

**TOWN OF NORTH HAVEN, CONNECTICUT**



**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT  
YEAR ENDED JUNE 30, 2011**



# TOWN OF NORTH HAVEN, CONNECTICUT



## COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year  
July 1, 2010 to June 30, 2011

Prepared By:  
FINANCE DEPARTMENT

Edward J. Swinkoski  
Director of Finance/Administration



**TOWN OF NORTH HAVEN, CONNECTICUT**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**TABLE OF CONTENTS**

---

	<b>Page</b>
 <b>I. INTRODUCTORY SECTION</b>	
Letter of Transmittal.....	i – ix
List of Principal Officials .....	x
Organization Chart.....	xi-xii
GFOA Certificate of Achievement .....	xiii
 <b>II. FINANCIAL SECTION</b>	
Independent Auditor’s Report.....	1-2
Management’s Discussion and Analysis .....	3-9

**BASIC FINANCIAL STATEMENTS**

Government-Wide Financial Statements:	
Statement of Net Assets.....	11
Statement of Activities.....	12
Fund Financial Statements:	
Balance Sheet – Governmental Funds .....	13
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds .....	14
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities .....	15

**TOWN OF NORTH HAVEN, CONNECTICUT**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**TABLE OF CONTENTS**

---

	<b>Page</b>
<b>FINANCIAL SECTION, Continued:</b>	
Statement of Net Assets – Proprietary Funds.....	16
Statement of Revenues, Expenses and Changes in Fund Net Assets – Proprietary Funds .....	17
Statement of Cash Flows – Proprietary Funds .....	18
Statement of Fiduciary Net Assets - Fiduciary Funds.....	19
Statement of Changes in Fiduciary Net Assets - Fiduciary Funds .....	20
Notes to Financial Statements .....	21-59
<b>REQUIRED SUPPLEMENTARY INFORMATION</b>	
General Fund Revenues and Other Financing Sources - Budgetary Basis - Budget and Actual .....	61-63
General Fund Expenditures and Other Financing Uses - Budgetary Basis - Budget and Actual .....	64-66
Required Supplementary Information - Pensions .....	67-68
Required Supplementary Information - OPEB .....	69
Note to the Required Supplementary Information.....	70
<b>SUPPLEMENTAL AND COMBINING NONMAJOR FUND STATEMENTS AND SCHEDULES</b>	
<b><u>GENERAL FUND</u></b>	
General Fund - Balance Sheet.....	71
<b><u>NONMAJOR GOVERNMENTAL FUNDS</u></b>	
Combining Balance Sheet.....	74-80
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits).....	82-88

**TOWN OF NORTH HAVEN, CONNECTICUT**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**TABLE OF CONTENTS**

---

	<b>Page</b>
<b>FINANCIAL SECTION, Continued:</b>	
<b><u>INTERNAL SERVICE FUND</u></b>	
Combining Statement of Net Assets – Internal Service Funds .....	89
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets – Internal Service Funds .....	90
Combining Statement of Cash Flows – Internal Service Funds.....	91
<b><u>FIDUCIARY FUNDS</u></b>	
Statement of Changes in Assets and Liabilities - Agency Funds.....	93
<b><u>CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS</u></b>	
Schedule by Category and Source.....	95
<b><u>OTHER SCHEDULES</u></b>	
Balance Sheet – By Account – General Fund .....	98-99
Schedule of Revenues, Expenditures and Changes in Fund Balance – By Account – General Fund.....	100-101
Schedule of Property Taxes Levied, Collected and Outstanding .....	102-103
 <b>III. STATISTICAL SECTION</b>	
Net Assets by Component - Governmental Activities .....	106-107
Changes in Net Assets .....	108-111
General Funds Revenues and Other Financing Sources By Source.....	112
General Fund Expenditures and Other Financing Uses .....	113
Fund Balances of Governmental Funds.....	114
Changes in Fund Balances of Governmental Funds .....	115
Assessed Value and Estimated Actual Value of Taxable Property.....	116
Property Tax Rates-Direct and Overlapping Governments.....	117
Principal Property Taxpayers .....	118
Property Tax Levies and Collections.....	119
Schedule of Sewer Assessment Collections .....	120
Outstanding Debt by Type.....	121
Direct Overlapping Governmental Activities Debt .....	122

