refund the outstanding principal amounts of the general obligation bonds of the City (the Refunding Bonds). Net proceeds of \$38,407,984 was placed in an irrevocable trust under an Escrow Agreement dated August 2017 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 loss (difference between the present values of the debt service payments on the old and new debt) of (\$174,443) and a cash deficit of (\$9,241,441) between the old debt payments and the new debt payments. The balance of the defeased bonds was approximately \$37.3 million at June 30, 2018. 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**

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**Note 9. Long-Term Liabilities (Continued)**

***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, 2018, the amount of defeased debt outstanding, but removed from the City’s government-wide financial statements, is approximately \$203,365,000.

**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 \$76,715,000 were issued, \$43,300,000 of which is for various public improvements, and school and urban renewal projects and \$33,415,000 of which is refunding bonds.

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, 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/Maturity	Interest Rate	Governmental Activities
General Purpose Bonds:		
Maturity Dates Ranging From August 2017 to August 2037	2.00-5.7%	\$ 297,948,484
School Bonds:		
Maturity Dates Ranging From August 2017 to August 2037	.34-5.7%	225,423,310
Urban Renewal Bonds:		
Maturity Dates Ranging From August 2017 to August 2037	2.00-5.7%	28,778,813
		<u>552,150,607</u>
Less current portion		<u>38,462,000</u>
Long-term portion		<u><u>\$ 513,688,607</u></u>

## City of New Haven, Connecticut

### Notes to Financial Statements

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#### Note 9. Long-Term Liabilities (Continued)

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

	Principal	Interest
Year ending June 30:		
2019	\$ 38,462,000	\$ 27,648,716
2020	44,930,841	23,871,598
2021	46,077,766	21,774,394
2022	44,815,000	19,587,072
2023	43,560,000	17,466,406
2024 through 2028	195,625,000	57,266,401
2029 through 2033	94,975,000	22,126,091
2034 through 2038	43,705,000	4,477,375
	<u>\$ 552,150,607</u>	<u>\$ 194,218,053</u>

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.

**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, 2018 was approximately \$15 million. The City expects to use these funds to offset principal and interest payments over the next several years.

**Bonds authorized/unissued:** At June 30, 2018, the City had \$216,255,187 in bonds authorized but unissued. This amount has been authorized solely for school construction bonds as of June 30, 2018.

**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 are not reported in the general purpose financial statements.

As of June 30, 2018, there was one series of limited obligation industrial bonds outstanding, with an aggregate principal amount of approximately \$3,375,000.

**Clean Water Fund notes – GNHWPCA:** The City entered into a cost-sharing agreement with the Greater New Haven WPCA with respect to the Clean Water Fund Program. The notes bear interest at 2.00 % annually.

**City of New Haven, Connecticut**

**Notes to Financial Statements**

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**Note 9. Long-Term Liabilities (Continued)**

**Grant anticipation note:** 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 \$70,000,000 of grant anticipation notes under the revolving loan agreement, with an interest rate of 2.03%, which expires on May 26, 2020. The amount outstanding under this agreement at June 30, 2018 is \$57,633,475.

**Tax anticipation notes:** Tax anticipation notes activity was as follows:

Beginning balance, July 1, 2017	\$ -
Issuances	25,000,000
Retired/Matured	(25,000,000)
Ending balance, June 30, 2018	<u>\$ -</u>

On July 27, 2017, the City issued \$25,000,000 of tax anticipation notes with an interest rate of 2.50%, which was due and paid in full on May 15, 2018.

**Revenue bonds—component units:** On August 1, 2014, the Authority issued \$9,900,000 in Parking System Revenue Bonds, Series 2014. A portion of the proceeds were used to advance refund \$4,705,393 of Parking System Revenue Bonds, Series 2012. The remaining proceeds will be used for capital improvements throughout the unrestricted parking facilities. The Series 2014 bonds require quarterly principal payments of \$248,000 beginning November 1, 2014 with a final principal payment of \$228,000 due August 1, 2024. The interest rate on the bonds is 2.15 percent per annum paid quarterly beginning November 1, 2014 through the maturity date of August 1, 2024.

The annual debt service requirements are as follows:

Year ending June 30:	Principal	Interest
2019	\$ 992,000	\$ 124,872
2020	992,000	103,544
2021	992,000	82,216
2022	992,000	60,888
2023	992,000	39,560
2024 through 2026	1,220,000	19,458
	<u>\$ 6,180,000</u>	<u>\$ 430,538</u>

**City of New Haven, Connecticut**

**Notes to Financial Statements**

**Note 9. Long-Term Liabilities (Continued)**

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 \$6,535,000 of outstanding revenue bond debt at June 30, 2018, with an interest rate of 2.524 percent.

	Principal	Interest
Year ending June 30:		
2019	\$ 580,000	\$ 164,943
2020	600,000	150,304
2021	615,000	135,160
2022	630,000	119,638
2023	640,000	103,736
2024 through 2028	3,470,000	267,167
	\$ 6,535,000	\$ 940,948

**Capital leases:** The City has entered into two lease agreements for the financing of energy conservation equipment. In 2015, the City entered into a lease agreement for master vehicle lease equipment. In 2017, the City entered into a second lease agreement for master vehicle lease 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 percent to 4.70 percent per annum.

The capitalized value of property under capital leases is \$2,784,417 net of accumulated depreciation of approximately \$4,477,925 at year-end.

The future minimum lease obligations and net present value of these minimum lease payments as of June 30, 2018 were as follows:

	General Government
Year ending June 30:	
2019	\$ 1,221,575
2020	1,073,008
2021	573,008
2022	498,840
Total minimum lease payments	3,366,431
Less: Amount representing interest	187,729
Present value of minimum lease payment	\$ 3,178,702

**City of New Haven, Connecticut**

**Notes to Financial Statements**

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**Note 10. Fund Deficits**

The following funds had fund deficits as of June 30, 2018:

	<u>Fund Deficits</u>
General Fund	\$ 10,603,115
Special Revenue Funds:	
Other	252,543
Enterprise:	
Skating rink	5,546

The General Fund deficit will be eliminated with future revenues. The Skating Rink deficit will be eliminated with increased user fees. The deficit in the Special Revenue fund will be eliminated with transfers.

**Note 11. Employee Retirement 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.

**City of New Haven, Connecticut**

**Notes to Financial Statements**

**Note 11. Employee Retirement Plans (Continued)**

The individual plan net position is as follows:

Statement of Net Position					
June 30, 2018					
	City Employees' Retirement Fund	Policemen's & Firemen's Retirement Fund	Other Retirement Fund	Post Employment Benefit Plan Fund	Total
<b>Assets</b>					
Cash and short-term investments	\$ 12,019,290	\$ 14,890,274	\$ 1,117,587	\$ 1,982,476	\$ 30,009,627
Interest and dividends receivable	319,330	469,987	45	-	789,362
Accounts receivable-investment sales	143,940	425,690	-	-	569,630
Accounts receivable-other	34,435	133,678	127	-	168,240
Due from other funds	-	-	-	405,010	405,010
Investments	157,578,694	303,104,339	109,107	-	460,792,140
Total assets	<u>170,095,689</u>	<u>319,023,968</u>	<u>1,226,866</u>	<u>2,387,486</u>	<u>492,734,009</u>
<b>Liabilities</b>					
Accounts payable-investment purchases	381,900	132,275	-	-	514,175
Total liabilities	<u>381,900</u>	<u>132,275</u>	<u>-</u>	<u>-</u>	<u>514,175</u>
<b>Net position:</b>					
Restricted for pension and OPEB benefits	<u>\$ 169,713,789</u>	<u>\$ 318,891,693</u>	<u>\$ 1,226,866</u>	<u>\$ 2,387,486</u>	<u>\$ 492,219,834</u>



**City of New Haven, Connecticut**

**Notes to Financial Statements**

**Note 11. Employee Retirement Plans (Continued)**

Individual changes in plan net position was as follows:

Statement of Changes in Net Position – Trust Funds Year Ended June 30, 2018					
	City Employees' Retirement Fund	Policemen's & Firemen's Retirement Fund	Other Retirement Fund	Post Employment Benefit Plan Fund	Total
<b>Additions:</b>					
<b>Contributions:</b>					
Employer contributions	\$ 21,706,165	\$ 34,607,857	\$ -	\$ 27,861,823	\$ 84,175,845
Plan members	4,981,570	7,557,388	-	1,201,955	13,740,913
<b>Total contributions</b>	<b>26,687,735</b>	<b>42,165,245</b>	<b>-</b>	<b>29,063,778</b>	<b>97,916,758</b>
<b>Investment earnings:</b>					
Net increase in fair value of investments	10,910,545	4,438,474	(1,278)	-	15,347,741
Interest and dividends	2,230,490	3,959,111	(25,309)	4,669	6,168,961
Miscellaneous Income	1,115	169,376	-	-	170,491
<b>Total investment income</b>	<b>13,142,150</b>	<b>8,566,961</b>	<b>(26,587)</b>	<b>4,669</b>	<b>21,687,193</b>
<b>Less investment expenses:</b>	<b>956,420</b>	<b>1,818,313</b>	<b>-</b>	<b>818,613</b>	<b>3,593,346</b>
<b>Net investment earnings</b>	<b>12,185,730</b>	<b>6,748,648</b>	<b>(26,587)</b>	<b>(813,944)</b>	<b>18,093,847</b>
<b>Total additions</b>	<b>38,873,465</b>	<b>48,913,893</b>	<b>(26,587)</b>	<b>28,249,834</b>	<b>116,010,605</b>
<b>Deductions:</b>					
Benefits	31,210,140	57,416,435	-	27,861,823	116,488,398
<b>Total deductions</b>	<b>31,210,140</b>	<b>57,416,435</b>	<b>-</b>	<b>27,861,823</b>	<b>116,488,398</b>
<b>Net increase (decrease)</b>	<b>7,663,325</b>	<b>(8,502,542)</b>	<b>(26,587)</b>	<b>388,011</b>	<b>(477,793)</b>
Net position, beginning of year	162,050,464	327,394,235	1,253,453	1,999,475	492,697,627
<b>Net position, end of year</b>	<b>\$ 169,713,789</b>	<b>\$ 318,891,693</b>	<b>\$ 1,226,866</b>	<b>\$ 2,387,486</b>	<b>\$ 492,219,834</b>

**City Employees' Retirement Fund:**

**Plan membership:** Membership in the plan consisted of the following at July 1, 2016, the date of the latest actuarial valuation:

Inactive plan members or beneficiaries receiving benefits	1,103
Inactive plan members entitled to but not yet receiving benefits	85
Active plan members	943
<b>Total</b>	<b>2,131</b>

## City of New Haven, Connecticut

### Notes to Financial Statements

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#### Note 11. Employee Retirement Plans (Continued)

**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 plan does not issue stand-alone statements.

The City provides retirement benefits through a single employer, contributory, defined benefit plan. Under the Plan, all full time employees 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 (average rate of pay or total earnings if greater, for the five years of service producing the highest average) for each year of service and fraction thereof up to 20 years plus 3 percent of highest average pay for each year of service and fraction thereof in excess of 20 thereafter subject to a maximum of 70 percent 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.

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

#### Summary of significant accounting policies, plan changes and plan asset matters:

**Basis of accounting:** Plan financial statements are prepared using the accrual basis of accounting. Employee contributions are recognized as revenues in the period in which employee services are performed and are due. Employer contributions to the plan are recognized when due and the City has made a formal commitment to provide the contributions. Benefit payments and refunds are payable when due and payable in accordance with the terms of the Plan. See Note 3 for plan investment policies.

#### Plan provisions:

**Effective date:** January 1, 1938 and dates of subsequent amendments.

**Plan year:** July 1 through June 30.

**Employees covered:** General Fund or Water Pollution Control Authority full time employees or full time elected or appointed officers if 1) hired before age 55 (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.

Coverage is automatic for such full time employees.

**Credited service:** Employment with the City prior to January 1, 1938; employment with the City after January 1, 1938 during which time employee contributions were made.

**Form of benefit payment:** Life annuity with a 50 percent survivor benefit for service pensioners and disabled pensioners.

## City of New Haven, Connecticut

### Notes to Financial Statements

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#### Note 11. Employee Retirement Plans (Continued)

**Non-occupational disability:** Payable (after 10 years of credited service) upon medical proof of “permanently disabled from performing duties of the nature required by his job”. Benefit is equal to the service retirement benefit with a minimum equal to 50 percent (or lower percentage for members hired after age 40) of the disabled member’s rate of pay at time of disability. Benefits are subject to reductions for portions of any earnings received while disabled. Continuance of benefits are subject to periodic medical examinations.

**Occupational disability:** Same as non-occupational disability except there is no service requirement if disability arises “out of and in the course of employment”. Disability benefits are reduced by weekly Worker’s Compensation payments.

**Survivor benefits:** The benefit, payable to a qualified spouse or the qualified children of members with at least 10 years of credited service, is equal to either 50 percent of the benefit to which the member would have been entitled if he was approved for a permanent disabled pension on the date of his death, or 50 percent of the benefit the deceased member actually was receiving on his date of death. The minimum benefit, subject to only a six-month service requirement, is set forth in a table based on the number of qualified survivors and the member’s “highest average pay”. The maximum monthly benefit in this table for average annual pay of \$16,800 or more, amounts to \$265, \$510 and \$800, respectively, when there are one, two or three or more qualified survivors. (Prior to July 1, 1990 the highest average annual pay was \$12,000 which generated maximum survivors’ benefits of \$225, \$430 and \$600, respectively.)

**Death benefits:** If the accumulated employee contributions exceed the benefit payments made to a member and/or his survivors, the difference will be paid to the appropriate beneficiary, legal representative or estate in a lump sum.

**Termination benefits:** 100 percent of the accrued normal retirement benefit will be payable at age 65 for members who have completed 10 years of credited service (previously disabled members who have recovered from their disability and have not returned to work need not satisfy this 10 years of credited service requirement) and have not elected to withdraw their accumulated employee contributions. (Prior to July 1, 1980 previously disabled members had to satisfy the 10 years of credited service requirement.)

All other terminating members receive their accumulated contributions without interest in a lump sum. After March 31, 1991, members who have completed 10 years of credited service and who elect to receive their accumulated contributions instead of their accrued normal retirement benefit will also receive interest on their accumulated contributions at the rate of 3 percent compounded annually.

**Plan administration:** The City’s pension plan is separately administered by its own respective pension board. The Mayor, Controller and a City Council member serve as permanent members on all pension boards. The non-permanent Pension Board members are appointed by the Mayor and must be an active employee of their respective pension plan. The pension boards typical meet monthly or as needed to review retirement/disability requests and/or investment recommendations. The “joint pension board” which comprises of members from all pension boards meets at least quarterly with the City’s Investment Advisor to review and modify investments accordingly. Changes in investments are not effective until voted favorably by each of the pension boards.

**Concentrations:** The City does have a formal policy and their practice is to maintain a diversified portfolio to minimize the risk of loss resulting from over-concentration of assets in a specific issuer.

There are no investments in the pension plans that represent more than 5 percent of the plan’s net position as of June 30, 2018.

**City of New Haven, Connecticut**

**Notes to Financial Statements**

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**Note 11. Employee Retirement Plans (Continued)**

**Net pension liability:** The components of the net pension liability of the City at June 30, 2018 were as follows:

	City Employees' Retirement Fund	2018
Total pension liability		\$483,102,677
Plan fiduciary net position		169,713,789
Net pension liability		<u>\$313,388,888</u>
Plan fiduciary net position as a percentage of total pension liability		35.13%

**Rate of return:** For the year ended June 30, 2018, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expenses, was 7.91 percent. The money-weighted rate of return expresses investment performance, net of investment expenses, adjusted for the changing amounts actually invested.

**Actuarial assumptions:** The total pension liability was determined by an actuarial valuation as of July 1, 2016, using the following actuarial assumptions that were projected forward to the measurement date of June 30, 2018:

	Description of Actuarial Methods
Actuarial method used:	Entry age normal cost
Remaining amortization period:	28 year closed period
Investment rate of return:	7.75%, including inflation of 2.75%
Asset valuation method:	Fair Value
Mortality basis:	
Current	RP-2014 adjusted to 2006 total Dataset mortality table projected valuation date with Scale MP -2016, set forward one year
Mortality improvement:	Projected to date of decrement using Scale MP -2016.

**City of New Haven, Connecticut**

**Notes to Financial Statements**

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**Note 11. Employee Retirement Plans (Continued)**

Salary scale:

Current:

The following adjusted table:

<u>Age</u>	<u>Rate*</u>
<20	6.50%
20	6.00%
25	5.75%
30	5.50%
35	4.50%
40	4.50%
45	4.25%
50	4.00%
55	3.75%
60	3.50%
65+	3.00%

\* Implicit inflation assumption implicit in above table = 2.75%

**City of New Haven, Connecticut**

**Notes to Financial Statements**

**Note 11. Employee Retirement Plans (Continued)**

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2018 are summarized in the following table:

<u>City Employees' Retirement Plan</u> <u>Asset Class</u>	Target Allocation	Long-Term Expected Real Rate of Return	Weighting
U.S. Large Cap	24.00%	4.65%	1.12%
U.S. Mid / Small Cap	8.00%	5.50%	0.44%
Developed International Equities	21.00%	5.50%	1.16%
Emerging Market Equity	6.00%	6.50%	0.39%
International Corporate Fixed	5.00%	2.25%	0.11%
International Government Fixed	5.00%	1.65%	0.08%
High Yield Bonds	2.00%	3.25%	0.07%
International Bonds	1.00%	2.00%	0.02%
Emerging Market Debt	0.00%	3.75%	0.00%
Money Market/ Short-Term Bonds	5.00%	0.00%	0.00%
Real Estate Core	4.00%	5.00%	0.20%
Commodities	0.00%	5.25%	0.00%
Alternatives	19.00%	5.00%	0.95%
	100.00%		4.54%
Long-Term Inflation Expectation			2.75%
Long-Term Expected Nominal Return			7.29%

**Discount rate:** The discount rate used to measure the total pension liability as of June 30, 2018 was 7.75 percent. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that the City of New Haven contributes at rates equal to the actuarially determined contribution rates. For this purpose, only employer contributions that are intended to fund benefits of current plan members (retired and active employees who qualify under the Plan) and their beneficiaries are included.

Based on the plan's current contribution policy, the plan's net fiduciary net position will be sufficient to cover projected benefit payments and administrative expenses indefinitely. Therefore, since the fund is not projected to run out of money, the 7.75 percent interest rate assumption was used to discount plan liabilities.

City of New Haven, Connecticut

Notes to Financial Statements

Note 11. Employee Retirement Plans (Continued)

**Sensitivity of the net pension liability to changes in the discount rate:** The following presents the net pension liability of the City of New Haven City Employees' Retirement Plan, calculated using the discount rate of 7.75 percent as well as what the City of New Haven City Employees' Retirement Plan's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75%) or 1-percentage-point higher (8.75%) than the current rate:

City Employees' Retirement Fund	1% Decrease Rate 6.75%	Current Discount Rate 7.75%	1% Increase Rate 8.75%
Net Pension Liability	\$ 318,078,323	\$ 313,388,888	\$ 308,885,221

Changes in the Net Pension Liability

	City Employees' Retirement Fund		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) – (b)
Balances at 6/30/17	\$ 473,157,311	\$ 161,904,465	\$ 311,252,846
Changes for the year:			
Service cost	5,964,644	-	5,964,644
Interest	35,190,874	-	35,190,874
Change of assumptions	-	-	-
Differences between expected and actual experience	-	-	-
Contributions – employer	-	21,706,165	(21,706,165)
Contributions – members	-	4,981,567	(4,981,567)
Net investment income	-	12,582,247	(12,582,247)
Benefit payments, including refunds of employee contributions	(31,210,152)	(31,210,152)	-
Administrative expense	-	(251,637)	251,637
Other	-	1,134	(1,134)
Net changes	9,945,366	7,809,324	2,136,042
Balances at 6/30/18	\$ 483,102,677	\$ 169,713,789	\$ 313,388,888

**City of New Haven, Connecticut**

**Notes to Financial Statements**

**Note 11. Employee Retirement Plans (Continued)**

For the year ended June 30, 2018, the City recognized pension expense of \$33,057,218. As of June 30, 2018, the City's reported deferred outflows of resources related to pensions in the statement of net position from the following sources:

City Employees' Pension Plan	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 120,949	\$ (9,685,749)
Changes of assumptions	12,225,305	-
Net difference between projected and actual earnings on pension plan investments	9,113,768	-
Total	<u>\$ 21,460,022</u>	<u>\$ (9,685,749)</u>

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

	City Employees' Pension Plan
Year ending June 30:	
2019	\$ 8,310,177
2020	3,779,994
2021	(304,129)
2022	(11,769)
2023	-
Thereafter	-

**Policemen and Firemen Retirement Fund:**

**Plan membership:** Membership in the plan consisted of the following at July 1, 2016, the date of the last actuarial valuation:

Inactive plan members or beneficiaries receiving benefits	1,103
Inactive plan members entitled to but not yet receiving benefits	85
Active plan members	943
Total	<u>2,131</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 plan does not issue stand-alone statements.



## City of New Haven, Connecticut

### Notes to Financial Statements

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#### **Note 11. Employee Retirement Plans (Continued)**

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. Normal Retirement Age is after 20 years of continuous service, 25 years for new hires. Benefits and contributions are established by the City and may be amended by the City.

#### **Summary of significant accounting policies, plan changes and plan asset matters:**

**Basis of accounting:** Plan financial statements are prepared using the accrual basis of accounting. Employee contributions are recognized as revenues in the period in which employee services are performed and are due. Employer contributions to the plan are recognized when due and the City has made a formal commitment to provide the contributions. Benefit payments and refunds are payable when due and payable in accordance with the terms of the Plan. See Note 3 for plan investment policy.

#### **Plan provisions:**

**Effective date:** January 1, 1958 and dates of subsequent amendments.

**Plan year:** July 1 through June 30.

**Eligibility:** Automatic for policemen and firemen hired after December 31, 1957.

#### **Employee contributions:**

11 percent for Fire after July 1, 2014.

12 percent for Police effective after December 18, 2012.

**Continuous service:** Uninterrupted employment with the Police or Fire Departments. Also, members may purchase up to 5 years sick leave credit at retirement.

**Service retirement date:** 20 years of continuous service. 25 years for Police hired after 12/18/2012.

**Mandatory retirement date:** Age 67 with no service requirement (was 65).

**Final average pay:** Average total annual earnings for the 4 highest plan years of earnings (was 5 years for Police prior to July 1, 2004 and for Fire prior to July 1, 2006), or budgeted annual salary at time of retirement, whichever is greater. Total annual earnings includes 50 percent of extra duty compensation earned on and after July 1, 1994. For Police hired after November 1, 2009, and for Fire hired after August 28, 2013, earnings include only base wages for pension purposes.