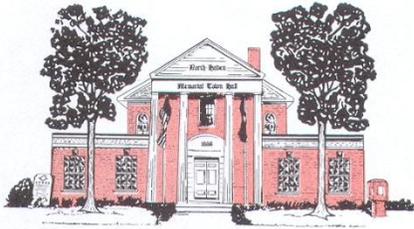
**TOWN OF NORTH HAVEN, CONNECTICUT**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**TABLE OF CONTENTS**

---

	<u>Page</u>
<b>III. STATISTICAL SECTION, Continued</b>	
Schedule of Debt Limitation .....	123
Debt Summary.....	124
Demographic and Economic Statistics.....	125
Major Employers.....	126
Town Government Employees by Function/Program .....	127
Supplemental Data .....	128
Operating Indicators by Function/Program .....	130-131
Capital Asset Statistics by Function/Program .....	132-133

## **Introductory Section**





**TOWN OF NORTH HAVEN**  
MEMORIAL TOWN HALL / 18 CHURCH STREET  
NORTH HAVEN, CONNECTICUT 06473



REPLY TO:

Tel. (203) 239-5321  
Fax (203) 234-2130

December 16, 2011

Honorable Members of the Board of Selectmen  
and the Board of Finance  
Town of North Haven, Connecticut  
18 Church Street  
North Haven, CT 06473

State law requires that every general-purpose 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, 2011.

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

McGladrey & Pullen, LLP, Certified Public Accountants, have issued an unqualified "clean" opinion on the Town of North Haven, Connecticut's financial statements for the year ended June 30, 2011. The independent auditor's report is located at the front of the financial section of this report.

Management's Discussion and Analysis (MD and A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD and A complements this letter of transmittal and should be read in conjunction with it.

### **PROFILE OF THE GOVERNMENT**

The Town of North Haven, settled around 1670 as part of the colony of New Haven, was incorporated as a separate town in 1786. Located in south central Connecticut adjacent to and northeast of the City of New Haven, the Town covers a land area of 21.0 square miles and serves a population of 23,961. The Town of North Haven is empowered to levy a property tax on both real and personal properties located within its boundaries.

It operates under a Board of Selectmen form of government and provides services as authorized by its charter including public safety (police and fire), sanitation, health and social services, recreation, education and general administrative services.

The Town of North Haven has a Board of three selectmen, who are elected for a two year term, and a Board of Finance. The Town Meeting is the legislative body and must approve the annual budget, all special appropriations or expenditures, and all bond and note authorizations.

The Town operates with a total of eight elective boards and seventeen appointed boards. Members of the elective boards are chosen on a staggered basis. Powers and privileges are conferred and granted to the Town under the Constitution and General Statutes of the State of Connecticut.

The First Selectman is the full-time Chief Executive and Administrative Officer of the Town and oversees the execution of all laws and ordinances governing the Town. He presides over the Board of Selectmen and has full voting privileges on the Board. The First Selectman is also an ex-officio member of all Town boards, commissions, and agencies with a vote only on the Board of Selectmen, the Board of Finance, the Police Retirement Board and the Water Pollution Control Authority.

The Board of Finance is the budget-making authority responsible for financial and taxation matters, presenting the annual operating budget and special appropriations to the Town Meeting for its approval, and establishing the tax rate.

The Town's full-time professional staff includes an appointed Director of Finance/Administration and five other Department Heads.

The annual budget serves as the foundation for the Town of North Haven's financial planning and control.

The budget is prepared for the General Fund by department. Transfers under \$20,000 may be made within a department. Required transfers are tracked continuously and are formally adopted immediately after the end of the fiscal year as part of the end of the fiscal year closing of the budget.

Budget-to-actual comparisons are provided in this report for each governmental fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented on pages 61 through 66.

## **LOCAL ECONOMY**

Connecticut Route No. 15, the Wilbur Cross Parkway, passes through North Haven as does U.S. Route No. 5 and Connecticut Route Nos. 10, 17 and 22. North Haven is accessible from three full interchanges and two partial interchanges to Interstate Route No. 91. In addition, the Route 40 Connector provides a vital link between the center of North Haven, I-91 and Route 10 in the Mount Carmel Section of Hamden. Freight, and passenger service, is provided by Amtrak, Metro-North and Conrail, which also operates the Cedar Hill Classification Yard, one of the largest in the East. Most of this yard is located in the Town. Amtrak presently has its regional maintenance of operations in this area. In addition, interstate and intrastate buses and trucking companies provide freight and passenger service. The Tweed/New Haven Airport provides passenger and air freight service and is located 10 miles away on the New Haven/East Haven city lines.

North Haven is a suburban residential community with many commercial and manufacturing resources. The Town is part of a 12 town region comprising the New Haven labor market. An estimated 12,641 people are employed in North Haven.

There is a diverse commercial tax base including large and small manufacturers, distributors of food, beverage and industrial products, retail centers, entertainment and restaurants. In addition to the ten largest taxpayers (see table 9) other companies include: Brescombe Barton, liquor distributor; United Aluminum, aluminum products manufacturer; Candid Group, office buildings; O.F. Mossberg & Sons, firearm manufacturer; Target Corp., retail; Hertz Equipment Rental, construction equipment rental; Montowese Health & Rehabilitation, health care; Connecticut Container Corp., corrugated container manufacturer; Rosewood LLC, apartments, Fleetpride, heavy-truck parts supplier; H.B. Communications, AV systems provider, HID, commercial security system manufacturer; Praxair Surface Technologies, industrial coatings; North Haven Hotel LLC, Holiday Inn.

North Haven has many industrial parks, including the Mersick Industrial Park containing 35 acres; the Wharton Industrial Park containing 200 acres; the Leonardo Drive Industrial Park containing 70 acres; the Exit 10 Industrial Park containing 35 acres; and the Exit 9 Industrial Center containing 130 acres.

Although much of the acreage included in these parks has been developed, there are some prime sites still available. Increased economic activity and population growth in the New Haven area combine to make North Haven a desirable residential suburb. In 1960, there were 4,766 dwellings, as compared with 9,555 in 2011, that include mostly single family, owner occupied homes and condominiums. The average sales price in 2011 of homes in North Haven was \$318,285, with homes ranging between \$157,000 and \$1,150,000. The Town's Planning and Zoning Commission is responsible for enforcing subdivision and other Town zoning regulations. In 2005, the Town adopted a new Plan of Conservation and Development to direct future growth and ensure its compatibility with existing uses.

## **MAJOR INITIATIVES**

**Selectmen's Office:** The Town remains a desirable location for families and businesses. Today, few sizable tracts of residentially zoned real property exist, as the Town has invested in open space land acquisitions during the past decade. These purchases have kept the home inventory at a virtually constant level, while the demand for residences is very high due to the Town's location, tax rate, services and programs, economy and school system.

It is in the area of commercial and industrial development that the most substantial Grand List growth has occurred. In recent years, North Haven is home to over 1,300 businesses, and supports one of the largest commercial and industrial tax bases in Connecticut.

North Haven continues to attract new businesses to town. Eclipse Development has constructed a major shopping center on Universal Drive. The anchor stores are Best Buy, Toys R Us, and other retail stores and restaurants.

Julian Enterprises has constructed a Big Y grocery store and a restaurant at 345 Washington Avenue-Route 5. Across the street from this development is a new 22,000 square foot retail shopping center. These developments are the cornerstones of the Town's plan to create new mixed-use projects on Washington Avenue-Route 5, north of Interstate 91's Exit 12. The Big Y grocery store and shopping center are spurring such activity, as two retail centers, a new fast food restaurant and a light manufacturing facility have been built.