**Service retirement benefits:** For members actively employed after June 30, 1994: 2½ percent (2 percent for Police hired after 12/18/2012 and for Fire hired after 4/23/2014) of final average pay for each year of service and fraction thereof up to 20 years plus 3 percent (2.5 percent for Police hired after 12/18/2012 and for Fire hired after 4/23/2014) of final average pay for each year of service and fraction thereof in excess of 20 years all subject to a maximum of 80 percent (effective July 1, 2004: 83 percent for Police retiring with at least 30 years of actual service, if cash in 30 sick days from the sick leave payout maximum at retirement) of final average pay, 70 percent for Police hired after 12/18/2012 and for Fire hired after 4/23/2014).

**City of New Haven, Connecticut**

**Notes to Financial Statements**

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**Note 11. Employee Retirement Plans (Continued)**

**Disability:** For a non-service connected disability, 5 years of continuous service is required in order to receive a disability benefit of 50 percent of final average pay. For service connected disability, there is no service requirement and there is a minimum disability benefit of 50 percent of the employee's rate of pay at time of disability.

After August 31, 1984, policemen and firemen who retire on disability with less than 13 years of service will have their disability benefits reduced if their earnings while on disability exceed a certain level. No reductions will apply after the attainment of age 65.

**Death benefits:** The monthly benefits payable to the widow and/or children are summarized as follows:

***Pre-retirement death benefit:***

1. Widow only – 50 percent (25 percent prior to July 1, 1987) of rate of pay being received at date of death;
2. Widow and one child – 60 percent (35 percent prior to July 1, 1987) of rate of pay being received at date of death; or
3. Widow and two or more children – 70 percent (45 percent prior to July 1, 1987) of rate of pay being received at date of death.

Special benefits for service connected deaths (equal to 100 percent of final salary less Worker's Compensation payments) are payable out of the City's General Fund.

***Post-retirement death benefit:***

1. Widow only - for members actively employed after June 30, 1994: 65 percent of pension being paid at date of death - for other members: 50 percent of pension being paid at date of death;
2. Widow and one child - for members actively employed after June 30, 1994: 75 percent of pension being paid at date of death - for other members: 70 percent of pension being paid at date of death; or
3. Widow and two or more children - for members actively employed after June 30, 1994: 85 percent of pension being paid at date of death for other members: 90 percent of pension being paid at date of death.

In any event, the total cumulative benefit payments paid out of the Pension Fund will amount to no less than the total contributions made by the employee to the plan.

**Termination benefits:** Subject to the following requirements, a benefit equal to 2 percent times average total earnings for the 10 highest plan years of earnings times years of actual service will be payable starting on the date the terminated member would have become eligible for a normal service pension:

1. Completed 10 years of continuous service.
2. Elected to leave his accumulated contributions in the plan.

All other members will receive their accumulated employee contributions at their date of termination.

## City of New Haven, Connecticut

### Notes to Financial Statements

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#### Note 11. Employee Retirement Plans (Continued)

**Cost of living adjustment:** Policemen and Firemen, who retire after June 30, 1984 with a service retirement benefit which requires at least 20 years (25 years for members who retire before July 1, 1994) of service or who retire after June 30, 1984 as a result of a service connected disability with 20 years of service, and their eligible survivors will have their benefits increased or decreased every other January 1st starting on January 1, 1987 according to the U.S. Consumer Price Index subject to the following restrictions:

1. Each increase or decrease will be limited to 4 percent (2 percent for Police hires after 3/28/1997 and 1.5 percent for Police hires after 10/20/2012), (3 percent for Fire hired after 4/23/2004 and 1.5 percent for Fire hired after 4/23/2014);
2. The overall increase in benefits will be limited to 25 percent (20 percent for members who retired before July 1, 1994); and
3. The cost of living adjustments will never reduce the benefit below its original level.
4. Accumulated maximum of 25 percent for Police retirees after July 1, 2011 and were hired prior to 3/28/1997 applies, and a maximum of 10 percent applies for such Police retirees hired after 3/28/1997. Accumulated maximum of 15 percent for Fire retirees hired after 4/23/2004 and 10 percent for Fire hired after 4/23/2014. No cap for Fire if retire with 25 years.
5. The Police retiree has the option to receive 40 percent of the actuarial value of the Cost of Living feature in exchange for forgoing the COLA.

**Sick leave:** Policemen and Firemen may exchange up to 150 days of sick leave for pension credit. (30 days equal one year of pension service.) For Police hired after 7/1/2001, 50 days equal one year of pension service. Police hired after 10/20/2012 are not eligible for sick leave buyback.

**Plan administration:** The City's pension plan is separately administered by its own respective pension board. The Mayor, Controller and a City Board of Alders member serve as permanent members on all pension boards. The non-permanent Pension Board members are appointed by the Mayor and must be an active employee of their respective pension plan. The pension boards typically meet monthly or as needed to review retirement/disability requests and/or investment recommendations. The "joint pension board" which comprises of members from all pension boards meets at least quarterly with the City's Investment Advisor to review and modify investments accordingly. Changes in investments are not effective until voted favorably by each of the pension boards.

**Concentrations:** The City does have a formal policy; however, their practice is to maintain a diversified portfolio to minimize the risk of loss resulting from over-concentration of assets in a specific issuer. See Note 3 for issuer concentration.

**City of New Haven, Connecticut**

**Notes to Financial Statements**

**Note 11. Employee Retirement Plans (Continued)**

**Net pension liability:** The components of the net pension liability of the City at June 30, 2018 were as follows:

Policemen and Firemen Retirement Fund	2018
Total pension liability	\$809,733,137
Plan fiduciary net position	318,891,692
Net pension liability	<u>\$490,841,445</u>
Plan fiduciary net position as a percentage of total pension liability	39.38%

**Rate of return:** For the year ended June 30, 2018, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expenses, was 2.21 percent. The money-weighted rate of return expresses investment performance, net of investment expenses, adjusted for the changing amounts actually invested.

**Actuarial assumptions:** The total pension liability was determined by an actuarial valuation as of July 1, 2016, using the following actuarial assumptions that were projected forward to the measurement date of June 30, 2018:

***Description of Actuarial Methods***

Actuarial method used:	Entry age normal cost
Remaining amortization period:	28 year closed period
Asset valuation method:	Phase-in of investment gains and losses, 20% per year for 5 years
Investment rate of return:	7.75%, including inflation of 2.75%
Mortality basis:	RP-2014 adjusted to 2006 Blue Collar mortality table
Mortality improvement:	Projected to valuation date with Scale MP -2016.
Salary scale:	
Current basis:	The following adjusted table:

<u>Age</u>	<u>Rate*</u>
20	11.50%
25	10.50%
30	8.00%
35	3.90%
40	3.50%
45	3.45%
50	3.20%
55 and above	3.00%

\* Implicit inflation assumption implicit in above table = 2.75%

**City of New Haven, Connecticut**

**Notes to Financial Statements**

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**Note 11. Employee Retirement Plans (Continued)**

***Description of Actuarial Methods***

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Disability benefits:	The 1985 Disability Pension Study, class 4 hazardous occupations.
Overtime, longevity, and private duty:	25% load on budgeted pay for Police and 17% load on budgeted pay for Fire.
Sick leave credit:	Members who reach retirement or become disabled are assumed to purchase 3.0 years of sick leave credit (1.5 years for Police hired after 7/1/2001 and 0 for Police hired post 12/18/2012.)
Survivorship:	80% of male employees and 80% of female employees assumed married, wives 2 years younger than husbands.
Administrative expenses:	Estimated expenses are added to annual budget estimates at the time of their preparation.
COLA buy-out assumption:	0% of the eligible employees are assumed to buy out the Cost of Living provision upon retirement.

The City's funding policy is to contribute the actuary's recommended contribution each year. The contribution is calculated as the normal cost under the entry age method, plus a closed amortization of the plan's unfunded liability over 28 years from July 1, 2016, as a level percentage of pay.

**City of New Haven, Connecticut**

**Notes to Financial Statements**

**Note 11. Employee Retirement Plans (Continued)**

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2018 are summarized in the following table:

<u>City Employees' Retirement Plan</u> <u>Asset Class</u>	Target Allocation	Long-Term Expected Real Rate of Return	Weighting
U.S. Large Cap	24.00%	4.65%	1.12%
U.S. Mid / Small Cap	8.00%	5.50%	0.44%
Developed International Equities	21.00%	5.50%	1.16%
Emerging Market Equity	6.00%	6.50%	0.39%
International Corporate Fixed	5.00%	2.25%	0.11%
International Government Fixed	5.00%	1.65%	0.08%
High Yield Bonds	2.00%	3.25%	0.07%
International Bonds	1.00%	2.00%	0.02%
Emerging Market Debt	0.00%	3.75%	0.00%
Money Market/ Short-Term Bonds	5.00%	0.00%	0.00%
Real Estate Core	4.00%	5.00%	0.20%
Commodities	0.00%	5.25%	0.00%
Alternatives	19.00%	5.00%	0.95%
	100.00%		4.54%
Long-Term Inflation Expectation			2.75%
Long-Term Expected Nominal Return			7.29%

**Discount rate:** The discount rate used to measure the total pension liability as of June 30, 2018 was 7.75 percent. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that the City of New Haven contributes at rates equal to the actuarially determined contribution rates. For this purpose, only employer contributions that are intended to fund benefits of current plan members (retired and active employees who qualify under the Plan) and their beneficiaries are included.

Based on the plan's current contribution policy, the plan's net fiduciary net position will be sufficient to cover projected benefit payments and administrative expenses indefinitely. Therefore, since the fund is not projected to run out of money, the 7.75 percent interest rate assumption was used to discount plan liabilities.

**City of New Haven, Connecticut**

**Notes to Financial Statements**

**Note 11. Employee Retirement Plans (Continued)**

**Sensitivity of the net pension liability to changes in the discount rate:** The following presents the net pension liability of the City of New Haven Policemen and Firemen Retirement Plan, calculated using the discount rate of 7.75 percent as well as what the City of New Haven Policemen and Firemen Retirement Plan's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75%) or 1-percentage-point higher (8.75%) than the current rate:

Policemen and Firemen Retirement Fund	1% Decrease Rate 6.75%	Current Discount Rate 7.75%	1% Increase Rate 8.75%
Net Pension Liability	\$ 499,067,196	\$ 490,841,445	\$ 482,982,700

Changes in the Net Pension Liability

	Police and Firemen Retirement Fund		
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at 6/30/17	\$ 793,266,199	\$ 327,394,234	\$ 465,871,965
Changes for the year:			
Service cost	13,539,320	-	13,539,320
Interest	60,344,054	-	60,344,054
Change of assumptions	-	-	-
Differences between expected and actual experience	-	-	-
Contributions – employer	-	34,607,857	(34,607,857)
Contributions – members	-	7,557,388	(7,557,388)
Net investment income	-	6,831,749	(6,831,749)
Benefit payments, including refunds of employee contributions	(57,416,436)	(57,416,436)	-
Administrative expense	-	(252,477)	252,477
Other	-	169,377	(169,377)
Net changes	16,466,938	(8,502,542)	24,969,480
Balances at 6/30/18	<u>\$ 809,733,137</u>	<u>\$ 318,891,692</u>	<u>\$ 490,841,445</u>

**City of New Haven, Connecticut**

**Notes to Financial Statements**

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**Note 11. Employee Retirement Plans (Continued)**

For the year ended June 30, 2018, the City recognized pension expense of \$81,572,091. As of June 30, 2018, the City's reported deferred outflows of resources related to pensions in the statement of net position from the following sources:

Police and Firemen Pension Plan	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 16,231,147	\$ -
Changes of assumptions	31,897,294	-
Net difference between projected and actual earnings on pension plan investments	24,182,898	-
Total	<u>\$ 72,311,339</u>	<u>\$ -</u>

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

	Police and Firemen Pension Plan
Year ending June 30:	
2019	\$ 39,153,535
2020	26,657,624
2021	2,908,543
2022	3,591,637
2023	-
Thereafter	-

**Connecticut State Teachers' Retirement System**

All certified personnel participate in the State of Connecticut Teachers' Retirement System under Section 10.183 of the General Statutes of the State of Connecticut. These employees are eligible to receive a normal retirement benefit if he or she has: 1) attained age 60 and has accumulated 20 years of credited service in the public schools of Connecticut, or 2) attained any age and has accumulated 35 years of credited service, at least 25 years of which are served in the public schools of Connecticut.

**Description of system:** Eligible employees within the City's school system participate in a retirement system administered by the Connecticut State Teachers' Retirement Board. This Connecticut State Teachers' Retirement System (the System) is a cost sharing multiple employer defined benefit pension system with a special funding situation. As such, the City does not have a liability.

The System is considered 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 at [www.ct.gov](http://www.ct.gov).



## City of New Haven, Connecticut

### Notes to Financial Statements

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#### **Note 11. Employee Retirement Plans (Continued)**

The System is administered under the provisions of Chapter 167a of the Connecticut General Statutes (CGS). Participation in the System is restricted to certified staff employed in the public schools of Connecticut and members of the professional staff of the State Department of Education or the board of Governors of Higher Education and their constituent units. Participation in the System is mandatory for certified personnel of local boards of education who are employed for an average of at least one-half of a school day. Members of the professional staff of the State Department of Education or the Board of Governors of Higher Education and their constituent units may elect to participate in this system, the State Employees' Retirement System, or the Alternate Retirement System (TIAA-CREF).

**Summary of significant accounting policies:** For purposes of measuring the liability, deferred outflows of resources and deferred inflows of resources, and expense associated with the State's requirement to contribute to the System, information about System's fiduciary net position and additions to/deductions from the System's fiduciary net position have been determined on the same basis as they are reported by the System. For this purpose, benefit payments (including refunds of contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Benefits provided:** The benefits provided to participants by the System are as follows:

**Normal benefit:** A member at age 60 with 20 years of Credited Service in Connecticut, or 35 years of Credited Service including at least 25 years of service in Connecticut is eligible for vested benefits of 2 percent of average annual salary times years of credited service (maximum benefit is 75 percent of average annual salary.)

**Prorated benefit:** A member who completes 10 years of Connecticut public school service is eligible for a vested benefit commencing at age 60. The benefit is 2 percent less 0.1 percent for each year less than 20 years of average annual salary times years of credited service.

**Minimum benefit:** Effective January 1, 1999, Public Act 98-251 provides a minimum monthly retirement benefit of \$1,200 to teachers who retire under the Normal Benefit provisions and who have completed at least 25 years of full time Connecticut service at retirement.

**Contribution requirements:** The pension contributions made by the State to the System are determined on an actuarial reserve basis as described in CGS Sections 10-1831 and 10-183z. Employees are required to contribute 6.0 percent of their annual salary rate to the System as required by CGS Section 10-183b (7).

Employers are not required to make contributions to the Plan.

**City of New Haven, Connecticut**

**Notes to Financial Statements**

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**Note 11. Employee Retirement Plans (Continued)**

**Actuarial assumptions:** The total pension liability as of June 30, 2017 is based on the June 30, 2016 actuarial valuation that was rolled forward to June 30, 2017 (measurement date). The total pension liability was determined using the following key actuarial assumptions:

Inflation	2.75 Percent
Salary increases, including inflation	3.25-6.50 Percent
Long-term investment rate of return, net of pension investment expense, including inflation	8.00 Percent

Mortality rates were based on the RPH-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80, projected to the year 2020 using the BB improvement scale, and further adjusted to grade in increases (5% for females and 8% for males) to rates over age 80 for the period after the service retirement and for dependent beneficiaries as well as for active members. The RPH-2014 Disabled Mortality Table projected to 2017 with Scale BB is used for the period after disability retirement.

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

<u>Asset Class</u>	Target Allocation	Long-Term Expected Rate of Return
Large Cap U.S. Equities	21.0%	5.8%
Developed Non-U.S. Equities	18.0%	6.6%
Emerging Markets (Non-U.S.)	9.0%	8.3%
Real Estate	7.0%	5.1%
Private Equity	11.0%	7.6%
Alternative investments	8.0%	4.1%
Core Fixed Income	7.0%	1.3%
High Yield Bonds	5.0%	3.9%
Emerging Market Bond	5.0%	3.7%
Inflation Linked Bond Fund	3.0%	1.0%
Cash	6.0%	0.4%
	100.00%	

## City of New Haven, Connecticut

### Notes to Financial Statements

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#### Note 11. Employee Retirement Plans (Continued)

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

**Pension liabilities, pension expense, and deferred inflows/outflows of resources:** The State makes all contributions to the System on behalf of employees of the participating districts. Therefore, participating employers are considered to be in a special funding situation as defined by Governmental Accounting Standards Board No. 68 and the State is treated as a non-employer contributing entity in the System. Since the districts do not contribute directly to the System, there is no net pension liability or deferred inflows or outflows to report in the financial statements of the City. The portion of the State net pension liability that was associated with the City was \$502,931,664 and 100 percent of the collective net pension liability is allocated to the State. The City has no proportionate share of the liability, and therefore, deferred outflows and deferred inflows related to the Plan are not presented since they only impact the State of Connecticut.

June 30, 2016 is the actuarial valuation date upon which the total pension liability is based was rolled forward to June 30, 2017 which the measurement date. For the 2016 valuation, rates of withdrawal, disability, retirement, mortality and assumed rates of salary increases were adjusted to reflect actual and anticipated experience. These assumptions were recommended as part of the Experience Study for the System for the five-year period ended June 30, 2015.

The City recognized the total pension expense associated with the City as well as revenue in an amount equal to the non-employer contributing entities' total proportionate share of the collective pension expense associated with the City. For the fiscal year ended June 30, 2018, the City recognized \$58,175,502 as the amount expended by the State on behalf of the City to meet the State's funding requirements in the Statement of Activities.

**Sensitivity of the proportionate share of the net pension liability (NPL) to changes in the discount rate:** As the City's proportionate share of the net pension liability is \$0 and, therefore, the change in the change in the discount rate would only impact the amount recorded by the State of Connecticut.

**Other information:** Additional information is included in the required supplementary section of the financial statements.

**City of New Haven, Connecticut**

**Notes to Financial Statements**

**Note 11. Employee Retirement Plans (Continued)**

**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. The Authority's contributions amounted to \$113,731 for the year ended June 30, 2018.

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 percent of union salaries.

The Authority's contributions for the year ended June 30, 2018 amounted to \$609,136.

Aggregate Pension Summary

Plan	Net Pension Liability	Deferred Outflows	Deferred Inflows	Pension Expense
City Employees' Retirement	\$ 313,388,888	\$ 21,460,022	\$ 9,685,749	\$ 33,057,218
Police and Firemen Retirement	490,841,445	72,311,339	-	81,572,091
Total	<u>\$ 804,230,333</u>	<u>\$ 93,771,361</u>	<u>\$ 9,685,749</u>	<u>\$ 114,629,309</u>

**Note 12. Other Post-Employment Benefit Plans**

**Other Post-Employment Benefit Plans (OPEB):**

Membership in the Plan consisted of the following at the date of the latest actuarial valuation, July 1, 2017:

	<u>Total</u>
Inactive plan members receiving benefits	2,746
Inactive plan members not yet receiving benefits	-
Active plan members	<u>3,442</u>
Total	<u><u>6,188</u></u>

**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

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#### Note 12. Other Post-Employment Benefit Plans (Continued)

**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, 2017 upon which the annual required contribution for the fiscal year ended June 30, 2019 was determined based on a 4.00% discount rate.

#### City Employees' Other Post-Employment Benefit Plan:

**Eligibility:** Executive Management, Local 3144; classified employees, Local 884, Locals 424 and 71; trade employees; and cafeteria workers; custodians, Local 1303-467, Local 1303-464, and Local 217 are eligible for medical coverage upon meeting one of the following criteria:

1. 25 years of service or Rule of 80
2. 20 years with a service connected disability or
3. 15 years or 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.

School Administrators and Teachers must meet one of the following conditions: (1) age 50 with 25 years of service (2) age 55 with 20 years of service or (3) age 60 with 10 years of 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, except for Local 424 who are covered through the date the retiree would turn age 65.

**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 July 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 July 1, 1998. Retirees on or after July 1, 1998 pay.

**Trade:** There is no retiree contribution for those who retired prior to July 1, 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.

City of New Haven, Connecticut

Notes to Financial Statements

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**Note 12. Other Post-Employment Benefit Plans (Continued)**

**Policemen and Firemen Other Post-Employment Benefit Plan:**

**Eligibility:** Policemen hired on or before December 18, 2012 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. Police hired after December 18, 2012 are eligible after 25 years of service and eligible for full pension or disabled from active service are eligible for single coverage only at retirement. Spouse coverage is not available.

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:** Active members (regardless of hire date) must contribute 1.25% of their base pay. Police who completed eight (8) or more years of service as of July 1, 2011 contribute the same percentage required of active employees at the time of retirement. This amount shall never exceed \$525 per month. Police who completed fewer than eight (8) years of service as of July 1, 2011 contribute the same percentage required of active employees and may purchase coverage for their spouse by paying 50% of cost for such coverage. Police hired after December 18, 2012 contribute the same percentage required of active employees (coverage is for retiree only). Firefighters hired prior to August 28, 2013 who retire on or after April 23, 2014 shall make a fixed monetary contribution at the following rates:

HDHP with HSA: \$75 per month for individual; \$180 for family (as of 1/1/2016)

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.

**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.

**Investments:**

**Investment policy:** The OPEB plan has no investments; all amounts in the fund are cash or cash equivalents.

**City of New Haven, Connecticut**

**Notes to Financial Statements**

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**Note 12. Other Post-Employment Benefit Plans (Continued)**

**Rate of return:** For the year ended June 30, 2018, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was as follows. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

	OPEB Plan
Rate of return	0.28%

**Net OPEB liability:** The components of the net OPEB liability at June 30, 2018 were as follows:

Net OPEB Liability as of June 30, 2018	
Total OPEB liability	\$ 619,048,698
Plan fiduciary net position	2,387,486
Net OPEB liability	\$ 616,661,212
Plan fiduciary net position as a percentage of total OPEB liability	0.39%

**Valuation date:** The July 1, 2017 actuarial valuation was used to calculate the July 1, 2017 total OPEB liability. The July 1, 2017 total OPEB liability was increased by service cost and interest and decreased by benefit payments to estimate the total OPEB liability as of June 30, 2018. The total OPEB liability as of June 30, 2018 was also adjusted to reflect any material plan changes after the valuation, if applicable.

**Actuarial assumptions:**

Valuation date:	7/1/2017
Actuarial cost method:	Entry Age Normal
Investment rate return:	4.00%, net of investment related expense
Inflation:	2.50%
Mortality:	City and BOE non-certified - The RP2014 adjusted to 2006 Total Dataset Mortality Table projected to valuation date with Scale MP – 2016. Set forward one year.
	Police and Fire - The RP2014 adjusted to 2006 Blue Collar Mortality Table projected to valuation date with Scale MP – 2018.
	BOE-certified - The RP2014 adjusted to 2006 Total Dataset Mortality Table projected to valuation date with Scale MP – 2018.