On the southern end of Washington Avenue-Route 5, the owners of two shopping plazas have completed a combination and expansion of their plazas and have added larger buildings, new stores, restaurants and a new free standing Walgreens store. Continuing south on Route 5, a development unique to the State and to the Northeast has been constructed by Gaylord Hospital. This nationally renowned rehabilitation company has built a 60,000 square foot health and wellness center. In the same area, 22,000 square feet of new office space and 33,000 square feet of retail space have been constructed.

With the addition of the Gaylord Health and Wellness Center, Route 5 South is becoming a corridor of interest to health care providers. A vascular surgery group and pharmacy have relocated their businesses to this area. Yale-New Haven Hospital has applied for a certificate of need to build an emergency medical center on Devine Street and Casle Development Corporation has recently been granted zoning approval to build a medical facility adjacent to the proposed Yale-New Haven Hospital site.

The Town, in conjunction with the new owner, is seeking to connect property on Valley Service Road and Defco Park Road, to provide greater access to this industrially zoned land. The Town intends to take over the sewer pump station on the Pratt & Whitney site and run a sewer line to the industrial sites on Defco Park Road.

The purpose of these improvements is to enhance development of the additional hundreds of acres of vacant industrial property on Valley Service Road and Dodge Avenue. Funding has been obtained through grants from the Economic Development Administration in Washington, D.C. This request also covers over 200 acres of land off Universal Drive, property that was once part of the Cedar Hill rail yards. In particular, the Town seeks funding to build a road network through the property. Each of these large-scale developments involves active participation by property owners to develop these hundreds of acres of land for mixed uses such as technology, manufacturing, a hotel with conference center, health club, retail stores and other varied uses.

The Town is also utilizing a State grant to repair and expand the Muddy River/Universal Road bridge and is preparing to replace the Sackett Point Road bridge. Both bridges lead to the highly traveled Universal Road shopping district.

Quinnipiac University has acquired a large office campus and is in the process of renovating and upgrading the facilities to state of the art standards. This campus will be dedicated to use for their graduate-level programs that are being relocated from the Quinnipiac University campus in neighboring Hamden, CT.

North Haven is a remarkable community with a very rich tradition of being an outstanding place to both work and live. We are a community that will continue to grow. We are committed to stay focused on growing our grand list through productive economic development that is designed to minimize the tax burden for our town residents. By setting goals and objectives, embracing new ideas and being relentless on productive growth, North Haven will continue to be a wonderful community to be part of.

**Finance Office:** The Finance Office assists the Treasurer, Board of Finance and First Selectman. Its principal responsibility is the Town's day to day financial/administrative management and record keeping. Additional responsibilities include general administration, facilities management, personnel, purchasing, grants management, insurance/risk management, labor relations and wage/benefit administration.

**Police:** The North Haven Police Department provides full-time police services. The staff consists of 46 regular police officers, 4 dispatchers, 4 clerks and 1 maintenance person. Major equipment includes the Town's central radio communications and dispatch point E 911 PSAP, 6 unmarked cruisers, 10 marked cruisers and a traffic light and sign maintenance unit.

**Fire:** The North Haven Fire Department consists of a full-time career paid Headquarters staff and three volunteer fire companies. The Department has a career staff of 34 firefighters. Each volunteer company carries a maximum of 35 active firefighters and fire-police members. The major equipment includes: one 1,500 GPM pumper engine, six 1,250 GPM pumper engines, two emergency rescue vehicles and a 105' aerial ladder truck. There are over 650 fire hydrants within the Town. The Town provides emergency medical services to the paramedic level.

**Public Works:** The Department encompasses the offices of the Building Official, Engineering, Land Use Administration, Zoning Enforcement and the operating divisions of Field Operations, Parks, Equipment Maintenance, Sanitation and Recycling. Additionally, the Department administers the Town's wastewater collection and treatment program under the direction of the Water Pollution Control Authority.