Healthcare cost trends: 7.50% for 2017, decreasing 0.5% per year, to an rate of 4.50% for 2023 and later.

**Assumed rate of return:** The long-term expected rate of return on OPEB plan investments was based on the expected long-term rate of return on the City's General Fund assets.

**Discount rate:** The discount rate used to measure the total OPEB liability was 4.0%, as fiduciary net position is not projected to have sufficient fiduciary net position to cover future benefit payments and administrative expenses, the selection of the discount rate is based on the expected long-term rate of return on the City's General Fund assets.

City of New Haven, Connecticut

Notes to Financial Statements

**Note 12. Other Post-Employment Benefit Plans (Continued)**

**Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates:** The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (6.50% decreasing to 3.50%) or 1 percentage point higher (8.50% decreasing to 5.50%) than the current healthcare cost trend rates.

Net OPEB Liability	1.0% Decrease (6.50% decreasing to 3.50%)	Healthcare Cost Trend Rates (7.50% decreasing to 4.50%)	1.0% Increase (8.50% increasing to 5.50%)
Net OPEB liability as of June 30, 2018	\$ 543,868,273	\$ 616,661,212	\$ 704,286,443

**Sensitivity of estimates used in calculating the net OPEB liability:** The following presents the net OPEB liability, calculated using the discount rate of 3.87% as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the rate utilized.

OPEB Plan – General City	1% Decrease 2.87%	Current Discount Rate 3.87%	1% Increase 4.87%
OPEB Plan	\$ 687,665,505	\$ 616,661,212	\$ 555,871,352

For the year ended June 30, 2018, the City recognized OPEB expense of \$43,057,117. As of June 30, 2018, the City's reported deferred outflows of resources related to OPEB in the statement of net position from the following sources:

OPEB Plan	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (4,177,195)
Changes of assumptions	14,547,987	-
Net difference between projected and actual earnings on OPEB plan investments	59,754	-
Total	\$ 14,607,741	\$ (4,177,195)

Amounts reported in deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	OPEB Plan
Year ending June 30:	
2019	\$ 1,496,480
2020	1,496,480
2021	1,496,480
2022	1,496,482
2023	1,481,542
Thereafter	2,963,082



## City of New Haven, Connecticut

### Notes to Financial Statements

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#### Note 12. Other Post-Employment Benefit Plans (Continued)

##### **Connecticut State Teachers' Retirement System- Retiree Health Insurance Plan**

**Plan description:** Teachers, principals, superintendents or supervisors engaged in service of public schools plus professional employees at State Schools of higher education are eligible to participate in the Connecticut State Teachers' Retirement System Retiree Health Insurance Plan (TRS-RHIP), a cost sharing multiple-employer defined benefit other post-employment benefit plan administered by the Teachers' Retirement Board (TRB), if they choose to be covered.

Chapter 167a Section 10-183 (t) of the State Statutes grants authority to establish and amend the benefit terms to the TRB. TRS-RHIP issues a publicly available financial report that can be obtained at [www.ct.gov/trb](http://www.ct.gov/trb).

**Benefit provisions:** There are two types of the health care benefits offered through the system. Subsidized Local School District Coverage provides a subsidy paid to members still receiving coverage through their former employer and the CTRB Sponsored Medicare Supplemental Plans provide coverage for those participating in Medicare, but not receiving Subsidized Local School District Coverage.

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

Any member that is currently participating in Medicare Parts A & B is eligible to either continue health care coverage with their former employer, if offered, or enroll in the plan sponsored by the System. If they elect to remain in the plan with their former employer, the same subsidies as above will be paid to offset the cost of coverage.

If a member participating in Medicare Parts A & B so elects, they may enroll in one of the CTRB Sponsored Medicare Supplemental Plans. Active members, retirees, and the State pay equally toward the cost of the basic coverage (medical and prescription drug benefits). There are three choices for coverage under the CTRB Sponsored Medicare Supplemental Plans. The choices and 2017 calendar year premiums charged for each choice are shown in the table below

• Medicare Supplement with Prescriptions	\$ 92
• Medicare Supplement with Prescriptions and Dental	136
• Medicare Supplement with Prescriptions, Dental, Vision & Hearing	141

Those participants electing vision, hearing, and/or dental are required by the System's funding policy to pay the full cost of coverage for these benefits, and no liability is assumed by the Plan for these benefits.

**Survivor health care coverage:** Survivors of former employees or retirees remain eligible to participate in the Plan and continue to be eligible to receive either the \$110 monthly subsidy or participate in the TRB - Sponsored Medicare Supplemental Plans, as long as they do not remarry.

**Eligibility:** Any member that is currently receiving a retirement or disability benefit is eligible to participate in the Plan.

City of New Haven, Connecticut

Notes to Financial Statements

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**Note 12. Other Post-Employment Benefit Plans (Continued)**

**Credited service:** One month for each month of service as a teacher in Connecticut public schools, maximum 10 months for each school year. Ten months of credited service constitutes one year of Credited Service. Certain other types of teaching services, State employment, or wartime military service may be purchased prior to retirement, if the Member pays one-half the cost.

**Normal retirement:** Age 60 with 20 years of Credited Service in Connecticut, or 35 years of Credited Service including at least 25 years of service in Connecticut.

**Early retirement:** 25 years of Credited Service including 20 years of Connecticut service, or age 55 with 20 years of Credited Service including 15 years of Connecticut service.

**Proratable retirement:** Age 60 with 10 years of credited service

**Disability retirement:** 5 years of Credited Service in Connecticut if not incurred in the performance of duty and no service requirement if incurred in the performance of duty.

**Termination of employment:** 10 or more years of Credited Service.

**Contributions:**

*State of Connecticut*

Per Connecticut General Statutes Section 10-183t, contribution requirements of active employees and the State of Connecticut are approved, amended and certified by the State Teachers Retirement Board and appropriated by the General Assembly. The State contributions are not currently actuarially funded. The State appropriates from the General Fund one third of the annual costs of the Plan. Administrative costs of the Plan are financed by the State. Based upon Chapter 167a, Subsection D of Section 10-183t of the Connecticut statutes, it is assumed the State will pay for any long-term shortfall arising from insufficient active member contributions.

*Employer (School Districts)*

School District employers are not required to make contributions to the plan.

*Employees*

Each member is required to contribute 1.25% of their annual salary up to \$500,000. Contributions in excess of \$500,000 will be credited to the Retiree Health Insurance Plan.

**OPEB liabilities, OPEB expense, and deferred outflows of resources and deferred inflows of resources related to OPEB:** At June 30, 2018, the City reports no amounts for its proportionate share of the net OPEB liability, and related deferred outflows and inflows, due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the City as its proportionate share of the net OPEB liability, the related state support, and the total portion of the net OPEB liability that was associated with the City was as follows:

City's proportionate share of the net OPEB liability	\$ -
State's proportionate share of the net OPEB liability associated with the City	129,448,918
	<u>\$ 129,448,918</u>

## City of New Haven, Connecticut

### Notes to Financial Statements

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#### Note 12. Other Post-Employment Benefit Plans (Continued)

The net OPEB liability was measured as of June 30, 2017 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as June 30, 2016. The June 30, 2016 actuarial valuation was projected forward to the measurement date of June 30, 2017. At June 30, 2018, the City has no proportionate share of the net OPEB liability.

For the year ended June 30, 2018, the City recognized OPEB expense and revenue of \$5,997,317 in Exhibit II for on-behalf amounts for the benefits provided by the State.

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

Inflation	2.75%
Health care costs trend rate	7.25% decreasing to 5.00% by 2022
Salary increases	3.25-6.50%, including inflation
Investment rate of return	3.56%, net of OPEB plan investment expense, including inflation
Year fund net position will Be depleted	2018

Mortality rates were based on the RPH-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80, projected to the year 2020 using the BB improvement scale, and further adjusted to grade in increases (5% for females and 8% for males) over age 80. For disabled retirees, the RPH-2014 Disabled Mortality Table projected to 2017 using the BB improvement scale.

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2010 - June 30, 2015.

The long-term expected rate of return on plan assets is reviewed as part of the GASB 74 valuation process. Several factors are considered in evaluating the long-term rate of return assumption, including the Plan's current asset allocations and a log-normal distribution analysis using the best-estimate ranges of expected future real rates of return (expected return, net investment expense and inflation) for each major asset class. The long-term expected rate of return was determined by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. The plan is 100% invested in U.S. Treasuries (Cash Equivalents) for which the expected 10-Year Geometric Real Rate of Return is (0.02%).

**Discount rate:** The discount rate used to measure the total OPEB liability was 3.56%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current member contribution rate and that contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members. No future State contributions were assumed to be made. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be depleted in 2018 and, as a result, the Municipal Bond Index Rate was used in the determination.

**Sensitivity of the net OPEB liability to changes in the health care cost trend rate and the discount rate:** The City's proportionate share of the net OPEB liability is \$-0- and, therefore, the change in the health care cost trend rate or the discount rate would only impact the amount recorded by the State of Connecticut.

## City of New Haven, Connecticut

### Notes to Financial Statements

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#### Note 12. Other Post-Employment Benefit Plans (Continued)

**Other information:** Additional information is included in the required supplementary information section of the financial statements. A schedule of contributions is not presented, as the City has no obligation to contribute to the plan. Detailed information about the Connecticut State Teachers' OPEB Plan fiduciary net position is available in the separately issued State of Connecticut Comprehensive Annual Financial Report at [www.ct.gov](http://www.ct.gov).

#### 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 \$7,000,000 for such claims, which is recorded in the government-wide financial statements. 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.

**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 three years. As of June 30, 2018, total future minimum rental payments under these leases are as follows:

Year ending June 30:	
2019	\$ 486,355
2020	486,355
2021	169,170
	<u>\$ 1,141,880</u>

Rent expense related to these agreements amounted to approximately \$2,078,000 for the year ended June 30, 2018.

**Component unit:** 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.

City of New Haven, Connecticut

Notes to Financial Statements

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**Note 13. Commitments and Contingencies (Continued)**

**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. This agreement was replaced by a new five-year lease agreement effective July 1, 2015. The new lease for the facility requires monthly rental payments of \$37,500 for the years ended June 30, 2017 and 2018. The monthly rental payment for the years ended June 30, 2018-2020 shall be increased by the percentage increase in the CPI Index on March 1st of each immediately preceding lease year over the CPI Index on March 1st of the preceding lease year. The new lease also allows for the option to renew for three additional five-year terms. The estimated monthly rent at June 30, 2018 is \$37,500. The following is a schedule, as of June 30, 2018, of estimated future minimum rental payments, which are required of the Authority as lessee under this agreement:

Year ending June 30:	
2019	\$ 469,104
2020	469,104
	<u>\$ 938,208</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 \$883,000 for the year ended June 30, 2018.

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.

**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, 2018 was approximately \$425,000 which included approximately \$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 \$300,000, 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, 2018. However, the actual cost of post-closure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

**City of New Haven, Connecticut**

**Notes to Financial Statements**

**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 liability is reported in the government-wide statements. Losses in the amount of \$1,000,000 or more for property, general and automobile liability are covered by insurance.

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, 2018. The liability for workers' compensation, heart and hypertension not expected to be paid with current available resources is reported in the government-wide statements in the amount of \$25,001,162 with a discount rate of 4 percent. Employee health claims not expected to be paid with current available resources is reported in the government-wide statements in the amount of approximately 8,465,450.

Claims and claims incurred but not reported 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 three years are as follows:

Fiscal Year Ended	Self-Insurance Reserve			
	Claims Payable July 1	Claims and Changes in Estimates	Claims Paid	Claims Payable June 30
2018	\$ 14,354,500	\$ 4,753,906	\$ 12,108,406	\$ 7,000,000
2017	3,823,000	13,889,245	3,357,745	14,354,500

Fiscal Year Ended	Medical Self-Insurance			
	Claims Payable July 1	Claims and Changes in Estimates	Claims Paid	Claims Payable June 30
2018	\$ 7,990,450	\$ 121,911,952	\$ 120,516,402	\$ 9,386,000
2017	6,295,650	116,513,265	114,818,465	7,990,450

Fiscal Year Ended	Workers' Compensation and Heart & Hypertension			
	Claims Payable July 1	Claims and Changes in Estimates	Claims Paid	Claims Payable June 30
2018	\$ 24,077,134	\$ 15,237,776	\$ 9,313,748	\$ 30,001,162
2017	27,393,372	4,826,407	8,142,645	24,077,134

## City of New Haven, Connecticut

### Notes to Financial Statements

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#### 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.

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

	<u>2018</u>
Accounts payable and accrued expenses to the City from the Authority	<u>\$ 22,887</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>2018</u>
Under Air Rights	\$ 31,260
Residential lots	6,048
Sherman Tyler	101,952
Lots N & O	90,000
State Street surface lots	32,616
State and Trumbull	16,200
Orchard and Sherman	99,360
	<u>\$ 377,436</u>

During 2018, the City received a voluntary financial assistance payment of \$2,000,000 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, 2018 is as follows:

Operating revenue received by Authority from the City for services	<u>\$ 2,769,987</u>
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**City of New Haven, Connecticut**

**Notes to Financial Statements**

**Note 17. Subsequent Events**

The City issued \$20,000,000 in general obligation tax anticipation notes on October 16, 2018. The notes bear interest of 2.50% and mature on May 15, 2018.

The City issued \$218,030,000 general obligation bonds on August 9, 2018 at interest rates ranging from 4.334% to 5.500%. \$58,030,000 were general obligation bonds and \$160,000,000 were general obligation refunding bonds. The general obligation bonds are payable through 2039 in annual installments ranging from \$2,400,000 to \$4,265,000. The refunding bonds are considered defeased and will be paid from an escrow account through 2034.

**Note 18. Fund Balances (Deficits)**

Below is a table of fund balance (deficits) categories and classifications at June 30, 2018 for the City's governmental funds:

	General Fund	Education Grants	Capital Project Funds	Other Special Revenue	Nonmajor Governmental Funds	Total
Fund balances (deficits):						
Non-spendable:						
Inventory and prepaids	\$ -	\$ 171,314	\$ -	\$ -	\$ -	\$ 171,314
Permanent funds	-	-	-	-	2,381,320	2,381,320
	-	171,314	-	-	2,381,320	2,552,634
Restricted:						
General government-parks	-	-	-	-	3,762,503	3,762,503
Education	-	4,548,561	-	-	1,242,054	5,790,615
Public works	-	-	54,476,521	-	-	54,476,521
Public services-other	-	-	-	-	1,513,586	1,513,586
Public services-human resources	-	-	-	-	5,002,094	5,002,094
Public services-community	-	-	-	-	1,698,421	1,698,421
	-	4,548,561	54,476,521	-	13,218,658	72,243,740
Assigned:						
Debt service	-	-	-	-	15,223,513	15,223,513
Unassigned (Deficit)	(10,603,115)	-	-	(252,543)	-	(10,855,658)
Total fund balances (deficits)	\$ (10,603,115)	\$ 4,719,875	\$ 54,476,521	\$ (252,543)	\$ 30,823,491	\$ 79,164,229

There were no significant encumbrances at June 30, 2018.



## City of New Haven, Connecticut

### Notes to Financial Statements

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#### Note 19. Tax Abatements

The City adopted GASB Statement No. 77, *Tax Abatement Disclosures*, effective for the year ended June 30, 2017. The disclosure is presented below:

The City seeks to encourage the fullest use of real property located in the City. To encourage the rehabilitation of existing residential and commercial building stock and to encourage the construction of new structures the City of New Haven has established two assessment deferral programs which defer a portion of the property taxes on improvements for property owners engaging in the rehabilitation or construction of certain eligible properties.

The City Wide Assessment Deferral Program - When a property is rehabilitated or improved by new construction, the assessed value may increase because of the investments made in the property. In some cases this may deter investment. In order to encourage the fullest development of property and to encourage investment in New Haven's existing commercial and residential building stock, the City Wide Assessment Deferral Program freezes the property tax assessments on certain eligible properties at pre-construction or pre-rehabilitation values and then phases in the taxes assessed on the improvements over a period of five years

The Enterprise Zone Assessment Deferral Program - When a property is rehabilitated or improved by new construction, the assessed value may increase because of the investments made in the property. In some cases, this may deter investment. In order to encourage the fullest development of property and to encourage investment in New Haven's existing commercial and residential building stock in the City's designated "Enterprise Zone", the Enterprise Zone Assessment Deferral Program freezes the property tax assessments on certain eligible properties at pre-construction or pre-rehabilitation values and then phases in the taxes assessed on the improvements over a period of seven years.

The total amount of tax abatements under the two programs was approximately \$10,992,000.

#### Note 20. 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, though the amount has not yet been determined:

- **GASB Statement No. 83, *Certain Asset Retirement Obligations***, is effective for reporting periods beginning after June 15, 2018. The statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in the statement. The City is aware of this statement and will assess its impact to ensure timely implementation.

**Note 20. Governmental Accounting Standards Board (GASB) Statements (Continued)**

- **GASB Statement No. 84, *Fiduciary Activities***, is effective for reporting periods beginning after December 15, 2018. The objective of this statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The City is aware of this statement and will assess its impact to ensure timely implementation.
- **GASB Statement No. 87, *Leases***, establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset, which should result in the recognition and reporting of leased assets and the liability associated with subsequent lease payments, which have historically been classified as operating leases of the current reporting period only. The new statement requires a Lessee to recognize a lease liability and an intangible right-to-use lease asset, with the lessor required to recognize a lease receivable and a deferred inflow of resources. The requirements of this statement are effective for reporting periods beginning after December 15, 2019.
- **GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements***, defines debt purposes of disclosure in the notes to financial statements as a liability that arises from a contractual obligation to pay cash, or other assets in lieu of cash, to settle a fixed amount established at the date of obligation. The statement requires additional information related to debt to be disclosed in the notes to financial statements, including unused lines of credit, assets pledged as collateral for the debt, and specified terms in debt agreements related to significant events of default and the resulting financial consequences. The statement also requires disclosure be provided for direct borrowings and direct placements of debt separate from other forms of debt. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018.
- **GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period***. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged. The requirements of this Statement should be applied prospectively.
- **GASB Statement No. 90, *Majority Equity Interests—an amendment of GASB Statements No. 14 and No. 61***. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Earlier application is encouraged.

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**Required Supplementary  
Information (unaudited)**

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**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, 2018**  
*(unaudited)*

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget
	Original	Final		
<b>Revenues:</b>				
<b>Current City taxes:</b>				
Real estate	\$ 206,331,154	\$ 206,331,154	\$ 208,288,537	\$ 1,957,383
Personal property	24,603,330	24,603,330	25,474,486	871,156
Motor vehicle	12,732,184	12,732,184	11,997,024	(735,160)
Supplemental	1,930,027	1,930,027	2,497,514	567,487
Current interest	1,000,000	1,000,000	975,495	(24,505)
Total current City taxes	246,596,695	246,596,695	249,233,056	2,636,361
<b>Tax collection initiatives:</b>				
Real and personal property initiatives	1,177,612	1,177,612	-	(1,177,612)
<b>Delinquent City taxes:</b>				
Real and personal property	1,550,000	1,550,000	3,205,126	1,655,126
Interest and penalties	600,000	600,000	1,124,651	524,651
Total delinquent City taxes	2,150,000	2,150,000	4,329,777	2,179,777
<b>Education grants:</b>				
Education cost sharing	142,509,525	142,509,525	142,194,717	(314,808)
School construction reimbursement	5,694,087	5,694,087	5,694,087	-
Health services non-public schools	35,000	35,000	35,555	555
Total education grants	148,238,612	148,238,612	147,924,359	(314,253)
<b>Other government grants:</b>				
Distressed cities exemption	385,000	385,000	-	(385,000)
Homeowners tax relief – elderly circuit breaker	425,000	425,000	-	(425,000)
Low income tax abatement program	85,000	85,000	-	(85,000)
Pequot funds	5,753,352	5,753,352	5,753,352	-
Municipal revenue sharing	14,584,940	14,584,940	14,584,940	-
Grants for Municipal Projects	6,172,271	6,172,271	5,146,251	(1,026,020)
PILOT – colleges and hospitals	40,463,189	40,463,189	36,335,840	(4,127,349)
Grant for municipal projects	-	-	1,369,123	1,369,123
PILOT – low income	62,000	62,000	47,803	(14,197)
PILOT – disabled	10,000	10,000	8,030	(1,970)
PILOT – Motor Vehicle	3,393,780	3,393,780	1,142,454	(2,251,326)
Municipal Stabilization Grant	-	-	2,261,574	2,261,574
Shell Fish	-	-	32,261	32,261
Telecommunications property tax	625,000	625,000	497,957	(127,043)
Town aid roads	1,248,795	1,248,795	1,247,601	(1,194)
Total other government grants	73,208,327	73,208,327	68,427,186	(4,781,141)
Total state aid	221,446,939	221,446,939	216,351,545	(5,095,394)

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**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, 2018**  
*(unaudited)*

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget
	Original	Final		
Revenues (continued):				
Licenses, permits and other fees:				
Animal shelter	\$ 4,500	\$ 4,500	\$ 4,469	\$ (31)
Building Inspection Permits/Fees	15,950,000	15,950,000	14,156,797	(1,793,203)
Building Inspection Permits/License Ctr	65,000	65,000	76,272	11,272
Engineers – cost recovery	7,500	7,500	-	(7,500)
Fire service	80,000	80,000	84,115	4,115
Fire insurance recoveries	250,000	250,000	99,335	(150,665)
Health services	347,000	347,000	350,315	3,315
High school athletics	35,000	35,000	43,999	8,999
Map/Bid documents	2,000	2,000	2,569	569
Office of technology	2,000	2,000	750	(1,250)
Parks – Lighthouse carousel	2,000	2,000	1,127	(873)
Parks – Lighthouse admissions & concessions	75,000	75,000	65,470	(9,530)
Parks – other fees	60,000	60,000	91,037	31,037
Police service	125,000	125,000	86,292	(38,708)
Public works – evictions	3,000	3,000	3,575	575
Public works – public space, licenses & permits	153,098	153,098	149,665	(3,433)
Registrar of vital statistics	675,000	675,000	604,131	(70,869)
Residential parking permits	-	-	26	26
City Clerk	350,000	350,000	352,542	2,542
Traffic & parking meter receipts	6,800,000	6,800,000	6,109,040	(690,960)
Bulk trash permits	20,000	20,000	9,505	(10,495)
Other agencies	35,000	35,000	37,270	2,270
<b>Total licenses, permits and other fees</b>	<b>25,041,098</b>	<b>25,041,098</b>	<b>22,328,301</b>	<b>(2,712,797)</b>
Investment income:				
Interest income	25,000	25,000	1,389,114	1,364,114
Received from fines:				
Coliseum lots	240,000	240,000	300,000	60,000
Miscellaneous community development rent	15,000	15,000	15,060	60
LCI Fines and Ticket Collections	50,000	50,000	123,120	
Parking space rental	3,000	3,000	2,585	(415)
Parking tags	4,500,000	4,500,000	4,604,385	104,385
Parks employees rents	5,000	5,000	6,300	1,300
Fines false alarm ordinance	100,000	100,000	149,066	49,066
Public works – public space violations	8,000	8,000	3,700	(4,300)
Superior Court	50,000	50,000	45,520	(4,480)
<b>Total received from fines</b>	<b>4,971,000</b>	<b>4,971,000</b>	<b>5,249,736</b>	<b>278,736</b>

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**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, 2018**  
**(unaudited)**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget
	Original	Final		
<b>Payment in lieu of taxes (PILOT):</b>				
52 Howe Street	\$ 65,000	\$ 65,000	\$ 76,644	\$ 11,644
Air Rights Garage – Yale	175,000	175,000	155,060	(19,940)
Eastview PILOT	29,000	29,000	-	(29,000)
Regional Water Authority	1,091,275	1,091,275	995,092	(96,183)
Greater NH WPCA	608,400	608,400	608,400	-
New Haven Parking Authority PILOT	1,500,000	1,500,000	3,516,544	2,016,544
Trinity Housing	75,000	75,000	76,924	1,924
Air Rights Garage – Temple	45,000	45,000	-	(45,000)
Total payment in lieu of taxes (PILOT)	<u>3,588,675</u>	<u>3,588,675</u>	<u>5,428,664</u>	<u>1,839,989</u>
<b>Other taxes and assessments:</b>				
Real estate conveyance tax	1,700,000	1,700,000	2,998,398	1,298,398
Yale payment for fire services	2,705,000	2,705,000	2,705,000	-
Total other taxes and assessments	<u>4,405,000</u>	<u>4,405,000</u>	<u>5,703,398</u>	<u>1,298,398</u>
<b>Miscellaneous:</b>				
BABS revenue	825,000	825,000	537,145	(287,855)
Controllers	750,000	750,000	810,953	60,953
Police Vehicle Extra Duty (FMLY I-95 Highway )	401,659	401,659	372,351	(29,308)
Neighborhood preservation loan payments	-	-	1,370	1,370
Off track betting	675,000	675,000	484,365	(190,635)
Personal motor vehicles reimbursements	13,000	13,000	12,694	(306)
Revenue Initiative	18,600,000	18,600,000	-	(18,600,000)
Other contributions	8,240,275	8,240,275	11,681,162	3,440,887
Total miscellaneous	<u>29,504,934</u>	<u>29,504,934</u>	<u>13,900,040</u>	<u>(15,604,894)</u>
Total revenues and other financing sources	<u>\$ 538,906,953</u>	<u>\$ 538,906,953</u>	523,913,631	<u>\$ (14,993,322)</u>

Budgetary revenues are different than GAAP revenues because:

State of Connecticut "on-behalf" contributions to the Connecticut State Teachers' Retirement/Health System for City teachers are not budgeted	64,173,819
Refunding bond proceeds	33,415,000
Premiums	11,282,904
Unbudgeted state reimbursement	15,223,512
Excess cost – student based	3,340,510
Self insurance premiums not recorded in budget	<u>1,135,882</u>

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

\$ 652,485,258

See note to required supplementary information.