**Water Pollution Control Authority:** The Water Pollution Control Authority (WPCA) oversees the Town's sanitary sewage collection system, the extension of sewer mains, reviews and approves of the expense and capital budget items, establishes policy, procedures and regulations, authorizes expenditures, and approves of assessment and connection charges.

The WPCA also works with property developers in Town to establish new sewer collection systems and pump stations for proposed subdivisions and commercial developments in accordance with Town standards.

**Water Pollution Control Division:** The Water Pollution Control Division as contracted through Veolia Water North America, oversees the operations of the Town's Water Pollution Control Facility (WPCF) and reports directly to the Director of the Department.

The WPCF was constructed in 1966 and was modified and expanded in 1991 to meet advanced treatment requirements as administered through the State of Connecticut Department of Environmental Protection and the United States Environmental Protection Agency. Approximately 70% of the Town's residential, commercial and industrial properties are served by the WPCF. The WPCF includes preliminary, primary, and advanced secondary treatment of all sanitary sewage received at the plant. The treatment of sanitary sewage is subject to strict State and Federal National Pollutant Discharge Elimination System (NPDES) permit regulations and discharge requirements.

WPCF personnel provide operation and maintenance of the facility, its nine (9) pumping stations, and preventative maintenance of the approximately one hundred ten (110) miles of sanitary sewer mains. WPCF personnel also perform the marking of underground sewer utilities as outlined in the State of Connecticut's "Call Before You Dig" program and performs inspections of all new and existing sanitary sewer connections to the Town's collection system.

In addition to these duties, facility personnel provided preventive and corrective maintenance of all mechanical systems at the town swimming pool and eight emergency generators located throughout the town.

The secondary treatment process at the facility was upgraded in 2005 to allow for the reduction of nitrogen in the wastewater. The reduction of nitrogen in the wastewater is required by the Connecticut Department of Environmental Protection to achieve water quality standards for Long Island Sound. This past year the facility exceeded its allowable discharge limit resulting in the Town having to purchase \$4,971 of nitrogen credits from the Connecticut Department of Environmental Protection.

The latest improvements made to the WPCF by the Town include the complete rehabilitation of one primary clarifier, new valves and piping are proposed for the Old Broadway Pump Station and the replacement of two variable frequency drives are also proposed for the pumps at the Sackett Point Road pump station.

**Engineering Office:** The Town Engineer provides technical assistance and support to various boards and commissions, including Planning and Zoning, Inland Wetlands and the Zoning Board of Appeals. The Town Engineer also works closely with the Office of the First Selectman and supports other Town departments and divisions within the Department of Public Works.

This assistance includes review of roadway and bridge design, drainage improvements, sanitary sewer installations, utilities, traffic control and property development issues. Coordination with State of Connecticut and Federal agencies, various consulting engineers, property developers, builders and the general public is provided in order to resolve potential problems prior to and during construction/development.

Other services provided by Engineering include design, technical administrative assistance and inspection for Town construction projects, coordination of Town map updating and the administration of the Town flood plain ordinance/regulatory process.

**Field Operations:** The Field Operations Division is comprised of staff who are assigned to Streets and Roads, Sanitation, Transfer Station operations, Recycling Center operations, Parks and Equipment and Vehicle Maintenance. The Field Operations Division provides year round maintenance services to the Town's 146 plus miles of roadways, public drainage courses, parking lots, parks and other Town-owned open space areas. Field Operations personnel also provide for annual curbside leaf collection and disposal, winter snow and deicing efforts, street sweeping, catch basin cleaning, and replacement of asphalt curbing and road patching services.

The Department's Director of Field Operations also functions as the Town's Tree Warden and oversees the maintenance of where applicable, removal of all trees located on Town property or within the Town's Right of Way (ROW). In the fall of each year, the division operates a leaf collection program, which includes a six week program for scheduled pickup for loose leaves placed at the curb and those placed in brown biodegradable bags.