**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, 2018**  
**(unaudited)**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget
	Original	Final		
<b>Expenditures</b>				
Current:				
General government:				
Assessor's office	\$ 787,808	\$ 787,808	\$ 630,075	\$ 157,733
Chief Administrators office	1,868,303	1,868,303	1,770,929	97,374
City/town	539,746	539,746	382,141	157,605
Corporation Counsel	2,516,206	2,676,206	2,485,984	190,222
Finance	10,703,813	10,703,813	10,669,767	34,046
Information and Technology	-	-	116	(116)
Legislative services	995,180	995,180	737,700	257,480
Library	1,028,979	1,028,979	1,026,817	2,162
Mayor's Office	5,382,771	5,382,771	5,332,454	50,317
Parks	4,207,015	4,207,015	4,128,374	78,641
Registrar of voters	891,565	891,565	634,709	256,856
Total general government	28,921,386	29,081,386	27,799,066	1,282,320
Public safety:				
Fire	31,470,798	35,370,798	35,308,204	62,594
Police	41,014,001	41,014,001	40,881,769	132,232
Public safety communications	3,379,393	3,629,393	3,220,889	408,504
Total public safety	75,864,192	80,014,192	79,410,862	603,330
Public works & engineering:				
Engineering	3,379,388	3,379,388	3,279,403	99,985
Public works	12,739,803	12,736,803	11,914,344	822,459
Total public works	16,119,191	16,116,191	15,193,747	922,444
Human services:				
Community services admin.	3,019,018	3,019,018	2,669,288	349,730
Disability services	92,224	92,224	85,141	7,083
Elderly services	752,176	752,176	722,642	29,534
Fair rent commission	73,650	73,650	73,081	569
Health	3,821,008	3,821,008	3,681,091	139,917
Youth services	1,088,170	1,538,170	1,556,232	(18,062)
Total human services	8,846,246	9,296,246	8,787,475	508,771
Economic development:				
Office of Building Inspection and Enforcement	1,061,951	1,061,951	1,019,053	42,898
Business Development	1,588,247	1,588,247	1,501,773	86,474
City Plan	589,013	589,013	431,655	157,358
Commission of Equal Opportunity	213,073	213,073	126,609	86,464
Development Subsidies	1,000,000	1,000,000	1,000,000	-
Livable city initiative	808,632	808,632	727,696	80,936
Transportation/traffic & parking	5,115,457	5,115,457	5,326,109	(210,652)
Total economic development	10,376,373	10,376,373	10,132,895	243,478

(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, 2018**  
**(unaudited)**

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget
	Original	Final		
Other departments:				
Contract reserve	\$ 1,843,944	\$ 1,843,944	\$ 1,736,307	\$ 107,637
Non-public transportation	700,000	700,000	668,793	31,207
Various organizations	537,295	537,295	537,426	(131)
Vacancy Savings	(3,326,027)	(3,326,027)	-	(3,326,027)
Total other departments	<u>(244,788)</u>	<u>(244,788)</u>	2,942,526	<u>(3,187,314)</u>
Pensions/insurance/benefits:				
Employee benefits	87,091,210	96,791,210	98,659,492	(1,868,282)
Pensions	4,600,000	4,600,000	5,142,187	(542,187)
Self-insurance	61,270,774	61,270,774	61,593,369	(322,595)
Total insurance benefits	<u>152,961,984</u>	<u>162,661,984</u>	165,395,048	<u>(2,733,064)</u>
Education:				
Total education	<u>187,218,697</u>	<u>187,218,697</u>	193,404,100	<u>(6,185,403)</u>
Debt service:				
Principal	41,096,051	26,636,051	10,431,049	16,205,002
Interest	25,343,530	25,343,530	23,241,931	2,101,599
Tans Interest Premium	-	-	(144,985)	144,985
Tans Interest Payment	-	-	500,000	(500,000)
Other Contractual Services/Payments	-	-	36,542	(36,542)
Refunding and Bond Premium Savings	(9,220,909)	(9,220,909)	(5,500,000)	(3,720,909)
Master Lease	628,000	628,000	628,000	-
Rainy Day Replenishment	1,000,000	1,000,000	-	1,000,000
Total debt service	<u>58,846,672</u>	<u>44,386,672</u>	29,192,537	<u>15,194,135</u>
Total expenditures and other financing uses	<u>\$ 538,909,953</u>	<u>\$ 538,906,953</u>	532,258,256	<u>\$ 6,648,697</u>

Budgetary expenditures are different than GAAP expenditures because:

State of Connecticut "on-behalf" contributions to the Connecticut State Teachers' Retirement/Health System for City teachers are not budgeted	64,173,819
Refunding and Bond Premium Savings	5,500,000
Payment to escrow	38,407,984
Excess cost-student based	3,340,510
Other	789,932
Operating transfer not recorded in budget	<u>15,223,512</u>

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

\$ 659,694,013

See note to required supplementary information.

**Required Supplementary Information – Unaudited  
Schedule of Contributions - Pension Plans  
Last Ten Fiscal Years**

**Schedule of Employer Contributions – CERF**

Year Ended June 30,	Actuarially Determined Employer Contribution (ADEC)	Contribution in relation to the ADEC	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a percentage of covered payroll
2018	\$ 21,662,916	\$ 21,706,165	\$ (43,249)	\$ 54,301,803	39.97%
2017	19,904,911	20,400,121	(495,210)	53,237,062	38.32%
2016	19,514,619	19,555,672	(41,053)	51,230,910	38.17%
2015	17,544,752	17,592,663	(47,911)	49,260,490	35.71%
2014	16,869,954	16,927,028	(57,074)	53,572,427	31.60%
2013	16,909,072	16,977,367	(68,295)	60,152,100	28.22%
2012	16,258,723	16,332,514	(73,791)	53,572,427	30.49%
2011	11,941,035	12,015,996	(74,961)	57,998,200	20.72%
2010	11,501,900	11,501,900	-	55,394,700	20.76%
2009	10,938,000	10,938,000	-	57,368,000	19.07%

**Schedule of Employer Contributions – P&F**

Year Ended June 30,	Actuarially Determined Employer Contribution (ADEC)	Contribution in relation to the ADEC	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a percentage of covered payroll
2018	\$ 34,607,856	\$ 34,607,857	\$ (1)	\$ 63,411,190	54.58%
2017	27,081,778	27,536,158	(454,380)	61,714,054	44.62%
2016	26,297,794	26,306,000	(8,206)	53,433,356	49.23%
2015	25,251,586	25,259,846	(8,260)	51,378,356	49.16%
2014	24,286,140	24,358,055	(71,915)	56,661,371	42.99%
2013	24,258,000	24,258,000	-	56,661,400	42.81%
2012	23,331,000	23,331,000	-	63,313,700	36.85%
2011	18,692,000	18,692,000	-	57,301,700	32.62%
2010	17,811,000	17,811,000	-	54,570,400	32.64%
2009	16,687,000	16,687,000	-	58,017,427	28.76%

**Notes to schedule:**

Valuation date  
Actuarial cost method  
Amortization method  
Remaining amortization period  
Asset valuation method  
Inflation  
Investment rate of return  
Mortality

**P&F**

07/01/2016  
Entry age normal  
Level percentage of payroll, closed  
28 years  
Fair value  
2.75%  
7.75%  
RP-2014 Total Dataset Mortality Table

**CERF**

07/01/2016  
Entry age normal  
Level percentage of payroll, closed  
26 years  
Fair value  
2.75%  
7.75%  
RP-2014 Total Dataset Mortality Table

**Required Supplementary Information – Unaudited  
Schedule of Changes in the Police and Fire Net Pension Liability and Related Ratios  
Last Five Fiscal Years**

<b>Police and Firemen Retirement Plan</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
<b>Changes in Net Pension Liability</b>					
Total pension liability:					
Service cost	\$ 13,539,320	\$ 11,437,934	\$ 11,267,233	\$ 12,179,952	\$ 11,711,492
Interest	60,344,054	54,881,850	53,882,845	51,364,099	50,164,370
Change of benefit terms	-	-	-	(221,580)	-
Differences between expected and actual experience	-	22,751,256	-	24,925,021	-
Change of assumptions	-	57,167,094	-	14,245,876	-
Benefit payments, including refunds of member contributions	(57,416,436)	(54,073,974)	(51,639,291)	(49,650,762)	(46,025,365)
<b>Net change in total pension liability</b>	<b>16,466,938</b>	<b>92,164,160</b>	<b>13,510,787</b>	<b>52,842,606</b>	<b>15,850,497</b>
Total pension liability, beginning	793,266,199	701,102,039	687,591,252	634,748,646	618,898,149
<b>Total pension liability, ending (a)</b>	<b>809,733,137</b>	<b>793,266,199</b>	<b>701,102,039</b>	<b>687,591,252</b>	<b>634,748,646</b>
Fiduciary net position:					
Employer contributions	34,607,857	27,536,158	26,306,000	25,259,846	24,358,055
Member contributions	7,557,388	7,573,887	7,335,993	7,873,208	6,728,075
Net investment income	9,551,749	34,179,484	(5,621,654)	409,813	54,822,571
Benefit payments, including refunds of member contributions	(57,416,436)	(54,073,974)	(51,639,291)	(49,650,762)	(46,025,365)
Administrative expenses	(252,477)	(197,429)	(184,309)	(170,518)	(845,314)
Other	169,377	6,938,894	(2,500)	5,614,956	8,524
<b>Net change in plan fiduciary net position</b>	<b>(5,782,542)</b>	<b>21,957,020</b>	<b>(23,805,761)</b>	<b>(10,663,457)</b>	<b>39,046,546</b>
Fiduciary net position, beginning	324,674,234	302,717,214	326,522,975	337,186,432	298,139,886
<b>Fiduciary net position, ending (b)</b>	<b>318,891,692</b>	<b>324,674,234</b>	<b>302,717,214</b>	<b>326,522,975</b>	<b>337,186,432</b>
<b>Net pension liability, ending = (a) – (b)</b>	<b>\$ 490,841,445</b>	<b>\$ 468,591,965</b>	<b>\$ 398,384,825</b>	<b>\$ 361,068,277</b>	<b>\$ 297,562,214</b>
Fiduciary net position as a % of total pension liability	39.38%	40.93%	43.18%	47.49%	53.12%
Covered payroll	\$ 63,411,190	\$ 61,714,054	\$ 53,433,356	\$ 51,378,227	\$ 56,661,371
Net pension liability as a % of covered payroll	774.06%	759.30%	745.57%	702.77%	525.16%
<b>Required Supplementary Information – Unaudited Schedule of Investment Returns Last Five Fiscal Years</b>					
	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Annual money-weighted rate of return, net of investment expense	2.21%	13.71%	-1.79%	0.73%	18.52%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the City will present information for those years for which information is available.

**Required Supplementary Information – Unaudited  
Schedule of Changes in the City's CERF Net Pension Liability and Related Ratios  
Last Five Fiscal Years**

<b>City Employees' Retirement Plan</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
<b>Changes in Net Pension Liability</b>					
Total pension liability:					
Service cost	\$ 5,964,644	\$ 5,047,368	\$ 5,045,428	\$ 6,161,890	\$ 5,924,895
Interest	35,890,874	35,984,424	35,166,980	34,804,446	34,174,249
Change of benefit terms	-	-	-	-	(3,308,888)
Differences between expected and actual experience	-	(21,080,747)	-	524,113	-
Change of assumptions	-	23,023,397	-	7,136,944	-
Benefit payments, including refunds of member contributions	(31,210,152)	(29,973,518)	(30,018,207)	(29,564,933)	(29,218,925)
<b>Net change in total pension liability</b>	<b>10,645,366</b>	<b>13,000,924</b>	<b>10,194,201</b>	<b>19,062,460</b>	<b>7,571,331</b>
Total pension liability, beginning	472,457,311	459,456,387	449,262,186	430,199,726	422,628,395
<b>Total pension liability, ending (a)</b>	<b>483,102,677</b>	<b>472,457,311</b>	<b>459,456,387</b>	<b>449,262,186</b>	<b>430,199,726</b>
Fiduciary net position:					
Employer contributions	21,706,165	20,400,121	19,555,672	17,592,663	16,927,028
Member contributions	4,981,567	4,832,717	4,609,881	4,568,385	4,104,738
Net investment income	12,436,248	12,697,497	(4,249,828)	(1,977,266)	23,978,199
Benefit payments, including refunds of member contributions	(31,210,152)	(29,973,518)	(30,018,207)	(29,564,933)	(29,218,925)
Administrative expenses	(251,637)	(202,382)	(149,332)	(459,176)	(377,446)
Other	1,134	9,749	855	44,573	31,927
<b>Net change in plan fiduciary net position</b>	<b>7,663,325</b>	<b>7,764,184</b>	<b>(10,250,959)</b>	<b>(9,795,754)</b>	<b>15,445,521</b>
Fiduciary net position, beginning	162,050,465	153,440,281	163,691,240	173,486,994	158,041,473
<b>Fiduciary net position, ending (b)</b>	<b>169,713,790</b>	<b>161,204,465</b>	<b>153,440,281</b>	<b>163,691,240</b>	<b>173,486,994</b>
<b>Net pension liability, ending = (a) – (b)</b>	<b>\$ 313,388,887</b>	<b>\$ 311,252,846</b>	<b>\$ 306,016,106</b>	<b>\$ 285,570,946</b>	<b>\$ 256,712,732</b>
Fiduciary net position as a % of total pension liability	35.13%	34.12%	33.40%	36.44%	40.33%
Covered payroll	\$ 54,301,803	\$ 53,237,062	\$ 51,230,910	\$ 49,260,490	\$ 53,572,427
Net pension liability as a % of covered payroll	577.12%	584.65%	597.33%	579.72%	479.19%
<b>Required Supplementary Information – Unaudited Schedule of Investment Returns Last Five Fiscal Years</b>					
	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Annual money-weighted rate of return, net of investment expense	7.91%	8.18%	-2.68%	-1.60%	14.17%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the City will present information for those years for which information is available.

**Required Supplementary Information – Unaudited  
Schedule of Contributions - OPEB Plan  
Last Two Fiscal Years**

*Schedule of Employer Contributions – OPEB*

Year Ended June 30,	Actuarially Determined Employer Contribution (ADEC)	Contribution in relation to the ADEC	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a percentage of covered payroll
2018	\$ 50,744,000	\$ 27,431,281	\$ 23,312,719	\$ 222,642,000	12.32%
2017	50,008,000	27,819,668	22,188,332	242,050,000	11.49%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the City will present information for those years for which information is available.



**Required Supplementary Information – unaudited**  
**Schedule of the City's Proportionate Share of the Net Pension Liability –**  
**Teachers' Retirement System**  
**Last Four Fiscal Years**

	2018	2017	2016	2015
City's proportion of the net pension liability	0.00%	0.00%	0.00%	0.00%
City's proportionate share of the net pension liability	\$ 502,931,664	\$ 530,596,757	\$ 381,425,862	\$ 352,155,770
State's proportionate share of the net pension liability associated with the City	\$ 502,931,664	\$ 530,596,757	\$ 381,425,862	\$ 352,155,770
<b>Total</b>	<b>\$ 502,931,664</b>	<b>\$ 530,596,757</b>	<b>\$ 381,425,862</b>	<b>\$ 352,155,770</b>
City's covered payroll	\$ 159,411,442	\$ 153,649,618	\$ 141,778,026	\$ 141,919,000
City's proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%
System fiduciary net position as a percentage of the total pension liability	55.93%	52.26%	59.50%	61.51%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the City will present information for those years for which information is available.



**Required Supplementary Information – unaudited  
 Schedule of the City's Proportionate Share of the Net OPEB Liability –  
 Teachers' Retirement Health System  
 Last Fiscal Year**

	2018
City's proportion of the net OPEB liability	0.00%
City's proportionate share of the net OPEB liability	\$ -
State's proportionate share of the net OPEB liability associated with the City	<u>129,448,918</u>
<b>Total</b>	<u><u>\$ 129,448,918</u></u>
City's covered payroll	<u><u>\$ 159,411,458</u></u>
City's proportionate share of the net OPEB liability as a percentage of its covered payroll	<u><u>0.00%</u></u>
System fiduciary net position as a percentage of the total OPEB liability	<u><u>1.79%</u></u>

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the City will present information for those years for which information is available.

**Note to Required Supplementary Information - Unaudited  
June 30, 2018**

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**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 accrual 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 2016-2017 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.

**Note to Required Supplementary Information - Unaudited  
June 30, 2018**

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**Note 1. Budgetary Information (Continued)**

**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.

During the year ended June 30, 2018, the following line items over expended their appropriations:

Department	Amount
Information and Technology	\$ (116)
Youth services	(18,062)
Transportation/traffic & parking	(210,652)
Various organizations	(131)
Vacancy Savings	(3,326,027)
Employee benefits	(1,868,282)
Pensions	(542,187)
Self-insurance	(322,595)
Total education	(6,185,403)
Tans Interest Payment	(500,000)
Other Contractual Services/Payments	(36,542)
Refunding and Bond Premium Savings	(3,720,909)



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

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**Nonmajor  
Governmental Funds**

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## **Nonmajor 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 ETF	Various	Various

### **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

Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2018

	Special Revenue Funds			
	Community Development	Improvement	Human Resources	Redevelopment Agency
<b>Assets</b>				
Cash and cash equivalents	\$ 4,886,463	\$ 2,162,989	\$ 2,150,494	\$ 19,581
Investments	-	-	125,000	-
Due from other funds	1,145,493	-	511,508	-
Receivables, net	121,656	16,001	148,692	2,426
Receivables from other governments	1,375,186	-	275,364	-
<b>Total assets</b>	<b>\$ 7,528,798</b>	<b>\$ 2,178,990</b>	<b>\$ 3,211,058</b>	<b>\$ 22,007</b>
<b>Liabilities</b>				
Accounts payable	\$ 1,591,853	\$ 270,552	\$ 723,979	\$ 9,744
Accrued liabilities	56,063	-	37,764	-
Due to other funds	771,685	465,832	750,894	-
Due to other governments	340	19,785	-	-
Unearned revenue	-	180,767	-	-
Other liabilities	-	-	-	-
<b>Total liabilities</b>	<b>2,419,941</b>	<b>936,936</b>	<b>1,512,637</b>	<b>9,744</b>
Deferred inflows of resources:				
Unavailable revenue	106,763	-	-	-
<b>Total deferred inflow of resources</b>	<b>106,763</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fund balances :				
Nonspendable	-	-	-	-
Restricted	5,002,094	1,242,054	1,698,421	12,263
Assigned	-	-	-	-
<b>Total fund balances</b>	<b>5,002,094</b>	<b>1,242,054</b>	<b>1,698,421</b>	<b>12,263</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 7,528,798</b>	<b>\$ 2,178,990</b>	<b>\$ 3,211,058</b>	<b>\$ 22,007</b>

**Schedule 1**

Other ETF	Permanent Funds	Debt Service	Total Nonmajor Governmental Funds (See Exhibit C)
\$ 1,239,217	\$ 1,965,949	\$ 15,223,513	\$ 27,648,206
2,856,231	3,651,779	-	6,633,010
-	-	-	1,657,001
-	-	-	288,775
-	-	-	1,650,550
<u>\$ 4,095,448</u>	<u>\$ 5,617,728</u>	<u>\$ 15,223,513</u>	<u>\$ 37,877,542</u>
\$ 332,945	\$ 1,735,085	\$ -	\$ 4,664,158
-	-	-	93,827
-	-	-	1,988,411
-	-	-	20,125
-	-	-	180,767
-	-	-	-
<u>332,945</u>	<u>1,735,085</u>	<u>-</u>	<u>6,947,288</u>
-	-	-	106,763
-	-	-	106,763
-	2,381,320	-	2,381,320
3,762,503	1,501,323	-	13,218,658
-	-	15,223,513	15,223,513
<u>3,762,503</u>	<u>3,882,643</u>	<u>15,223,513</u>	<u>30,823,491</u>
<u>\$ 4,095,448</u>	<u>\$ 5,617,728</u>	<u>\$ 15,223,513</u>	<u>\$ 37,877,542</u>

City of New Haven, Connecticut

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

	Special Revenue Funds			
	Community Development	Improvement	Human Resources	Redevelopment Agency
<b>Revenues:</b>				
Intergovernmental	\$ 9,888,261	\$ 511,452	\$ 7,779,957	\$ -
Investment earnings	3,421	(73)	409	19
Charges for services	590,820	-	120,762	-
Other contributions	901,476	35,078	1,558,979	-
<b>Total revenues</b>	<b>11,383,978</b>	<b>546,457</b>	<b>9,460,107</b>	<b>19</b>
<b>Expenditures:</b>				
Current:				
General government	11,479	-	-	-
Public works	-	773,076	-	-
Public services	10,371,909	-	9,722,049	-
<b>Total expenditures</b>	<b>10,383,388</b>	<b>773,076</b>	<b>9,722,049</b>	<b>-</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>1,000,590</b>	<b>(226,619)</b>	<b>(261,942)</b>	<b>19</b>
<b>Other financing sources (uses):</b>				
Transfer in	31,814	-	297,500	-
Transfer out	-	(5,262)	-	-
<b>Total other financing sources (uses)</b>	<b>31,814</b>	<b>(5,262)</b>	<b>297,500</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>1,032,404</b>	<b>(231,881)</b>	<b>35,558</b>	<b>19</b>
Fund balances, beginning	3,969,690	1,473,935	1,662,863	12,244
Fund balances, ending	<b>\$ 5,002,094</b>	<b>\$ 1,242,054</b>	<b>\$ 1,698,421</b>	<b>\$ 12,263</b>

**Schedule 2**

Other ETF	Permanent Funds	Debt Service	Total Nonmajor Governmental Funds (See Exhibit D)
\$ -	\$ -	\$ -	\$ 18,179,670
369,677	-	-	373,453
-	-	-	711,582
396,445	168,726	-	3,060,704
<u>766,122</u>	<u>168,726</u>	<u>-</u>	<u>22,325,409</u>
-	-	-	11,479
-	-	-	773,076
-	-	-	20,093,958
<u>-</u>	<u>-</u>	<u>-</u>	<u>20,878,513</u>
<u>766,122</u>	<u>168,726</u>	<u>-</u>	<u>1,446,896</u>
-	-	15,223,513	15,552,827
-	-	-	(5,262)
<u>-</u>	<u>-</u>	<u>15,223,513</u>	<u>15,547,565</u>
766,122	168,726	15,223,513	16,994,461
<u>2,996,381</u>	<u>3,713,917</u>	<u>-</u>	<u>13,829,030</u>
<u>\$ 3,762,503</u>	<u>\$ 3,882,643</u>	<u>\$ 15,223,513</u>	<u>\$ 30,823,491</u>

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## Nonmajor Enterprise Funds

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## **Nonmajor Enterprise Funds**

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

**Combining Statement of Net Position (Deficit) – Nonmajor Enterprise Funds  
June 30, 2018**

	Business-Type Activities – Enterprise Funds			
	Golf Course	Skating Rink	East Rock Communications Tower	Total
<b>Assets</b>				
Current assets:				
Cash and cash equivalents	\$ 682,986	\$ 17,454	\$ 258,181	\$ 958,621
Accounts receivable	12,170	-	-	12,170
Due from other funds	-	-	9,373	9,373
<b>Total assets</b>	<b>695,156</b>	<b>17,454</b>	<b>267,554</b>	<b>980,164</b>
<b>Liabilities</b>				
Current liabilities:				
Accounts payable and accrued liabilities	249,393	-	1,213	250,606
Due to other funds	1,682	23,000	-	24,682
<b>Total current liabilities</b>	<b>251,075</b>	<b>23,000</b>	<b>1,213</b>	<b>275,288</b>
Net position (deficit):				
Unrestricted	444,081	(5,546)	266,341	704,876
<b>Total net position (deficit)</b>	<b>\$ 444,081</b>	<b>\$ (5,546)</b>	<b>\$ 266,341</b>	<b>\$ 704,876</b>



**Combining Statement of Revenues, Expenses and Changes in Fund Net Position (Deficit) –  
Nonmajor Enterprise Funds  
For the Year Ended June 30, 2018**

	Business-Type Activities – Enterprise Funds			
	Golf Course	Skating Rink	East Rock Communications Tower	Total
Operating revenues:				
Charges for services	\$ 874,864	\$ -	\$ 23,773	\$ 898,637
<b>Total operating revenues</b>	<b>874,864</b>	<b>-</b>	<b>23,773</b>	<b>898,637</b>
Operating expenses:				
Cost of service	958,642	-	58,571	1,017,213
<b>Total operating expenses</b>	<b>958,642</b>	<b>-</b>	<b>58,571</b>	<b>1,017,213</b>
<b>Operating (loss) income</b>	<b>(83,778)</b>	<b>-</b>	<b>(34,798)</b>	<b>(118,576)</b>
Nonoperating revenues:				
Interest income	-	-	864	864
<b>Total nonoperating revenues</b>	<b>-</b>	<b>-</b>	<b>864</b>	<b>864</b>
<b>Change in net position (deficit)</b>	<b>(83,778)</b>	<b>-</b>	<b>(33,934)</b>	<b>(117,712)</b>
Fund net position (deficit), beginning	527,859	(5,546)	300,275	822,588
Fund net position (deficit), ending	\$ 444,081	\$ (5,546)	\$ 266,341	\$ 704,876

**Combining Statement of Cash Flows – Nonmajor Enterprise Funds  
For the Year Ended June 30, 2018**

	Business-Type Activities – Enterprise Funds			
	Golf Course	Skating Rink	East Rock Communications Tower	Total
Cash flows from operating activities:				
Receipts from customers and users	\$ 875,155	\$ -	\$ 19,052	\$ 894,207
Payments to suppliers and personnel	(794,495)	(898)	(64,759)	(860,152)
<b>Net cash provided by (used in)         operating activities</b>	<b>80,660</b>	<b>(898)</b>	<b>(45,707)</b>	<b>34,055</b>
Cash flows from investing activities:				
Interest income	-	-	864	864
<b>Net cash provided by investing         activities</b>	<b>-</b>	<b>-</b>	<b>864</b>	<b>864</b>
<b>Net increase (decrease) in cash         and cash equivalents</b>	<b>80,660</b>	<b>(898)</b>	<b>(44,843)</b>	<b>34,919</b>
Cash and cash equivalents:				
Beginning	602,326	18,352	303,024	923,702
Ending	<u>\$ 682,986</u>	<u>\$ 17,454</u>	<u>\$ 258,181</u>	<u>\$ 958,621</u>
Reconciliation of operating loss to net cash used in operating activities:				
Operating loss	\$ (83,778)	\$ -	\$ (34,798)	\$ (118,576)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:				
Changes in assets and liabilities:				
Decrease in other receivables	291	-	-	291
Increase (decrease) in accounts payable	162,465	(898)	(6,188)	155,379
Increase (decrease) in due to other funds	1,682	-	(4,721)	(3,039)
<b>Net cash provided by (used in) operating         operating activities</b>	<b>\$ 80,660</b>	<b>\$ (898)</b>	<b>\$ (45,707)</b>	<b>\$ 34,055</b>

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## Fiduciary Funds

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**Combining Statement of Trust Fund Net Position – Fiduciary Funds  
June 30, 2018**

	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)
<b>Assets</b>					
Cash and short-term investments	\$ 12,019,290	\$ 14,890,274	\$ 1,117,587	\$ 1,982,476	\$ 30,009,627
Interest and dividends receivable	319,330	469,987	45	-	789,362
Accounts receivable-investment sales	143,940	425,690	-	-	569,630
Accounts receivable- other	34,435	133,678	127	-	168,240
Due from other funds	-	-	-	405,010	405,010
	<u>12,516,995</u>	<u>15,919,629</u>	<u>1,117,759</u>	<u>2,387,486</u>	<u>31,941,869</u>
Investments:					
Government agencies	-	17,212,638	-	-	17,212,638
Real estate	428,650	1,709,227	-	-	2,137,877
Common stock	66,884,720	152,900,719	109,107	-	219,894,546
Preferred stock	7,108,300	18,835,000	-	-	25,943,300
Corporate bonds	9,727,990	21,668,448	-	-	31,396,438
Mutual funds	9,062,396	-	-	-	9,062,396
Hedge Fund	19,083,584	30,867,802	-	-	49,951,386
Hedge Fund – equity	1,115,936	18,456,061	-	-	19,571,997
Venture capital partnerships	12,219,664	40,766,844	-	-	52,986,508
Exchange traded funds	31,947,454	687,600	-	-	32,635,054
<b>Total investments</b>	<u>157,578,694</u>	<u>303,104,339</u>	<u>109,107</u>	<u>-</u>	<u>460,792,140</u>
<b>Total assets</b>	<u>170,095,689</u>	<u>319,023,968</u>	<u>1,226,866</u>	<u>2,387,486</u>	<u>492,734,009</u>
<b>Liabilities</b>					
Accounts payable-investment purchases	381,900	132,275	-	-	514,175
<b>Total liabilities</b>	<u>381,900</u>	<u>132,275</u>	<u>-</u>	<u>-</u>	<u>514,175</u>
Net position:					
Restricted for pension and OPEB benefits	\$ 169,713,789	\$ 318,891,693	\$ 1,226,866	\$ 2,387,486	\$ 492,219,834

**Combining Statement of Changes in Trust Fund Net Position – Fiduciary Funds  
For the Year Ended June 30, 2018**

	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	\$ 21,706,165	\$ 34,607,857	\$ -	\$ 27,861,823	\$ 84,175,845
Plan members	4,981,570	7,557,388	-	1,201,955	13,740,913
<b>Total contributions</b>	<b>26,687,735</b>	<b>42,165,245</b>	<b>-</b>	<b>29,063,778</b>	<b>97,916,758</b>
Investment earnings:					
Net appreciation (depreciation) in fair value of investments	10,910,545	4,438,474	(1,278)	-	15,347,741
Interest and dividends	2,230,490	3,959,111	(25,309)	4,669	6,168,961
Miscellaneous Income	1,115	169,376	-	-	170,491
<b>Total investment income (loss)</b>	<b>13,142,150</b>	<b>8,566,961</b>	<b>(26,587)</b>	<b>4,669</b>	<b>21,687,193</b>
Less investment expense	956,420	1,818,313	-	818,613	3,593,346
<b>Net investment income (loss)</b>	<b>12,185,730</b>	<b>6,748,648</b>	<b>(26,587)</b>	<b>(813,944)</b>	<b>18,093,847</b>
<b>Total additions</b>	<b>38,873,465</b>	<b>48,913,893</b>	<b>(26,587)</b>	<b>28,249,834</b>	<b>116,010,605</b>
Deductions:					
Benefits	31,210,140	57,416,435	-	27,861,823	116,488,398
<b>Total deductions</b>	<b>31,210,140</b>	<b>57,416,435</b>	<b>-</b>	<b>27,861,823</b>	<b>116,488,398</b>
<b>Net increase (decrease)</b>	<b>7,663,325</b>	<b>(8,502,542)</b>	<b>(26,587)</b>	<b>388,011</b>	<b>(477,793)</b>
Restricted for pension and OPEB benefits:					
Fund net position, beginning of year	162,050,464	327,394,235	1,253,453	1,999,475	492,697,627
Fund net position, end of year	<b>\$ 169,713,789</b>	<b>\$ 318,891,693</b>	<b>\$ 1,226,866</b>	<b>\$ 2,387,486</b>	<b>\$ 492,219,834</b>

**Statement of Changes in Assets and Liabilities – Agency Funds  
For the Year Ended June 30, 2018**

	Balance July 1, 2017	Additions	Deductions	Balance June 30, 2018
<b>Student Activity Funds</b>				
Assets:				
Cash and cash equivalents	\$ 595,592	\$ 1,171,055	(1,260,647)	\$ 506,000
<b>Total assets</b>	<b>\$ 595,592</b>	<b>\$ 1,171,055</b>	<b>(1,260,647)</b>	<b>\$ 506,000</b>
Liabilities:				
Due to student groups	\$ 595,592	\$ 1,171,055	(1,260,647)	\$ 506,000
<b>Total liabilities</b>	<b>\$ 595,592</b>	<b>\$ 1,171,055</b>	<b>(1,260,647)</b>	<b>\$ 506,000</b>
	Balance July 1, 2017	Additions	Deductions	Balance June 30, 2018
<b>Performance Bond</b>				
Assets:				
Cash and cash equivalents	\$ 659,023	\$ 146,461	(140,507)	\$ 664,977
<b>Total assets</b>	<b>\$ 659,023</b>	<b>\$ 146,461</b>	<b>(140,507)</b>	<b>\$ 664,977</b>
Liabilities:				
Amounts held for others	\$ 659,023	\$ 146,461	(140,507)	\$ 664,977
<b>Total liabilities</b>	<b>\$ 659,023</b>	<b>\$ 146,461</b>	<b>(140,507)</b>	<b>\$ 664,977</b>
	Balance July 1, 2017	Additions	Deductions	Balance June 30, 2018
<b>Total Agency Funds</b>				
Assets:				
Cash and cash equivalents	\$ 1,254,615	\$ 1,317,516	\$ (1,401,154)	\$ 1,170,977
<b>Total assets</b>	<b>\$ 1,254,615</b>	<b>\$ 1,317,516</b>	<b>\$ (1,401,154)</b>	<b>\$ 1,170,977</b>
Liabilities:				
Due to student groups	\$ 595,592	\$ 1,171,055	\$ (1,260,647)	\$ 506,000
Amounts held for others	659,023	146,461	(140,507)	664,977
<b>Total liabilities</b>	<b>\$ 1,254,615</b>	<b>\$ 1,317,516</b>	<b>\$ (1,401,154)</b>	<b>\$ 1,170,977</b>



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## Other Schedules

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City of New Haven, Connecticut

Balance Sheet – by Account – General Fund  
June 30, 2018

	General Fund	Medical Self- Insurance	Self- Insurance
<b>Assets</b>			
Cash and cash equivalents	\$ 29,512,986	\$ 1,206,335	\$ 96,069
Investments	3,029,660		
Receivables:			
Receivables, net	20,178,161	5,506,548	-
Intergovernmental	163,037	-	-
Due from other funds	19,698,795	-	194,696
<b>Total assets</b>	<b>\$ 72,582,639</b>	<b>\$ 6,712,883</b>	<b>\$ 290,765</b>
<b>Liabilities</b>			
Accounts payable	\$ 33,210,586	\$ 2,046,491	\$ 116,489
Accrued liabilities	16,387,234	-	-
Due to other governments	104,473	-	-
Unearned revenue	1,913,316	-	-
Due to other funds	5,136,108	9,087,778	211,370
<b>Total liabilities</b>	<b>56,751,717</b>	<b>11,134,269</b>	<b>327,859</b>
<b>Deferred Inflows of Resources</b>			
Unavailable revenue	10,150,924	-	-
Advanced tax collections	11,967,372	-	-
<b>Total deferred inflows of resources</b>	<b>22,118,296</b>	<b>-</b>	<b>-</b>
<b>Fund Balances (Deficits)</b>			
Unassigned (deficit)	(6,287,374)	(4,421,386)	(37,094)
<b>Total fund balances (deficits)</b>	<b>(6,287,374)</b>	<b>(4,421,386)</b>	<b>(37,094)</b>
<b>Total liabilities, deferred inflows of resources and fund balances (deficits)</b>	<b>\$ 72,582,639</b>	<b>\$ 6,712,883</b>	<b>\$ 290,765</b>

**Schedule 9**

	Workers' Compensation	Eliminate Interfund Receivables	Totals
	\$ 27,593	\$ -	\$ 30,842,983
			3,029,660
	74,554	-	25,759,263
	-	-	163,037
	40,592	(9,299,148)	10,634,935
	\$ 142,739	\$ (9,299,148)	\$ 70,429,878
	\$ -	\$ -	\$ 35,373,566
	-	-	16,387,234
	-	-	104,473
	-	-	1,913,316
	-	(9,299,148)	5,136,108
	-	(9,299,148)	58,914,697
	-	-	10,150,924
	-	-	11,967,372
	-	-	22,118,296
	142,739	-	(10,603,115)
	142,739	-	(10,603,115)
	\$ 142,739	\$ (9,299,148)	\$ 70,429,878

City of New Haven, Connecticut

Schedule of Revenues, Expenditures and Changes in Fund Balance – by Account – General Fund  
June 30, 2018

	General Fund	Medical Self- Insurance	Self- Insurance
<b>Revenues:</b>			
Property taxes	\$ 253,562,833	\$ -	\$ -
Licenses and permits	22,328,301	-	-
Intergovernmental	299,089,386	-	-
Charges for services and premiums	5,703,398	19,764,949	-
Fines	5,249,736	-	-
Investment earnings	1,389,114	-	-
Payment in lieu of taxes	1,303,720	-	-
Contributions and other	18,024,984	101,882,650	12,112,000
	<u>606,651,472</u>	<u>121,647,599</u>	<u>12,112,000</u>
<b>Expenditures:</b>			
Current:			
General government	29,599,662	-	-
Public safety	79,360,860	-	-
Public works	17,345,495	-	-
Health and welfare	8,475,681	-	-
Culture and recreation	1,206,219	-	-
Benefit and insurance	166,023,048	120,516,402	12,108,406
Education	260,920,722	-	-
Economic Development	7,978,871	-	-
Principal retirements	10,467,592	-	-
Interest	24,113,674	-	-
Debt issuance costs	273,192	-	-
<b>Total expenditures</b>	<u>605,765,016</u>	<u>120,516,402</u>	<u>12,108,406</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>886,456</u>	<u>(120,516,402)</u>	<u>(12,108,406)</u>
<b>Other financing sources (uses):</b>			
Premium on bond issuances	11,282,904	-	-
Issuance of grant anticipation notes	-	-	-
Transfers in	-	-	-
Transfers out	(15,521,013)	-	-
Payment to escrow agent	(38,407,984)	-	-
Issuance of refunding bonds	33,415,000	-	-
<b>Total other financing sources (uses)</b>	<u>(9,231,093)</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balance (deficit)</b>	<u>(8,344,637)</u>	<u>1,131,197</u>	<u>3,594</u>
Fund balances (deficits), beginning of year	<u>2,057,263</u>	<u>(5,552,583)</u>	<u>(40,688)</u>
Fund balances (deficits), end of year	<u>\$ (6,287,374)</u>	<u>\$ (4,421,386)</u>	<u>\$ (37,094)</u>

**Schedule 10**

Workers' Compensation	Eliminate Interfund Receivables	Totals
\$ -	\$ -	\$ 253,562,833
-	-	22,328,301
-	-	299,089,386
-	(19,764,949)	5,703,398
-	-	5,249,736
-	-	1,389,114
-	-	1,303,720
9,314,839	(122,173,607)	19,160,866
9,314,839	(141,938,556)	607,787,354
-	-	29,599,662
-	-	79,360,860
-	-	17,345,495
-	-	8,475,681
-	-	1,206,219
9,313,748	(141,938,556)	166,023,048
-	-	260,920,722
-	-	7,978,871
-	-	10,467,592
-	-	24,113,674
-	-	273,192
9,313,748	(141,938,556)	605,765,016
(9,313,748)	141,938,556	886,456
-	-	11,282,904
-	-	-
-	-	-
-	-	(15,521,013)
-	-	(38,407,984)
-	-	33,415,000
-	-	(9,231,093)
1,091	-	(7,208,755)
141,648	-	(3,394,360)
\$ 142,739	\$ -	\$ (10,603,115)



City of New Haven, Connecticut

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

Grand List	Uncollected Taxes July 1, 2017	Current Levy	Lawful Corrections Additions/ Deductions	Transfers to Suspense	Net Amount Collectible
2002	\$ 80,932	\$ -	\$ (7,547)	\$ -	\$ 73,386
2003	89,971	-	(7,742)	-	82,228
2004	94,612	-	(8,646)	-	85,967
2005	144,452	-	(681)	-	143,771
2006	161,737	-	(753)	-	160,984
2007	(180,964)	-	(3,736)	-	(184,700)
2008	165,029	-	(10,445)	-	154,584
2009	161,356	-	(12,126)	-	149,230
2010	178,149	-	(12,126)	-	166,023
2011	131,059	-	(16,141)	-	114,918
2012	244,541	-	(20,029)	-	224,512
2013	1,374,432	-	(25,184)	(946,758)	402,490
2014	2,060,050	-	(44,987)	-	2,015,063
2015	4,336,843	-	(62,998)	-	4,273,845
Prior Years' Total	9,042,199	-	(233,140)	(946,758)	7,862,301
2016	-	255,107,330	(2,303,081)	-	252,804,250
	<u>\$ 9,042,199</u>	<u>\$ 255,107,330</u>	<u>\$ (2,536,221)</u>	<u>\$ (946,758)</u>	<u>\$ 260,666,551</u>

Schedule 11

Collections						Uncollected
Taxes	Overpayments	Interest and Lien Fees	Lien Fees	Total		Taxes June 30, 2018
\$ 84	\$ -	\$ 322	\$ -	\$ 406		\$ 73,302
86	-	202	-	288		82,142
92	-	201	-	293		85,875
9,651	-	19,793	-	29,444		134,120
4,504	(7,890)	9,766	-	14,270		164,370
18,485	(379,250)	31,573	-	50,058		176,065
21,305	(28,351)	26,492	-	47,797		161,630
18,068	(12,996)	2,068	-	20,136		144,158
(6,235)	(7,024)	5,632	-	(603)		179,283
(9,654)	(94,286)	13,885	-	4,231		218,858
68,023	(77,971)	19,599	-	87,622		234,460
222,527	(112,113)	96,606	-	319,133		292,076
687,460	(232,020)	244,972	-	932,432		1,559,624
2,744,825	(376,949)	563,436	-	3,308,261		1,905,970
3,779,221	(1,328,851)	1,034,545	-	3,484,914		5,411,932
248,813,458	(1,041,140)	836,089	-	248,608,407		5,031,932
<u>\$ 252,592,679</u>	<u>\$ (2,369,992)</u>	<u>\$ 1,870,634</u>	<u>\$ -</u>	<u>\$ 252,093,321</u>		<u>\$ 10,443,864</u>

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**Statistical Section  
(Unaudited)**

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## **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  
Last Ten Fiscal Years  
(Unaudited)**