**Parks:** The Parks Division, which is an integral part of the Department's Division of Field Operations, is responsible for maintaining nearly 200 acres of park land and other open space areas throughout Town including: 18 ball fields, 15 tennis and basketball courts, 7 playgrounds, and 8 passive or natural areas. Some of the Town's critical open spaces include: Peter's Rock, Hansen Park and Spring Road.

The Parks Division maintains the Town's Central Block and the Town cemeteries and assists with snow removal and deicing efforts as well as curbside leaf collection and removal. This division also provides assistance to other Town departments and support to Community Services and Recreation programs, affiliated sports leagues and special events held at the various Town Parks.

**Equipment Maintenance:** Supervised by the Field Operations Division, this section is responsible for keeping all of the Town's vehicles, trucks and equipment operational. Department equipment includes, but is not limited to, plow trucks, sanitation trucks, recycling trucks, large lawn mowing vehicles, street sweepers, wood chippers, lawn maintenance equipment and more. A working foreman and three mechanics maintain and repair all Town-owned vehicles and equipment, including police vehicles and general Town vehicles utilized for day-to-day operations.

**Sanitation:** The Sanitation Division is responsible for the weekly collection of municipal solid waste (MSW) and recyclables. On average, this amounts to approximately 24,000 tons per year or 1.1 tons per Town resident annually. The Town also removes bulky waste items such as refrigerators, ranges, construction and demolition materials and mattresses.

The Sanitation Division provides curbside collection of State mandated recyclable items. These include: clear, green, and brown glass food and beverage containers; metal food and beverage containers, aluminum foil and pie plates; newspaper and corrugated cardboard.

Residential solid wastes are collected once weekly by the Town's staff and disposed of at the Wallingford Resource Recovery Facility. The Town has entered into a Municipal Solid Waste Services Delivery and Disposal Contract with the Connecticut Resource Recovery Authority (CRRA) pursuant to which it participates with four (4) other central Connecticut municipalities in the Wallingford Resource Recovery System. The system consists of a mass burn solid waste, resource recovery steam and electric generation facility located in the Town of Wallingford and various improvements and facilities related thereto, including solid waste landfills.

Under the Service Contract, the Town is required to deliver, or cause to be delivered to the system, solid waste generated within boundaries up to the minimum commitment, and to pay a uniform per ton disposal fee. The aggregate minimum commitment of the five participating municipalities is 125,000 tons per year. The Town's commitment to pay Municipal Disposal fees is a 'put-or-pay' commitment in that if the aggregate minimum commitment is not met by the five municipalities in any year, the Town must pay Municipal Disposal Fees for its full portion of the aggregate minimum commitment even if it did not deliver the full portion of the aggregate minimum commitment.

The Municipal Disposal Fee applicable in any contract year is calculated by estimating and netting out the System Cost and System Revenue for such contract year, as such terms are defined in the Service Contract. System Cost includes debt service on the Authority's revenue bonds issued to finance the System, costs of operation and administrative costs, among other things. System revenue includes revenues through the sale of steam and electricity. The contract with CRRA ended on June 30, 2010.

Beginning July 1, 2010, disposal will be made at the same location, however from that date forward, the facility will be owned and operated by COVANTA PROJECTS OF WALLINGFORD, L.P. (Covanta) per agreement between the Town and Covanta dated December 17, 2008 (the Covanta Agreement).

Municipal Disposal Fees shall be payable so long as the System is accepting solid waste delivery by or on behalf of the Town, whether or not such waste is processed at the facility. The Town's obligation to Municipal Disposal Fees, so long as the Authority is accepting the Town's solid waste, is absolute and unconditional, and shall not be subject to any set-off, counterclaim, recoupment, defense, or other right which the Town may have against the Authority or any other person for any reason. The Town has pledged its full faith and credit to the payment of the Municipal Disposal Fees and has also agreed to enforce or levy and collect all taxes, cost sharing or other assessment or charges and take all such other action as may be necessary to provide for the payment of Municipal Disposal Fees.