	Fiscal Year			
	2009	2010	2011	2012
<b>Governmental activities:</b>				
Net investment in capital assets	\$ 795,545,245	\$ 790,216,721	\$ 889,013,623	\$ 933,256,161
Restricted	12,887,497	12,550,193	16,979,104	13,770,223
Unrestricted	(148,878,781)	(37,143,425)	(97,426,220)	(136,664,640)
<b>Total governmental activities</b>	<b>659,553,961</b>	<b>765,623,489</b>	<b>808,566,507</b>	<b>810,361,744</b>
<b>Business-type activities:</b>				
Unrestricted	1,647,934	652,000	520,387	552,158
<b>Total business-type activities</b>	<b>1,647,934</b>	<b>652,000</b>	<b>520,387</b>	<b>552,158</b>
<b>City net position:</b>				
Net Invested in capital assets,	795,545,245	790,216,721	889,013,623	933,256,161
Restricted	12,887,497	12,550,193	16,979,104	13,770,223
Unrestricted (deficit)	(147,230,847)	(36,491,425)	(96,905,833)	(136,112,482)
<b>Total governmental activities</b>	<b>\$ 661,201,895</b>	<b>\$ 766,275,489</b>	<b>\$ 809,086,894</b>	<b>\$ 810,913,902</b>

Source: Department of Finance

Fiscal Year					
2013	2014	2015	2016	2017	2018
\$ 950,575,226	\$ 952,587,372	\$ 918,930,231	\$ 956,517,425	\$ 1,024,694,383	\$ 1,001,195,147
16,333,526	20,765,758	13,528,982	10,763,525	12,791,744	20,148,539
(154,091,504)	(190,023,485)	(717,176,614)	(751,798,333)	(854,616,649)	(1,369,562,105)
812,817,248	783,329,645	215,282,599	215,482,617	182,869,478	(348,218,419)
453,546	611,147	469,359	599,845	822,588	704,876
453,546	611,147	469,359	599,845	822,588	704,876
950,575,226	952,587,372	918,930,231	956,517,425	1,024,694,383	1,001,195,147
16,333,526	20,765,758	13,528,982	10,763,525	12,791,744	20,148,539
(153,637,958)	(189,412,338)	(716,707,255)	(751,198,488)	(853,794,061)	(1,368,857,229)
\$ 813,270,794	\$ 783,940,792	\$ 215,751,958	\$ 216,082,462	\$ 183,692,066	\$ (347,513,543)



City of New Haven, Connecticut

Statement of Activities  
Last Ten Fiscal Years  
(Unaudited)

	Fiscal Year			
	2009	2010	2011	2012
Expenses:				
Governmental activities:				
General government	\$ 33,128,676	\$ 38,324,187	\$ 38,378,265	\$ 42,912,415
Education	281,171,745	369,049,226	387,620,341	398,188,801
Public Safety	70,113,405	95,866,212	100,362,361	100,752,656
Public Works	25,800,652	46,150,257	43,462,757	29,571,591
Public Services	41,512,155	36,094,387	34,963,806	35,226,515
Employee benefits and insurance	115,508,082	-	-	-
Culture and Recreation	9,665,487	12,194,921	11,008,820	-
Economic Development	39,221,060	8,599,509	7,778,651	7,748,513
Interest on long-term debt	21,900,866	22,380,844	22,625,151	24,802,662
<b>Total governmental expenses</b>	<b>638,022,128</b>	<b>628,659,543</b>	<b>646,200,152</b>	<b>639,203,153</b>
Business-type activities:				
Recreation	1,255,002	883,496	1,269,621	1,086,086
<b>Total business-type expenses</b>	<b>1,255,002</b>	<b>883,496</b>	<b>1,269,621</b>	<b>1,086,086</b>
<b>Total expenses</b>	<b>639,277,130</b>	<b>629,543,039</b>	<b>647,469,773</b>	<b>640,289,239</b>
Program revenues:				
Governmental activities:				
Charges for services	48,839,095	32,703,214	23,694,252	25,775,734
Operating grants and contributions	273,622,190	304,571,883	290,018,680	281,391,602
Capital grants and contributions	110,706,951	69,966,267	94,495,718	43,861,614
<b>Total governmental activities</b>	<b>433,168,236</b>	<b>407,241,364</b>	<b>408,208,650</b>	<b>351,028,950</b>
Business-type activities:				
Recreation	1,117,372	1,353,464	1,137,624	1,227,809
<b>Total business-type activities</b>	<b>1,117,372</b>	<b>1,353,464</b>	<b>1,137,624</b>	<b>1,227,809</b>
<b>Total program revenues</b>	<b>434,285,608</b>	<b>408,594,828</b>	<b>409,346,274</b>	<b>352,256,759</b>
Net (expense)/revenue				
Governmental activities	(204,853,892)	(221,418,179)	(237,991,502)	(288,174,203)
Business-type activities	(137,630)	469,968	(131,997)	141,723
<b>Total net expenses</b>	<b>(204,991,522)</b>	<b>(220,948,211)</b>	<b>(238,123,499)</b>	<b>(288,032,480)</b>

Source: Department of Finance

Fiscal Year						
2013	2014	2015	2016	2017	2018	
\$ 44,273,863	\$ 42,374,815	\$ 45,019,352	\$ 42,621,112	\$ 51,190,242	\$ 44,732,017	
422,504,443	441,022,674	471,239,560	551,621,913	539,165,020	551,501,263	
100,514,476	103,204,821	118,802,515	112,584,258	156,935,928	168,088,802	
28,086,703	36,849,330	36,357,486	46,241,701	34,813,406	32,688,007	
34,109,046	37,089,015	35,959,603	32,628,293	41,830,406	36,205,051	
-	-	-	-	-	-	
-	-	-	-	-	-	
16,022,738	20,216,634	14,227,659	8,673,822	14,790,863	15,814,990	
26,153,935	25,334,747	25,948,757	19,597,972	21,732,765	22,763,793	
671,665,204	706,092,036	747,554,932	813,969,071	860,458,630	871,793,923	
1,178,023	811,193	1,206,943	906,629	668,672	1,017,213	
1,178,023	811,193	1,206,943	906,629	668,672	1,017,213	
672,843,227	706,903,229	748,761,875	814,875,700	861,127,302	872,811,136	
36,907,521	35,291,621	40,886,610	32,702,396	34,325,195	34,859,383	
299,280,981	309,425,898	327,560,388	396,220,688	382,520,519	359,569,290	
49,720,146	30,467,436	38,134,971	75,476,816	84,762,285	38,437,427	
385,908,648	375,184,955	406,581,969	504,399,900	501,607,999	432,866,100	
1,189,355	1,078,769	1,175,155	1,106,538	890,819	898,637	
1,189,355	1,078,769	1,175,155	1,106,538	890,819	898,637	
387,098,003	376,263,724	407,757,124	505,506,438	502,498,818	433,764,737	
(285,756,556)	(330,907,081)	(340,972,963)	(309,569,171)	(358,850,631)	(438,927,823)	
11,332	267,576	(31,788)	199,909	222,147	(118,576)	
(285,745,224)	(330,639,505)	(341,004,751)	(309,369,262)	(358,628,484)	(439,046,399)	

(Continued)

**City of New Haven, Connecticut**

**Statement of Activities (Continued)  
Last Ten Fiscal Years  
(Unaudited)**

	Fiscal Year			
	2009	2010	2011	2012
General revenues and other:				
Changes in net position:				
Governmental activities:				
Property taxes	\$ 205,341,992	\$ 213,331,992	\$ 223,589,061	\$ 229,270,651
Grants and contributions not restricted to specific purposes	53,565,509	54,721,798	53,781,158	60,472,827
Investment income	823,478	192,676	114,301	115,962
Miscellaneous	7,475,580	3,775,000	3,450,000	-
Transfers	110,000	1,466,241	-	110,000
<b>Total governmental activities</b>	<b>267,316,559</b>	<b>273,487,707</b>	<b>280,934,520</b>	<b>289,969,440</b>
Business-type activities:				
Investment income	1,818	339	384	48
Transfers	(110,000)	(1,466,241)	-	(110,000)
<b>Total business-type activities</b>	<b>(108,182)</b>	<b>(1,465,902)</b>	<b>384</b>	<b>(109,952)</b>
<b>Total general revenues</b>	<b>267,208,377</b>	<b>272,021,805</b>	<b>280,934,904</b>	<b>289,859,488</b>
Change in net position:				
Governmental activities	62,462,667	52,069,528	42,943,018	1,795,237
Business-type activities	(245,812)	(995,934)	(131,613)	31,771
Change in net position	<b>\$ 62,216,855</b>	<b>\$ 51,073,594</b>	<b>\$ 42,811,405</b>	<b>\$ 1,827,008</b>

Source: Department of Finance

Fiscal Year					
2013	2014	2015	2016	2017	2018
\$ 232,021,388	\$ 245,329,193	\$ 251,874,699	\$ 249,774,495	\$ 252,274,961	\$ 254,463,152
55,960,782	55,924,054	61,506,528	59,929,086	73,551,080	75,606,647
119,890	56,231	(7,977)	(4,392)	411,451	1,769,957
-	-	-	-	-	-
110,000	110,000	110,000	70,000	-	-
288,212,060	301,419,478	313,483,250	309,769,189	326,237,492	331,839,756
56	25	-	577	596	864
(110,000)	(110,000)	(110,000)	(70,000)	-	-
(109,944)	(109,975)	(110,000)	(69,423)	596	864
288,102,116	301,309,503	313,373,250	309,699,766	326,238,088	331,840,620
2,455,504	(29,487,603)	(27,489,713)	200,018	(32,613,139)	(107,088,067)
(98,612)	157,601	(141,788)	130,486	222,743	(117,712)
\$ 2,356,892	\$ (29,330,002)	\$ (27,631,501)	\$ 330,504	\$ (32,390,396)	\$ (107,205,779)

**City of New Haven, Connecticut**

**Fund Balances, Governmental Funds  
Last Ten Fiscal Years  
(Modified Accrual Basis of Accounting)  
(Unaudited)**

	Fiscal Year			
	2009	2010	2011*	2012
<b>General fund:</b>				
Nonspendable	\$ -	\$ -	\$ 7,000,000	\$ 5,000,000
Unassigned	-	-	9,827,620	3,791,796
Reserved	-	7,000,000	-	-
Unreserved	16,025,789	9,177,717	-	-
<b>Total general fund</b>	<b>\$ 16,025,789</b>	<b>\$ 16,177,717</b>	<b>\$ 16,827,620</b>	<b>\$ 8,791,796</b>
<b>All other governmental funds:</b>				
Nonspendable	\$ -	\$ -	\$ 2,495,040	\$ 2,415,247
Restricted	-	-	13,149,999	12,577,203
Committed	-	-	2,480,268	2,480,268
Assigned	-	-	858,106	696,429
Unassigned	-	-	(42,124,903)	(41,238,667)
Reserved	119,254,075	74,673,938	-	-
<b>Unreserved, reported in:</b>				
Special revenue funds	(4,394,417)	(10,990,440)	-	-
Capital projects funds	(166,587,369)	(107,306,164)	-	-
Permanent funds	2,447,525	2,536,873	-	-
<b>Total all other governmental funds</b>	<b>\$ (49,280,186)</b>	<b>\$ (41,085,793)</b>	<b>\$ (23,141,490)</b>	<b>\$ (23,069,520)</b>

\* 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							
		2013	2014	2015	2016	2017	2018		
\$	4,000,000	\$	-	\$	-	\$	369,575	\$	-
	(8,721,555)		22,047		1,726,001		2,023,605		(3,763,935)
	-		-		-		-		-
	-		-		-		-		-
\$	(4,721,555)	\$	22,047	\$	1,726,001	\$	2,023,605	\$	(3,394,360)
\$	2,501,388	\$	2,501,388	\$	2,449,526	\$	2,433,271	\$	2,524,744
	13,952,206		56,816,595		53,526,263		58,876,699		70,232,391
	-		-		-		-		-
	783,844		-		-		-		-
	(48,281,991)		(9,853,003)		(4,821,965)		-		(579,530)
	-		-		-		-		-
	-		-		-		-		-
	-		-		-		-		-
	-		-		-		-		-
\$	(31,044,553)	\$	49,464,980	\$	51,153,824	\$	61,309,970	\$	72,177,605
									\$
									92,148,664

City of New Haven, Connecticut

**Changes in Fund Balance, Governmental Funds  
Last Ten Fiscal Years  
(Accrual Basis of Accounting)  
(Unaudited)**

	Fiscal Year			
	2009	2010	2011	2012
<b>Revenues:</b>				
Property taxes	\$ 203,404,742	\$ 206,824,921	\$ 218,720,737	\$ 226,146,445
Licenses and permits	17,319,960	18,844,871	13,195,587	12,562,691
Intergovernmental	434,232,125	413,032,296	405,712,082	375,716,436
Charges for services	4,575,057	7,249,401	7,816,539	7,900,287
Fines	5,351,710	5,077,231	5,709,988	5,312,756
Investment income	823,478	192,676	114,301	115,962
Payments in lieu of taxes	2,435,344	5,364,603	1,820,138	2,018,863
Contributions and other	25,035,449	19,212,240	28,910,176	18,346,222
<b>Total revenues</b>	<b>693,177,865</b>	<b>675,798,239</b>	<b>681,999,548</b>	<b>648,119,662</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	32,908,251	32,228,453	30,704,867	33,414,390
Public safety	68,810,405	70,769,960	73,739,649	72,617,616
Public works	19,439,170	29,061,135	27,581,215	16,076,971
Public services	41,512,155	33,753,120	31,895,908	29,207,328
Other departments	-	-	677,539	1,825,846
Culture and recreation	9,110,439	8,700,514	106,160,244	-
Employee benefits and insurance	91,498,136	97,698,274	8,576,710	120,102,608
Economic development	-	8,599,509	7,778,651	7,748,513
Education	265,877,829	273,173,543	276,049,421	276,988,897
Other expenditures	39,221,060	-	-	-
<b>Debt service:</b>				
Principal	42,147,976	41,333,551	41,618,348	40,676,028
Interest	21,669,413	22,380,844	23,333,353	24,482,136
Capital outlay	132,086,908	115,394,256	69,472,533	83,765,276
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>764,281,742</b>	<b>733,093,159</b>	<b>697,588,438</b>	<b>706,905,609</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(71,103,877)</b>	<b>(57,294,920)</b>	<b>(15,588,890)</b>	<b>(58,785,947)</b>
<b>Other financing sources (uses):</b>				
Capital related debt	45,000,000	50,400,000	-	-
Bond proceeds	-	-	-	44,500,000
Issuance of grant anticipation notes	-	-	-	-
Refunding bond proceeds	-	-	44,265,000	-
Proceeds from sale of capital assets	7,475,580	3,775,000	3,450,000	3,663,000
Payment to escrow	-	-	(16,569,312)	-
Premium on bonds issued	-	-	3,037,408	2,549,093
Transfers in	110,000	3,813,094	6,218,541	2,465,303
Transfers out	-	(2,346,853)	(6,218,541)	(2,355,303)
Issuance of capital leases	-	-	-	-
Bond premium on refunding	-	-	-	-
Refunding bonds proceeds	-	-	-	-
Refunding bonds issued	-	-	-	-
Bond issue premium	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>52,585,580</b>	<b>55,641,241</b>	<b>34,183,096</b>	<b>50,822,093</b>
<b>Net change in fund balances</b>	<b>(18,518,297)</b>	<b>(1,653,679)</b>	<b>18,594,206</b>	<b>(7,963,854)</b>
Fund balance at beginning of year	(14,736,100)	(23,254,397)	(24,908,076)	(6,313,870)
Fund balance at end of year	\$ (33,254,397)	\$ (24,908,076)	\$ (6,313,870)	\$ (14,277,724)
Debt service as a percentage of noncapital expenditures	11.23%	11.50%	11.53%	11.68%
Source: Department of Finance				
Total debt service	\$ 63,817,389	\$ 63,714,395	\$ 64,951,701	\$ 65,158,164
Noncapital Expenditures	568,377,445	553,984,508	563,164,204	557,982,169

Fiscal Year						
	2013	2014	2015	2016	2017	2018
\$	230,988,343	\$ 243,999,342	\$ 249,968,781	\$ 250,993,094	\$ 252,389,650	\$ 253,562,833
	16,207,851	15,715,800	25,735,463	18,835,219	21,780,552	22,328,301
	368,505,030	395,251,811	427,556,702	507,395,162	509,215,520	461,849,333
	11,658,305	8,868,596	7,377,689	7,627,709	5,527,278	6,924,985
	4,502,154	4,713,752	5,127,968	5,534,394	5,143,809	5,249,736
	119,890	56,231	(7,977)	(4,309)	410,083	1,769,957
	1,943,383	1,975,822	1,436,103	1,427,020	1,292,074	1,303,720
	19,833,644	23,187,286	21,118,723	19,488,380	23,561,936	26,152,020
	653,758,600	693,768,640	738,313,452	811,296,669	819,320,902	779,140,885
	34,051,946	31,933,933	32,497,009	31,941,350	31,874,587	34,386,513
	72,103,165	72,312,347	76,868,915	72,663,255	76,450,736	79,360,860
	21,643,596	27,151,726	28,269,005	21,582,317	25,454,621	18,716,941
	28,020,430	27,256,339	28,071,550	28,241,064	30,589,011	28,569,639
	1,437,285	797,221	1,085,037	1,210,771	1,201,474	1,206,219
	-	-	-	-	-	-
	128,736,336	124,811,581	143,188,467	137,510,540	147,029,077	166,023,048
	16,022,738	20,216,234	14,227,659	8,673,822	10,755,284	10,957,299
	299,236,689	311,955,067	336,796,430	384,845,337	381,972,038	379,988,600
	-	-	-	-	-	-
	42,855,066	41,858,092	38,753,682	38,160,503	58,526,363	17,467,592
	22,955,367	20,423,668	26,059,727	24,327,972	25,209,653	24,113,674
	57,765,250	42,297,623	53,956,863	122,802,205	84,774,064	65,331,768
	-	-	-	-	-	-
	724,827,868	721,013,831	779,774,344	871,959,136	873,836,908	826,122,153
	(71,069,268)	(27,245,191)	(41,460,892)	(60,662,467)	(54,516,006)	(46,981,268)
	-	-	-	-	-	-
	43,000,000	53,870,000	96,150,000	100,100,000	117,510,000	43,300,000
	-	56,552,893	-	-	-	-
	47,700,000	24,235,000	-	-	-	33,415,000
	4,500,000	-	-	-	-	-
	(51,372,532)	(25,602,585)	(68,191,150)	(60,666,022)	(77,675,143)	(38,407,984)
	1,538,351	1,749,713	14,424,001	13,078,096	19,532,886	11,282,904
	9,118,246	2,584,489	1,554,742	2,832,464	665,850	15,736,660
	(9,008,246)	(2,474,489)	(1,444,742)	(2,762,464)	(665,850)	(15,736,660)
	-	-	2,360,839	-	597,933	-
	4,105,065	1,583,305	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	49,580,884	112,498,326	44,853,690	52,582,074	59,965,676	49,589,920
	(21,488,384)	85,253,135	3,392,798	(8,080,393)	5,449,670	2,608,652
	(14,277,724)	(35,766,108)	49,487,027	52,879,825	63,333,575	68,783,245
\$	(35,766,108)	\$ 49,487,027	\$ 52,879,825	\$ 44,799,432	\$ 68,783,245	\$ 71,391,897
	10.95%	10.10%	9.69%	9.10%	11.84%	5.30%
\$	65,810,433	\$ 62,281,760	\$ 64,813,409	\$ 62,488,475	\$ 83,736,016	\$ 41,581,266
	601,252,185	616,434,448	661,004,072	686,668,456	707,179,791	784,540,887



**City of New Haven, Connecticut**

**Assessed and Estimated Actual Value of Taxable Property  
Last Ten Fiscal Years  
(Amounts Expressed in Thousands) (Unaudited)**

Fiscal Year	Real Property		Personal Property	
	Residential Property	Commercial Property	Motor Vehicles	Other
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
2014	2,777,322,135	2,482,446,816	358,091,434	659,574,253
2015	2,734,178,958	2,430,337,559	390,045,199	711,254,231
2016	2,938,127,710	2,810,405,435	410,168,319	757,100,350
2017	2,930,573,686	2,823,153,977	414,539,336	1,033,827,953
2018	2,933,701,899	2,751,284,913	422,346,345	1,093,283,530

Source: City Assessor's Office

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

The City has no overlapping governments.

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
\$ 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%
148,748,005	6,128,686,633	40.80	8,967,763,769	70%
175,265,543	6,090,550,404	41.55	8,951,165,639	70%
326,046,053	6,589,755,761	41.55	9,879,716,877	70%
595,468,205	6,606,626,747	38.68	10,288,707,074	70%
609,114,408	6,591,502,279	42.98	10,286,595,267	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	\$ 308,940,290	1	4.87%	\$ 76,148,512	2	1.82%
Winn-Stanley	134,067,620	2	2.11%	N/A	N/A	N/A
Yale University	130,633,581	3	2.06%	66,241,341	3	1.58%
Fusco	112,662,610	4	1.78%	79,766,677	1	1.90%
PSEG Power Connecticut LLC	76,582,336	5	1.21%	N/A	N/A	N/A
MEPT Chapel Street LLC	54,347,611	6	0.86%	N/A	N/A	N/A
Carabetta	52,309,900	7	0.83%	N/A	N/A	N/A
Howe St. Landlord LLC	47,250,630	8	0.75%	N/A	N/A	N/A
New Haven Towers	46,807,620	9	0.74%	N/A	N/A	N/A
HTA-YLW New Haven LLC	41,142,990	10	0.65%	N/A	N/A	N/A
	<u>\$ 1,004,745,188</u>		<u>15.85% %</u>	<u>\$ 222,156,530</u>		<u>5.30%</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
2009	\$ 204,055,700	\$ 199,464,168	97.75	\$ 1,678,046	\$ 201,142,214	98.57
2010	206,066,188	201,314,351	97.69	1,856,121	203,170,472	98.59
2011	219,290,220	213,902,653	97.54	2,749,901	216,652,554	98.80
2012	226,835,432	220,502,270	97.21	3,434,673	223,936,943	98.72
2013	233,426,979	227,626,731	97.52	(271,666)	227,355,065	97.40
2014	245,563,608	240,989,878	98.14	321,852	241,311,730	98.27
2015	252,620,573	247,382,319	97.93	718,498	248,100,817	98.21
2016	252,312,223	247,811,024	98.22	2,299,478	250,110,502	99.13
2017	251,492,664	246,609,814	98.06	2,367,876	248,977,690	99.00
2018	252,804,249	247,772,319	98.01	-	247,772,319	98.01

Source: Department of Finance, Office of the Tax Collector

**City of New Haven, Connecticut**

**Ratio of Net General Bonded Debt to Assessed 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
2009	\$ 501,192	5.43%	\$ 4,065	18.70%
2010	511,288	5.62%	3,939	18.31%
2011	501,180	5.34%	3,867	18.96%
2012	507,431	5.17%	3,884	16.64%
2013	510,590	5.73%	3,937	16.87%
2014	525,053	6.04%	4,048	17.35%
2015	539,448	6.03%	4,140	17.74%
2016	556,277	7.94%	4,269	18.29%
2017	570,450	7.91%	4,378	18.76%
2018	606,160	9.20%	4,652	19.93%

Source: Department of Finance

Note: The City has no overlapping debt.

**City of New Haven, Connecticut**

**Ratio of Total Direct Debt  
Last Ten Fiscal Years  
(Unaudited)**

Fiscal Year	General Obligation Bonds (in 000's)	Capital Leases (in 000's)	Notes (in 000's)	Total Net Primary Debt (in 000's)	Ratio of Total Direct Debt to Estimated Actual Value of Property	Total Direct Debt Per Capita
2009	\$ 501,192	\$ 1,080	\$ 92,619	\$ 594,891	6.45%	\$ 4,825
2010	511,288	475	77,177	588,940	6.47%	4,537
2011	501,180	291	65,860	567,331	6.07%	4,378
2012	507,431	3,760	60,903	572,094	5.87%	4,414
2013	510,590	3,217	78,288	592,095	6.65%	4,530
2014	525,053	3,258	67,915	596,226	6.65%	4,597
2015	539,448	5,432	60,397	605,277	6.76%	4,645
2016	556,277	4,534	77,718	638,529	6.46%	4,900
2017	570,450	4,274	64,311	639,035	6.21%	4,808
2018	606,160	3,179	60,984	670,323	6.52%	5,044

Source: Department of Finance

Note: The City has no overlapping debt.

**City of New Haven, Connecticut**

**Schedule of Debt Limitation  
For the Year Ended June 30, 2018  
(Unaudited)**

Total tax collections (including interest and lien fees) received for the year ended June 30, 2018						\$ 252,093,321
Reimbursement for revenue loss from: Elderly tax relief						-
Base						<u>\$ 252,093,321</u>
	General Purpose	Schools	Sewer	Urban Renewal	Pension Bonding	Total
Debt limitation:						
2-1/4 times base	\$ 567,209,972	\$ -	\$ -	\$ -	\$ -	\$ 567,209,972
4-1/2 times base	-	1,134,419,945	-	-	-	1,134,419,945
3-3/4 times base	-	-	945,349,954	-	-	945,349,954
3-1/4 times base	-	-	-	819,303,293	-	819,303,293
3 times base	-	-	-	-	756,279,963	756,279,963
<b>Total debt limitation</b>	<u>567,209,972</u>	<u>1,134,419,945</u>	<u>945,349,954</u>	<u>819,303,293</u>	<u>756,279,963</u>	<u>4,222,563,128</u>
Indebtedness:						
Bonds payable	297,948,485	225,423,309	-	28,778,813	-	552,150,607
Grant anticipation note	-	57,633,475	-	-	-	57,633,475
School grants receivable	-	(15,202,858)	-	-	-	(15,202,858)
Bonds authorized and unissued	2,000,478	214,254,709	-	-	-	216,255,187
<b>Total indebtedness of the City</b>	<u>299,948,963</u>	<u>482,108,635</u>	<u>-</u>	<u>28,778,813</u>	<u>-</u>	<u>810,836,411</u>
Component unit indebtedness:						
New Haven Parking Authority	6,180,000	-	-	-	-	6,180,000
New Haven Solid Waste Authority	6,535,000	-	-	-	-	6,535,000
<b>Total indebtedness</b>	<u>312,663,963</u>	<u>482,108,635</u>	<u>-</u>	<u>28,778,813</u>	<u>-</u>	<u>823,551,411</u>
<b>Debt limitation in excess of outstanding and authorized debt</b>	<u>\$ 254,546,009</u>	<u>\$ 652,311,310</u>	<u>\$ 945,349,954</u>	<u>\$ 790,524,480</u>	<u>\$ 756,279,963</u>	<u>\$ 3,399,011,717</u>

Source: Department of Finance

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**City of New Haven, Connecticut**

**Legal Debt Margin Information  
Last Ten Fiscal Years  
(Unaudited)**

	2009	2010	2011	2012
Debt limit	\$ 1,424,007,039	\$ 2,984,366,075	\$ 3,650,066,669	\$ 3,760,220,716
Total net debt applicable to limit	692,566,863	770,266,215	743,923,424	723,700,313
Legal debt margin	\$ 731,440,176	\$ 2,214,099,860	\$ 2,906,143,245	\$ 3,036,520,403
<b>Total net debt applicable to the limit as a percentage of debt limit</b>	<b>48.64%</b>	<b>25.81%</b>	<b>20.38%</b>	<b>19.25%</b>

Source: Department of Finance

2013	2014	2015	2016	2017	2018
\$ 3,886,957,715	\$ 4,093,343,175	\$ 4,182,734,307	\$ 4,157,468,305	\$ 4,183,195,250	\$ 4,222,563,128
793,344,746	776,296,792	774,789,991	800,040,047	790,381,000	823,551,411
\$ 3,093,612,969	\$ 3,317,046,383	\$ 3,407,944,316	\$ 3,357,428,258	\$ 3,392,814,250	\$ 3,399,011,717
20.41%	18.96%	18.52%	19.24%	18.89%	19.50%

## 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	Educational Attainment		School Enrollment	Unemployment Rate
					% of 25+ adults with a high school degree or higher	% of 25+ adults with a bachelor's degree or higher		
2009	123,314	\$ 2,680,476	\$ 21,737	28.6	87.60%	32.70%	19,050	8.2%
2010	129,849	2,792,533	21,506	30.5	87.80%	32.20%	19,810	9.5%
2011	129,591	2,633,289	20,320	30.2	88.10%	31.80%	19,841	9.2%
2012	129,585	2,956,352	22,814	30.0	88.00%	32.60%	19,826	9.7%
2013	130,749	3,055,212	23,367	29.0	88.20%	32.70%	20,794	10.10%
2014	129,779	2,827,755	21,789	30.1	89.80%	33.50%	20,474	9.80%
2015	130,282	3,040,652	23,339	30.4	81.30%	32.60%	21,439	8.00%
2016	130,322	3,101,142	23,796	30.5	82.30%	33.60%	21,722	7.60%
2017	132,866	3,182,008	23,949	30.3	83.00%	34.40%	21,981	6.90%
2018	129,934	3,207,811	24,688	30.7	84.65%	33.94%	21,518	5.60%

Sources: U.S. Department of Commerce, Census Bureau  
U.S. Department of Labor, Bureau of Labor Statistics

<https://www.census.gov/quickfacts/fact/table/newhavencityconnecticut/POP060210>  
[http://www.bls.gov/regions/new-england/summary/blssummary\\_newhaven.pdf](http://www.bls.gov/regions/new-england/summary/blssummary_newhaven.pdf)  
<https://connecticut.hometownlocator.com/ct/new-haven/new-haven.cfm>

Department of Numbers  
<https://www.deptofnumbers.com/income/connecticut/new-haven/>

Student Enrollment  
<http://edsight.ct.gov/SASPortal/main.do>

New Haven Stat information  
[https://factfinder.census.gov/faces/nav/jsf/pages/community\\_facts.xhtml?src=bkmmk](https://factfinder.census.gov/faces/nav/jsf/pages/community_facts.xhtml?src=bkmmk)

## City of New Haven, Connecticut

### Principal Employers New Haven's Major Employers (Unaudited)

Employer	Town	Industry	Employees Min.
1-3 Long Wharf Drive Ownership	New Haven	Real Estate Management	250 - 499 employees
Advanced Nursing & Rehab Ctr	New Haven	Nursing & Convalescent Homes	250 - 499 employees
American Medical Response	New Haven	Ambulance Service	500 - 999 employees
ASSA ABLOY DOOR SECURITY SLTNS	New Haven	Security Systems	500 - 999 employees
Assa Abloy Inc	New Haven	Hardware-Manufacturers	500 - 999 employees
Connecticut Mental Health Ctr	New Haven	Psychiatric Hospitals	250 - 499 employees
Cornell Scott Hill Health Corp	New Haven	Clinics	250 - 499 employees
Ct Mental Health Ctr	New Haven	Mental Health Services	250 - 499 employees
Department of Anesthesiology	New Haven	Schools-Medical	250 - 499 employees
General Counselors Office	New Haven	Business Services NEC	1,000 - 4,999 employees
IKEA	New Haven	Furniture-Dealers-Retail	250 - 499 employees
Knights of Columbus	New Haven	Clubs	500 - 999 employees
Knights of Columbus Insurance	New Haven	Insurance	500 - 999 employees
New Haven City Offices	New Haven	Counseling Services	250 - 499 employees
New Haven Fire Dept	New Haven	Fire Departments	250 - 499 employees
New Haven Police Dept	New Haven	Police Departments	500 - 999 employees
Pwc	New Haven	Accountants	500 - 999 employees
Reese Stadium	New Haven	Amusement & Recreation NEC	250 - 499 employees
SARGENT Manufacturing Co	New Haven	Security Systems	500 - 999 employees
Southern Connecticut State Univ	New Haven	Schools-Universities & Colleges Academic	1,000 - 4,999 employees
Student Health	New Haven	Physicians & Surgeons	250 - 499 employees
United Illuminating Co	New Haven	Utilities	500 - 999 employees
U.S. Post Office	New Haven	Post Offices	500 - 999 employees
Wiggin & Dana LLP	New Haven	Attorneys	250 - 499 employees
Yale Department-Anesthesiology	New Haven	Schools-Medical	250 - 499 employees
Yale Diagnostic Radiology	New Haven	Diagnostic Imaging Centers	250 - 499 employees
Yale New Haven Health System	New Haven	Health Care Management	5,000 - 9,999 employees
Yale School of Medicine	New Haven	Children's Nursing & Rehabilitation Ctrs	1,000 - 4,999 employees
Yale School of Psychiatry	New Haven	Schools-Medical	500 - 999 employees
Yale University	New Haven	Schools-Universities & Colleges Academic	250 - 499 employees
Yale University	New Haven	University-College Dept/Facility/Office	5,000 - 9,999 employees
Yale-New Haven Hospital	New Haven	Hospitals	10,000 or more employees
New Haven City Offices	New Haven	Counseling Services	250 - 499 employees
New Haven Fire Dept	New Haven	Fire Departments	250 - 499 employees
New Haven Police Dept	New Haven	Police Departments	250 - 499 employees
Reese Stadium	New Haven	Amusement & Recreation NEC	250 - 499 employees
South Central Connecticut Rwa	New Haven	Water & Sewage Companies-Utility	250 - 499 employees
Student Health	New Haven	Physicians & Surgeons	250 - 499 employees
United Electrical Radio & Mach	New Haven	Labor Organizations	250 - 499 employees
Walmart Supercenter	New Haven	Department Stores	250 - 499 employees
Wiggin & Dana LLP	New Haven	Attorneys	250 - 499 employees
Yale Anesthesiology	New Haven	Physicians & Surgeons	250 - 499 employees
Yale Student Health	New Haven	Physicians & Surgeons	250 - 499 employees
Yale Diagnostic Radiology	New Haven	Physicians & Surgeons	250 - 499 employees
Yale University Law School	New Haven	Law Schools	250 - 499 employees
AT&T	New Haven	Telephone Companies	100 - 249 employees
DCF New Haven	New Haven	Government Offices-State	100 - 249 employees
Fair Haven Community Health	New Haven	Clinics	100 - 249 employees
Omni-New Haven Hotel At Yale	New Haven	Hotels & Motels	100 - 249 employees
Paradigm Health Care Ctr	New Haven	Physical Therapists	100 - 249 employees
Wilbur Cross High School	New Haven	Schools	100 - 249 employees
Yale Medical Group	New Haven	Billing Service	100 - 249 employees
Yale School of Medicine	New Haven	Schools-Universities & Colleges Academic	100 - 249 employees
Yale University	New Haven	Schools-Universities & Colleges Academic	100 - 249 employees

Source: Connecticut Department of Labor, October 31, 2018 (Top 100 Employers in New Haven County)

**City of New Haven, Connecticut**

**Full-Time Equivalent Government Employees by Function/Program  
Last Ten Fiscal Years General and Special Funds Budgeted & FTE Positions  
(Unaudited)**

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
<b>GENERAL GOVERNMENT</b>										
Mayor's Office	12	12	11	12	10	11	11	12	10	11
Legislative Services	10	10	10	10	10	10	10	10	10	10
Human Resources	0	0	0	0	0	0	0	7	7	7
Labor Relations	0	0	0	0	0	0	0	2	2	2
<b>ECONOMIC DEVELOPMENT</b>										
Economic Development	16	16	16	13	13	13	13	15	13	14
Transportation, Traffic and Parking	35	35	35	33	33	33	30	31	31	33
City Plan	9	9	8	8	8	8	8	9	9	11
Building Inspection and Enforcement	20	19	17	16	16	16	16	17	17	16
Livable City Initiative	47	49	40	40	40	40	40	43	44	54
Commission on Equal Opportunity	3	4	6	7	9	9	10	12	6	13
<b>ADMINISTRATIVE SERVICES</b>										
Chief Administrator's Office	17	17	11	11	11	12	12	6	5	7
Finance Department & IT	65	66	65	65	67	69	70	75	73	80
Assessor's Office	12	12	12	12	12	12	12	13	13	7
Corporation Counsel	21	18	18	18	17	17	17	18	18	22
Town Clerk	6	6	6	6	5	5	5	5	5	5
Registrar of Voters	6	6	6	6	6	6	6	6	6	6
Fair Rent	1	1	1	1	1	1	1	1	1	1
Disability Services	1	1	1	1	1	1	1	2	2	2
<b>PUBLIC SAFETY</b>										
Police	554	554	553	553	554	554	551	577	613	617
Fire	366	366	366	376	376	376	376	382	415	419
Public Safety Communications	60	60	60	75	77	79	79	71	0	0
<b>PHYSICAL SERVICES</b>										
Public Works	113	114	114	114	115	118	116	120	119	136
Engineering	14	14	14	14	14	9	8	8	8	9
<b>HUMAN SERVICES</b>										
Youth & Family Services	7	7	6	6	5	5	5	7	6	7
Senior & Community Services	31	30	25	19	13	16	13	12	17	28
Public Health	93	104	96	90	86	88	88	95	96	103
<b>LEISURE/CULTURE</b>										
Public Library	47	47	42	39	39	41	43	47	47	51
Parks & Recreation	62	62	59	59	59	59	59	63	63	73
<b>EDUCATION**</b>										
	3379	3500	3503	3486	3396	3387	3390	3435	3371	3334
<b>TOTAL TOWN &amp; EDUCATION</b>										
	5,007	5,139	5,101	5,090	4,993	4,995	4,990	5,101	5,027	5,078

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

\*\* Education employee count based on any employee that was paid during the FY being reported.

**City of New Haven, Connecticut  
Operating Indicators by Function/Program**

<b>Performance Indicator: Corporation Counsel</b>	<b>FY 2018</b>	<b>FY 2017</b>
<b>A. Lawsuits:</b>		
i. Total New Cases Received During Year	329	409
ii. Total New Cases Closed During Year	275	239
a. Settlement	69	61
b. Withdrawal	69	63
c. Not Applicable -Tax Appeals, Bankruptcy & Workers Compensation Matters	90	80
d. Dispositive Motion	4	3
e. Dismissal/Win after Hearing	43	33
iii. Pending Active Cases (as of 11/01/16)	780	846
a. AVG: JRJ-52, CMN-117, CGP-8, MAW-36, ACK-125, RRW-73, BLC-85, KMF-22, ALM-143, AT-64	78	85
<b>B. Notices Of Intent To Sue:</b>		
i. Notices Received	80	106
<b>C. Contracts:</b>		
i. Number of New Contracts Received	594	630
ii. Number of Contracts Completed	514	635
iii. Contracts Not Executed	80	-
<b>D. Legal Opinions:</b>		
i. Legal Opinions Formally Delivered	10	10
<b>E. Freedom of Information Requests:</b>		
i. Freedom of Information Requests Received	284	265
<b>F. Subrogation Claims:</b>		
i. Claims Brought Against the City	11	28
ii. Amount Claimed	\$ 51,751	102,503
iii. Amount Paid by the City	\$ 785	13,771
<b>G. Property Damage Claims:</b>		
i. Claims Brought Against the City	76	94
ii. Amount Claimed	\$ 231,229	372,559
iii. Amount Paid By the City	\$ 24,912	22,816

**City of New Haven, Connecticut  
Operating Indicators by Function/Program**

<b>Performance Indicator: Department of Finance</b>	<b>FY 2018</b>	<b>FY 2017</b>
<b>A. Accounts Payable:</b>		
i. No. of Checks Issued	20,176	23,732
ii. No. of 1099's Issued	1,069	1,309
<b>B. Internal Audit:</b>		
i. Operational Reviews	12	12
ii. Other Special Projects	50	41
<b>C. Accounting:</b>		
i. Total Bank Reconciliations	164	190
ii. Completion Date of Audit	1/31/19	1/31/17
iii. Journal Entries	21,766	22,267
<b>D. Tax Collector's Office</b>		
i. Collection Rate	98.43%	98.42%
ii. Delinquent Property Values	\$ 1,000,000	\$ 1,000,000
<b>E. Payroll:</b>		
i. Payroll Checks Processed	207,170	221,401
ii. Employee Verifications	2,400	2,400
<b>F. Treasury:</b>		
i. Total Deposits Received	5,165	5,250
ii. Bond Issuance Debt	\$ 43,300,000	\$ 44,990,000
<b>G. Accounts Receivable:</b>		
i. Parking Tickets Paid	\$ 4,604,385	\$ 4,655,139
ii. Residential Permits Paid	\$ 26	\$ 120
iii. Police Private Duty Payments	\$ 5,218,138	\$ 6,974,464
<b>H. Purchasing:</b>		
i. Purchase Orders Processed	8,229	10,186
ii. Solicitations	178	255
<b>I. Labor Relations:</b>		
i. Contract Negotiations – To begin 01/01/17	2	-
ii. Grievances Filed	153	132
iii. MPPs Filed	37	60
<b>K. Workers Compensation:</b>		
i. Number of Cases Filed	882	1,120
ii. Number of Cases Resolved	692	635
<b>L. Management &amp; Budget:</b>		
i. Number of Grant Applications Processed	83	76
ii. Monthly/Annual Financial Reports	16	16

**City of New Haven, Connecticut  
Operating Indicators by Function/Program**

<b>Performance Indicator: Department of Assessments</b>	<b>FY 2018</b>	<b>FY 2017</b>
A. Real Estate Corrections	1,032	1,507
B. Motor Vehicle Corrections	6,314	7,552
C. Supp Motor Vehicle Corrections	1,556	1,632
D. Personal Property Corrections	248	271
E. City Elderly Applications	355	386
F. State Elderly Applications	384	436
G. City Veterans Applications	121	162
H. State Veterans Applications	107	148
I. Change Mailing Address Apps	502	383
J. Number of Field Inspections	605	1,302
K. Personal Property Declarations	3,564	3,882
L. Income and Expense Reports	2,657	2,620
<b>Performance Indicator: Library</b>	<b>FY 2018</b>	<b>FY 2017</b>
A. Hours/Week open to Public	202	202
B. Number of visits (Total)	542,531	547,303
i. Main	275,827	291,064
ii. Branches	266,704	256,239
C. New Card Registrations	10,121	10,326
D. Circulation	362,370	393,289
E. Reference Activity	60,965	58,915
F. Database Usage	289,129	309,008
G. Library Programs	2,602	2,742
H. Attendance	47,605	52,415
I. Computer Usage (session log-ins)	221,888	204,189
J. Website Sessions (active engagement)	224,021	253,660
<b>Performance Indicator: Parks, Recreation, and Trees</b>	<b>FY 2018</b>	<b>FY 2017</b>
<b>A. Parks System Profile:</b>		
i. Parks	142	142
ii. Playgrounds	65	65
iii. Acres per 1,000 Persons	15.4	15
<b>B. Park Services &amp; Programs:</b>		
i. # of Park Visits	*1,511,813	690,000
ii. # of Playground Inspections Performed	360	360
iii. # of Trees Trimmed	1,000	1,463
iv. # of Trees Removed	490	355
v. # of Stumps Removed	160	250
vi. # of Trees Planted	497	548



**City of New Haven, Connecticut  
Operating Indicators by Function/Program**

	FY 2018	FY 2017
<b>C. Recreation Programs:</b>		
i. Athletic Field Permits Issued	5,399	4,144
ii. # of Participants in Summer Day Camp (average per day)	1,890	2,318
iii. # of Participants in Youth Basketball	500	475
iv. # of Youth Programs	60	60
v. # of Adult Programs	20	17
vi. Total # of Participants	353,500	352,000
vii. # of Summer Day Camps	18	18
viii. # of Volleyball Participants (ages 12-15)	215	217
ix. Youth Basketball	500	475
x. Youth Baseball Little Leagues	10	8
<b>D. Revenue:</b>		
i. Skating Rinks	\$ -	\$ -
ii. Golf Course	\$ 788,000	\$ 872,000
iii. Lighthouse	\$ 65,470	\$ 64,273
<b>E. Other Park Services:</b>		
i. # of participations/Visitors Ranger Programs (non-school)	83,970	79,300
ii. # of Ranger Programs offered to the Public	703	810
iii. # of Park Permits	8,112	6,607
iv. # of School Groups Visit to Lighthouse Park	*249	224
v. # of Lighthouse Park Permits Issued for Parking	9,900	9,800
vi. # of Permits Issued for Carousel Facility	80	82
vii. # of Volunteers in Park Programs/Services	3,500	3,000
viii. # of Organized Park Friends Groups	16	16
<b>Performance Indicator: City/Town Clerk</b>		
i. # of deeds Recorded	11,331	11,910
ii.# of recording fees	325,754	347,249
iii. Conveyance fees	\$ 2,967,988	\$ 1,696,864
iv. City Land Preservation	\$ 15,397	\$ 17,484
v. Capital Projects Land Preservation	\$ 53,997	\$ 30,402
vi. Trade Name Certificates	2,705	4,480
vii. Liquor Permits	518	596
viii. Notary Fees	3,545	3,215
ix. Copies	65,203	52,460
x. Maps	660	580
xi. Dog Licenses	3,562	7,276
xii. Legal Documents – Scanned/Indexed	455	740
xiii. Absentee Ballots Issued	3,226	1,544
xiv. Aldermanic Committee Minutes	80% bound	75% bound
xv. Dog Licenses Issued	692	1,195
<b>Performance Indicator: Department of Public Safety</b>		
i. Number of 911 Calls Received	173,824	132,777
ii. Number of Dispatchers Crossed Trained	25	16
iii. Number of Complaints Received	9	8
iv. Percentage of 911 Calls Answered in less than 10 seconds	92.6%	98.7