The Town has a 'flow control' ordinance, which requires all collectors of solid waste in North Haven to deliver collected solid waste to the System.

**Transfer Station:** The Transfer Station is located on Universal Drive, approximately 500 feet south of the intersection with Sackett Point Road. Containers for normal household waste; metals; bulky waste, including brush, concrete, construction demolition materials and mattresses; tires and white goods are available for use by residents only.

All vehicles must obtain a permit to use the Transfer Station, including trailers for cars or trucks. Each year, residents must bring their registration and driver's license to the Public Works Office. Each resident is entitled to six (6) passes for the disposal of mixed solid waste, bulky wastes, tires and white goods. Passes are valid for the calendar year.

**Recycling:** The Town's Recycling Program annually ranks in the top 10% of Connecticut cities and towns with a total of over 1,100 pounds of recyclables generated per resident and processed annually. In addition, North Haven recycles over 50% of its municipal solid waste, far surpassing the State's goal of 40%. This figure attests to North Haven's consistent ranking in the State's top communities in percentage of recyclables.

Effective August 1, 2009, the Town of North Haven in contract with the City of New Haven and Willimantic Waste commenced single-stream recyclables collection including the acceptance of plastics, labeled 1 through 7, mixed paper materials including junk mail and telephone books, glass and metal food and beverage containers, etc.

**Leaf Disposal:** Leaves are a mandated recyclable item by the State of Connecticut and must be composted. They may be composted by residents in their backyard or through the Town's efforts during its fall leaf collection program. The Town collects leaves for a six-week period in the Fall (October and November) and does not collect leaves at any other time during the year. However, residents may bring leaves (year round) to the Town's Recycling Center on Elm Street.

**Land Use Office:** The land Use Office staff provides administrative support to the Planning and Zoning Commission, the Zoning Board of Appeals and the Inland Wetlands Commission.

Under the direction of the Land Use Administrator, the office assists residents, property owners and developers through the application process, to the appropriate Land Use Board and/or Commission. Procedurally, the office is responsible for accepting the formal application, preparing the legal notices, reviewing all applications for completeness and compliance, preparing the meeting agenda and organizing the actual meeting place(s).

The office also provides administrative support for the Zoning Enforcement Officer and works closely with the Building Department and Engineering offices of Public Works as well.

In addition to applications to the Planning and Zoning Commission, plot plans and Certificates of Compliance, the following are brought to the Land Use Office for review and approval: residential additions, garages, decks, fences and pools. Sign permits are reviewed and approved through the Land Use Office by the Zoning Enforcement Officer. Complaints regarding Zoning and Inland Wetland violations are vigorously pursued by the Zoning Enforcement Officer. The Town continues to achieve a high rate of zoning compliance.

**Zoning Enforcement:** The Zoning Enforcement Officer is a key staff member to the Planning and Zoning and Inland Wetlands Commissions. This employee's primary responsibility is to ensure that Land Use Regulations are adhered to throughout the Town of North Haven.

Other responsibilities include reviewing all plot plans for new residences; reviewing all plot plans for residential additions, fences, and swimming pools, issuing certificates of Zoning Compliance for residential, commercial, and industrial properties and issuing permits for all free-standing and wall signs.

**Building Department:** The Building Office is responsible for assuring the safety of North Haven residents through the enforcement of all applicable building codes for new or existing structures within the Town. This process typically includes the review of plans and the issuance of a building permit prior to the start of construction, followed by inspection work in-progress, and ending in a Certificate of Occupancy when all work has been completed in compliance with the regulations.

The Building Code adopted by the Town of North Haven is the 2005 Connecticut State Building Code. This includes the 2003 International Building Code, the 2003 International Residential Code, the 2003 International Mechanical and Plumbing Code and the 2005 National Electric Code.

Building permit fees for the next fiscal year will remain unchanged.