**City of New Haven, Connecticut  
Operating Indicators by Function/Program**

<b>Performance Indicator: Public Health</b>	<b>FY 2018</b>	<b>FY 2017</b>
<b>A. Health Program Division</b>		
i. Syringes Distributed Through Needle Exchange	N/A	N/A
ii. Average # of Clients Served Through Needle Exchange	N/A	N/A
iii. HIV Tests Performed	N/A	N/A
iv. Child Home Safety Assessments	N/A	N/A
v. Child Passenger Safety Presentations	5	6
<b>B. Bureau of Nursing:</b>		
i. Schools Served	50	53
ii. Students Served	28,855	22,090
iii. Students With Health Problems	8,000+	8,378
iv. Nurse/Student Ratio	1:703	1:526
<b>Information Services:</b>		
<b>C. Epidemiology</b>		
i. Average # of Reportable Disease and Lab Findings Reviewed Per Month	466	327
ii. Interviews Conducted for Enteric Pathogens, Hepatitis, TB and Legionella	79	61
iii. Data Requests for program planning & grant applications	8	N/A
iv. Presentations to City officials, community organizations & the public	7	7
v. Major documents (author or significant contributor)	4	N/A
vi. Infectious disease surveillance reports	12	7
<b>D. Infectious Disease Control Measures</b>		
i. Outbreak & contact investigations	11	4
ii. Foodborne disease patient interviews	61	42
<b>E. Vital Statistics</b>		
i. Birth Certificates (Full Size)	14,515	11,252
ii. Death Certificates	11,440	8,141
iii. Burial, Cremation, Disinterment	2,922	2,085
iv. Marriage Licenses	1,235	1,121
v. Marriage Certificates	2,704	2,017
vi. State Copies Processed	2,235	2,435
vii. Resident Town Copies Processed	1,915	1,951
<b>F. Maternal &amp; Child Health Division:</b>		
i. Pregnant/Postpartum Women Enrolled in HUSKY	-	376
ii. Children Enrolled in HUSKY	-	474
iii. Pregnant/Postpartum Women Screened for Depression & Appropriately Educated/Referred	7	351
iv. Woman Served Through Intensive Care Management	35	120
v. Children Served Through Intensive Care Management	35	38
vi. Home Visits Through CT Healthy Start		
vii. Outreach Sessions Conducted Each Month Through Federal Healthy Start	-	50
viii. Families Served Through Nurturing Families Program	35	38
ix. Home Visits Through Nurturing Families	966	1,081

**City of New Haven, Connecticut  
Operating Indicators by Function/Program**

	FY 2018	FY 2017
<b>G. Bureau of Environmental Health:</b>		
i. Food Service Inspections & Re-Inspections	1,439/ 94	1,848
ii. Food Service Licenses	1,115	1,108
iii. Temporary Food Service Inspections & Licenses	1,568/256	1,554/210
iv. Child Daycare Inspections	14	26
v. Group Home Inspections	2	8
vi. Swimming Pool Inspections	92	90
vii. Bathing Area Inspections	215	229
viii. Lead Inspections of Housing Units- EBL	76	116
ix. New Cases of Lead Housing Units- EBL	199	223
x. Re-Inspections Performed During Lead Abatement	492	594
xi. Cases of Lead Poisoning Closed	252	243
xii. Housing Units Abated for Lead	88	90
xiii. Nuisance Complaints Investigated & Resolved	38	75
xiv. Food Service Complaints Investigated and Resolved	29	49
<b>H. HUD Lead Hazard Control Grant Activities:</b>		
i. Housing Units Inspected for Lead	69	149
ii. Housing Units Lead Abated	79	51
iii. Individuals Trained in Lead Abatement Field	97	116
iv. Education Outreach Events	19	28
v. Individuals Reached	15,000	15,300
<b>I. Office of Emergency Preparedness:</b>		
i. Flu Vaccinations Provided	1,320	2,000
ii. Number of Mass Vaccination Tabletop Exercises	0	-
iii. Number of Activation EOC Events	4	3
<b>Performance Indicator: Fair Rent</b>		
i. Number of Inquiries	*488	*1266
ii. Number of Complaints	52	49
iii. Number of Inspections	85	*60
iv. Number of Preliminary Hearings	69	63
v. Number of Public Hearings	26	33
vi. Walk-in Consultations	*100	*321
* Indicates Approximate Numbers		
<b>Performance Indicator: Elderly Services</b>		
<b>A. Estimated Service Population</b>		
i. 55 and Up	20,771	21,902
ii. 65 and Up	13,681	14,078
iii. 85 and Up	1,984	1,579
<b>B. Senior Centers:</b>		
i. Average Weekly Attendance	613	700
ii. Calls, case management and referrals weekly average – centers, outreach and City Hall	542	425
<b>C. Energy Assistance:</b>		
i. Seniors Served	-	90
ii. Number of Centers Providing Services	3	3
iii. Outreach Staff	3	3

**City of New Haven, Connecticut  
Operating Indicators by Function/Program**

	FY 2018	FY 2017
<b>D. Rental Rebate</b>		
<b>Rental Rebate Applicants</b>	4,846	5,133
i. Seniors Approved Total	4,605	4,866
ii. Centers Providing Service	3	3
iii. Seniors over 65 approved	2,356	2,331
iv. Seniors 65 and under approved	2,230	2,535
v. Seniors 65 and under disallowed	10	38
vi. Seniors 65 and up disallowed	9	17
vii. Senior 65 and up not payable	75	53
viii. Seniors 65 and under not payable	147	159
ixiii. Outreach staff at libraries	3	3
<b>E. Share Program</b>		
i. Centers Providing Service	3	3
<b>F. Transportation Services:</b>		
i. Seniors Transported to Centers	22,740	220
ii. Trips	363	14,041
<b>G. Property Tax Credit/Tax Freeze</b>		
	150	135
<b>Performance Indicators: Youth Services Department</b>		
<b>A. Youth Commission:</b>		
i. Youth Commission Number of Meetings		
<b>B. Youth @ Work</b>		
i. Jobs Funding	750,000	690,000
ii. Number of School Year Employers	99	36
iii. Number of Summer Employers	667	615
iv. Number of Applicants Processed	1062	865
v. Number of Students Employed School Year/ Summer	766	651
vi. % of Participants Job Ready: Pre Program	55%	65%
vii. % of Participants Job Ready: Post Program	93%	90%
<b>C. CDBG Programs:</b>		
i. CDBG Monitoring Number of Programs Monitored	14	13
<b>D. Open Schools:</b>		
iv. Programs offered	12	13
<b>E. Summer Busing:</b>		
i. Number of Organizations served	48	45
<b>F. Street Outreach Workers:</b>		
i. # of outreach workers	4	5
ii. # of youth served (undup)	157	141
iii. Ratio (Workers to Youth)	1:40	1:28
iv. Percentage of youth engaged in a program who have not recommitted a crime or acts of violence	86%	85%
v. % Employment of program participants	30%	45%
vi. % of Participants Enrolled in School	75%	70%

**City of New Haven, Connecticut  
Operating Indicators by Function/Program**

	FY 2018	FY 2017
<b>G. Leadership Council</b>		
i. # of youth engaged/enrolled	-	-
ii. % attendance	-	-
<b>H. Youth Map:</b>		
i. # of organizational partners registered	-	N/A
ii. # of website hits	-	N/A
<b>I. Youth Texting:</b>		
i. # of teens signed up	-	N/A
<b>J. Youth Guide</b>		
i. # of guides distributed	5,000	5,000
<b>Performance Indicator: Services for Persons With Disability</b>		
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)	12	18
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)	3	3
iii. Upon request or complaint assist other department with various aspects of ADA compliance.	3	3
iv. Represent residents with disabilities at various local and statewide events, committees and conferences.	36	12
v. Advocate for legislative initiatives that will benefit New Haven residents with disabilities	1	1
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.	3	5
<b>Performance Indicator: Community Service Administration</b>		
i. Persons receiving SAGA Medical/ Medical LIA (SS)*	N/A	N/A
ii. Persons receiving SNAP's – Food Stamps (S)*	N/A	N/A
iii. Outreach to SNAP Recipients (S)	N/A	N/A
iv. Number of clients served through SNAP E&T (S)	N/A	N/A
v. Structured Job Skill Training	N/A	N/A
vi. Work Experience in Community Service Programs (S)	N/A	N/A
vii. SNAP Recipients Education Enrollment (S)	N/A	N/A
viii. Vocational/Occupational Skills Training Services (S)	N/A	N/A
ix. Number of Client Assessments Completed (SS)	N/A	N/A
x. Number of Client Assessments Completed (S)	N/A	N/A
xi. Number of Client Service Plans Created (SS)	N/A	N/A
xii. Number of Clients receiving transportation assistance	N/A	N/A
xiii. Instances of Clients receiving CT Drivers' License services	N/A	N/A
xiv. Number of Clients receiving CT Non-Drivers' Photo Identification	N/A	N/A
xv. Number of Client Service Plans Created (S)	N/A	N/A
xvi. % Clients in the program have successfully obtained food, clothing, fuel assistance, shelter and other basic needs (SS)*	N/A	N/A
xvii. % Clients in Program seeking employment that obtain employment (SS)*	N/A	N/A
xviii. Amt (\$) collected on liens and assignments of interest (Welfare)	N/A	N/A
xix. Number of Clients Assisted with Gasoline Vouchers	N/A	N/A
xx. Number of Clients assisted in obtaining Rx eyeglasses via Lens Crafters collaborative	N/A	N/A
xxi. Instances of clients receiving Justice of the Peace services	N/A	N/A
xxii. Number of clients assisted in obtaining under garments/toiletries – new service	N/A	N/A

**City of New Haven, Connecticut**  
**Operating Indicators by Function/Program**

	FY 2018	FY 2017
<b>Homeless :</b>		
– Columbus House	568	326
– Continuum of Care	158	135
– Emergency Shelter Management Services	1320	1,303
– New Reach	261	336
– Youth Continuum	153	309
<i>Some columns are inapplicable as the program does not continue as the SNAP E&amp;T contractor*</i>		
Social Services / New Haven Opportunity Center (NHO-p-C) rendered the following services:		
Members of the public addressed.	2,690	1,157
Case management services were extended to.	120	246
Intake services completed	92	190
Transportation assistance	121	190
AJC@ New Haven Correctional Center - transportation assistance	13	
Puerto Rico Hurricane Response JUNTA - transportation assistance	324	
Referrals to outside agencies	467	568
Clothing assistance	5	19
Assisted with certified Birth Certificates	7	10
State of Connecticut DMV Identifications	4	9
State of Connecticut DMV Driver's License	2	
Weekly "Careers" jobs & resource publications produced	3135	3,360
Social Services / 165 Church Street Office – rendered the following services from that locale:		
Addressed requests for services	195	124
Emergency transportation (via Project Fresh Start)	166	284
Gasoline vouchers issued	3	7
State of Connecticut Identification provided	0	3
Notarized documents	1	3
www.Get Connected New Haven.com – New Haven web-based version of 2-1-1		
Number of residents provided training on use of site	223	314
Number of logged sessions of tracked site use	5,923	2,451
Mayor's Financial Empowerment Commission – New Haven Financial Empowerment Center		
Number of commission meetings convened	7	4
City staff trained and certified as financial counselors	0	3
New Haven residents seeking certified financial counseling services	223	
New Haven residents completing intake for financial counseling	42	
Individuals screened for Money Management International Credit Repair Services*	N/A	23
Individuals establishing Money Management International Credit Repair case management*	N/A	7
Attendees Money Management International live interactive webinars*	N/A	12
CT Money School financial workshops offered	16	18
Participants in CT Money School financial workshops	21	55
www.Newhavenfinancialempowerment.com – web-based resource and self-help tool		
Number of residents provided training on use of site	223	314
Number of logged sessions of tracked site use	1,835	731
CSA – Health In Your Hands – Fair Haven & Hill Neighborhood improving health attitudes initiative		
Number of residents served	N/A	1,500
Positive health engagement activities held, i.e. exercise, cooking classes, dance classes	N/A	123
Healthy eating participants reporting a change in healthy eating habits	N/A	75%

**City of New Haven, Connecticut  
Operating Indicators by Function/Program**

	FY 2018	FY 2017
Mental Health First Aid training		
Number of adults receiving training	27	142
Number of youths receiving training	0	23
Volunteer Income Tax Assistance (VITA) campaign – New Haven VITA Coalition		
Number of free tax clinics across New Haven	16	16
Marketing flyers printed	35,000	35,000
Targeted mailing to New Haven households	2,723	3,600
Outreach canvassing to New Haven households – NHHA	500	500
New Haven tax payers utilizing VITA free tax clinics	5,124	4,415
Refund dollars inclusive of EITC, Education & Child Tax Credits	\$6,661,768	\$7,012,055
Recoupment on past City Welfare Department property lien debt	\$7,800	\$ 1,600.19
<b>Performance Indicator: Public Works</b>		
<b>A. Administration</b>		
i. Solid Waste and Recycling Authority Surplus/(Deficit)	\$547,462	\$ 210,141
<b>B. Bridges (24 hour operation of three bridges):</b>		
i. Maintenance cost: Ferry Street	\$23,960	\$ 65,693
ii. Maintenance cost: Chapel Street	\$27,368	\$ 12,549
iii. Maintenance cost: Grand Avenue	\$36,840	\$ 45,909
vi. Total number of closures	15	17
<b>C. Solid Waste/Refuse Management:</b>		
i. Tons of residential solid waste	30,500	30,541
ii. Tons of residential recycling	6,502	6,585
iii. Recycling per household	1.11lbs/day	1.12 lbs/day
iv. Percent Recycling	19%	17.74%
v. Number of litter barrels	425	
vi. Number of residential transfer station customers served	5,834	
vii. Number of commercial transfer station customers served	18,402	16,668
viii. Total tons of municipal solid waste	81,173	78,393
<b>D. Street Division:</b>		
i. Tons of pothole patching	852.33	1,151
ii. Pavement conditions rating	59	61
iii. Number of storms	17	12
iv. Overtime expenses	\$ 401,608.00	\$ 348,744.00
v. Cost of bulk trash pickup	\$ 325.00	\$ 325.00
<b>E. Storage and disposal of the possessions of evicted individuals:</b>		
i. Total labor hours	1200	1,200
ii. Number of right of way warnings issued	165	100
iii. Number of right of way citations issued	238	650

**City of New Haven, Connecticut  
Operating Indicators by Function/Program**

<b>Performance Indicator: Engineering</b>	<b>FY 2018</b>	<b>FY 2017</b>
<b>A. Sewer Separation:</b>		
i. Pollution Overflow	-	28.2
ii. Miles of Combined Sewer	-	52
iii. Miles of New Storm Sewers Installed	-	-
iv. Projects Under Design or Construction	-	5
<b>B. City Bridges</b>		
i. City Bridges	51	51
ii. Bridges in Poor Condition	2	1
iii. Projects Under Design or Construction	2	1
iv. Bridges Completed and Open	1	2
<b>C. Drainage:</b>		
i. Drainage Complaints	175	200
ii. Catch Basin Backlog	50	50
<b>D. Road Improvements:</b>		
i. Miles of Local Roads	226.48	226.48
ii. Road Design	0	
iii. Road Reconstructed	1	0.5
<b>E. Support Service:</b>		
i. Department Support Service Project	70	85
ii. Property Inquires	200	200
iii. Plan Reviews	125	125
<b>Performance Indicator: City Plan</b>		
<b>A. Zoning Board of Appeals:</b>		
i. Hearings	10	10
ii. Zoning Compliance Letter	227	287
iii. Agenda Items	112	89
<b>B. City Plan Commission:</b>		
i. CAL	1	2
ii. Meetings	12	8
iii. Total Number of Agenda Items	228	206
iv. Ordinance Text & Map Amendments	4	3
v. Items Associated with Planned Development	8	6
vi. Items Associated with Inland Wetlands Reviews	2	4
vii. Items Associated with Land Disposition	13	18
viii. Items Associated with Coastal Site Plans	20	23
ix. Items Associated with Site Plan Review	79	60
x. Items Referred by Zoning Board of Appeals	20	32
xi. Items Associated with Livable City Initiative	15	24
xii. Items Associated with Special Permits	10	11
xiii. Other Items referred to by the Board of Alderman	50	47



**City of New Haven, Connecticut  
Operating Indicators by Function/Program**

	FY 2018	FY 2017
<b>C. Walk-In Applicants Assistance:</b>		
i. Zoning & City Plan Inquiries	97 - signed in	more than 500
<b>D. Project Management:</b>		
i. Development Projects	-	7
ii. Dollar Value of Development Projects Managed	-	\$25.8m
<b>F. Neighborhood Plans:</b>		
i. Zoning Ordinance Amendments/Sections	-	-
ii. G.I.S. Maps provided to public	N/A on web	N/A on web
iii. G.I.S. Maps to City Departments	N/A on web	N/A on web
<b>G. Publications Sold:</b>		
i. Zoning Maps	N/A on web	N/A on web
<b>H. Zoning:</b>		
i. Applications/Historic District Commission – New	13	12
<b>Performance Indicator: Transportation, Traffic and Parking</b>		
<b>A. Traffic Signals:</b>		
i. Signalized Intersections	331	331
ii. Intersections Rebuilt	6	10
iii. Repair Visits	1,095	1,750
iv. % of Requests for Emergency Service on Traffic Control Equipment within 1 hour	100.00%	100
	-	550
<b>B. Signs and Markings:</b>		
i. Inventory of Street Signs	29,500	111,000
ii. Signs Replaced	1,097	1,925
iii. Cost of Contact Service (Painting)	300,000	358,495
<b>C. Enforcement &amp; Collection:</b>		
i. Tickets Written	135,069	139,730
ii. Revenue Collected	4,422,729 \$	4,540,531
iii. Appeals Adjudicated	8,014	10,832
<b>D. Meters:</b>		
i. Total Collections	6,327,052 \$	6,348,996.00
ii. Repair Visits	-	5,350
iii. Total Replacements	-	59
<b>E. Other:</b>		
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	18.9	100%

**City of New Haven, Connecticut**  
**Operating Indicators by Function/Program**

<b>Performance Indicator: Office of Building Inspection and Enforcement</b>	<b>FY 2018</b>	<b>FY 2017</b>
<b>A. Number of Permits Issued:</b>		
i. Building	1672	1,665
ii. Electrical	1338	1,318
iii. HVAC	674	693
iv. Plumbing	718	682
v. Demolition	26	33
vi. Total	4428	4,391
<b>B. Building Permits Issued By Category:</b>		
i. Residential (new)	31	10
ii. Non-Residential (new)	7	12
iii. Mixed Use (new)	4	6
iv. Residential (Rehab)	1070	1,026
v. Non-Residential (Rehab)	522	562
vi. Mixed Use(Rehab)	38	49
<b>C. Demolition</b>		
i. Residential	10	11
ii. Non-Residential	16	21
iii. Revenue from Permits & Fees	\$14,279,718.54	\$ 13,536,601.30
iv. Routine Building Inspections	9515	9,520
v. Building & Zoning Code Violations Cited	385	380
vi. Auction	2	-
vii. Broker	7	12
viii. One Day Food Vendor	52	21
xi. Food Vendor	302	213
x. Parking Lot		
xi. Peddler	14	35
xii. One Day Peddler	20	28
xiii. Rooming House	40	24
xiv. Excavation Permit	619	509
xv. Obstruction	318	289
xvi. Sidewalk License	52	50
xvii. Sandwich Board	11	9
xviii. Special Event	216	140
xix. Outdoor Seating	34	14

**City of New Haven, Connecticut  
Operating Indicators by Function/Program**

<b>Performance Indicator: Livable City Initiative</b>	<b>FY 2018</b>	<b>FY 2017</b>
i.# of Complaints	2,750	9,957
ii. # of Letters	150	190
iii. # of Citations	35	24
iv. # of Foreclosures	6	10
v. # of Community Meetings Attended	220	201
vi. # of Complaints Addressed	2,750	9,854
vii. # of Vacant Homes Monitored	504	515
viii. # of Foreclosed Properties Registered	519	510
ix. # of Tons of Trash Removed	225	239
x. # of Properties Maintained	210	190
xi. # of Liens Placed as it relates to Property Maintenance	35	81
xii. # of Structures to be Demolished		Building Dept
xiii. # of Properties Demolished		Building Dept
xiv. # of Liens Placed as it Relates to Demolition of Private & City Owned Property		Building Dept
xv. # of Properties for Sale	206	190
xvi. # of Properties Sold	6	15
xvii. # of Properties Condemned due to Fire	20	8
xvii. # of Properties Condemned due to Code	48	11
xviii. # of Persons Temp Relocated Fire	11	13
xviii. # of Persons Temp Relocated Code	1	25
xix. # of Persons Permanently Relocated	59	56
xx. # of Liens Placed as it Relates to Relocation	6	7
xxi. # of For Profit Community Partners	8	7
xxii. # of Not-For-Profit Community Partners	17	17
xxiii. # of Projects in Development	38	29
xxiv. # of Units in Development	856	421
xxv. # of Rental Units Completed	99	66
xxvi. # of Homeownership Units Completed	35	7
xxvii. # of Individuals Completing Post Purchase/Homeownership/Counseling	17	22
xxviii. # of Down Payment Loans	17	22
xxix. # of Energy Improvement Loans	7	17
xxx. # of Elderly/Disabled Emergency Repair Loans	4	7
xxxi. # of Complaints as it Relates to Code Enforcement	1463	1,050
xxxii. # of Cases Resolved	695	553
xxxiii. # of Units Inspected	6205	5,147
<b>Performance Indicator: Economic Development Administration</b>	<b>FY 2018</b>	<b>FY 2017</b>
<b>A. Citywide Indicators</b>		
i. Employment Base-Total number of jobs in New Haven.	82,438	82,121
ii. Unemployment Rate-% of city residents who are unemployed.	5.70%	6.5%
iii. Business Start-Ups-Total number of business start-ups in the city.	507	45
iv. Downtown Retail Occupancy-% of downtown retail storefronts that are occupied.	87.80%	93.0%
v. Commercial Vacancy Rate-% of vacant citywide commercial office space.	19.60%	14.0%
<b>B. Department Indicators</b>		
i. Technical Assistance to Small- and MBE-Contractors-Number of contractors served in-person by ED	325	249
ii. Registered Small- and MBE-Contractors-Number of contractors registered in SCD program.	159	142
iii. Contractor Participation Rate-% of City contracts awarded to non-women-owned MBEs.	10.00%	19.8%
iv. Contractor Workshops-Number of contractor workshops conducted by ED.	10	4
v. Arts, Culture and Tourism Events-Number of people served.	n/a	400,000
vi. Project Storefronts Activity-Number of participating businesses.	n/a	120