Permits are required for:

- New residential homes;
- Additions or alterations to existing homes;
- New Commercial buildings;
- Additions or alterations to existing buildings;
- Electrical wiring, plumbing, heating, HVAC, fire places, wood stoves, roof and siding;
- Construction of sheds;
- Installation of swimming pools; and
- Demolition of swimming pools.

**Health:** The Quinnipiac Valley Health District is made up of North Haven, Hamden and Woodbridge, which joined together in 1978 to form a District Department of Health under provisions of Section 19-106 of the Connecticut General Statutes as amended. The District participates in per capita grants from the State of Connecticut, which help to defray the total cost of public health services.

The Town also participates in a Visiting Nurses Association Services, Inc. ("VNA"), which was formed in 1970 by the towns of North Haven, Woodbridge, Hamden and Bethany. The VNA provides home health care services.

**Community Services and Recreation:** The Department of Community Services/Recreation operates the Town's Comprehensive Human and Social Services program which includes Outpatient Psychiatric Services, Youth Services, Day Care, Food Program, Energy Assistance, and a Senior Citizen's Program and Center which serves over 1,200 members.

The Recreation component within the Department is responsible for the planning and execution of activities, programs and special events designed to appeal to all age groups including, but not limited to tournaments, trips and a summer concert program; and operation and up-keep of the Town's Community Pool. The Recreation programs operate from the Mildred Wakeley Community and Recreation Center, which is also the site of a multiplicity of indoor recreational programs.

**Library:** The North Haven Memorial Library is a full service library open 58 hours per week in winter and 48 hours per week in summer. A computerized circulation system makes the collections of four area towns available to North Haven residents. The library has 106,789 volumes, including audio visual and provides a variety of special information for business, industry and the personal needs of the Community.

**Utilities:** Electric Service – United Illuminating Company and Integrys Energy Services; Gas Service – Southern Connecticut Gas Company; Water Service – South Central Connecticut Regional Water Authority.

## **EDUCATION SYSTEM**

The Town's school system services grades pre-kindergarten through twelve and is governed by the local Board of Education. The Town has a nine-member Board of Education elected to six-year staggered

terms. The primary function of the Board is to establish policy. Some of the areas for which such policies are set include curriculum, budget requests submission, ensuring funds for education as appropriated by the Town are properly expended, implementation of both State and Federal laws, and planning for facilities needed by the system, including construction and renovation.

The Department of Education operates four elementary schools, each serving a quadrant of the Town for grades K-5. The middle school serves grades 6-8, and the senior high school serves grades 9-12.

Enrollment in grade kindergarten through twelve as of October 1, 2010 was 3,806. The rated capacity of the system facilities is 4,722.

### **LONG-TERM FINANCIAL PLANNING**

Unreserved, undesignated fund balance in the general fund is 10.3% of total general fund revenues. A portion of the fund balance may be used to offset general fund expenditures in the near future.

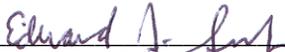
### **AWARDS AND ACKNOWLEDGEMENTS**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of North Haven for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2010. This was the eleventh consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report satisfied 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 preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of management and staff of the Department of Finance and members of other departments who assisted in its compilation, to which I hereby express my appreciation. I also extend this appreciation to the Board of Selectmen and Board of Finance for their interest and support in planning and conducting the financial operations of the Town in a responsible and progressive manner.

Respectfully submitted,

  
\_\_\_\_\_  
Edward J. Swinkoski, CPA  
Director of Finance/Administration

**TOWN OF NORTH HAVEN, CONNECTICUT**  
**As of June 30, 2011**

**PRINCIPAL OFFICIALS**

**FIRST SELECTMAN**

Michael J. Freda

**BOARD OF SELECTMEN**

Timothy M. Doheny  
Stephen A. Fontana

**BOARD OF FINANCE**

Richard Monico, Chairman  
William J. Pieper, Vice Chairman  
Michael T. Hallahan, Secretary  
Michael J. Freda  
James J. Lianos  
William C. Kohlhepp  
Dyann M. Vissicchio

**ADMINISTRATION**

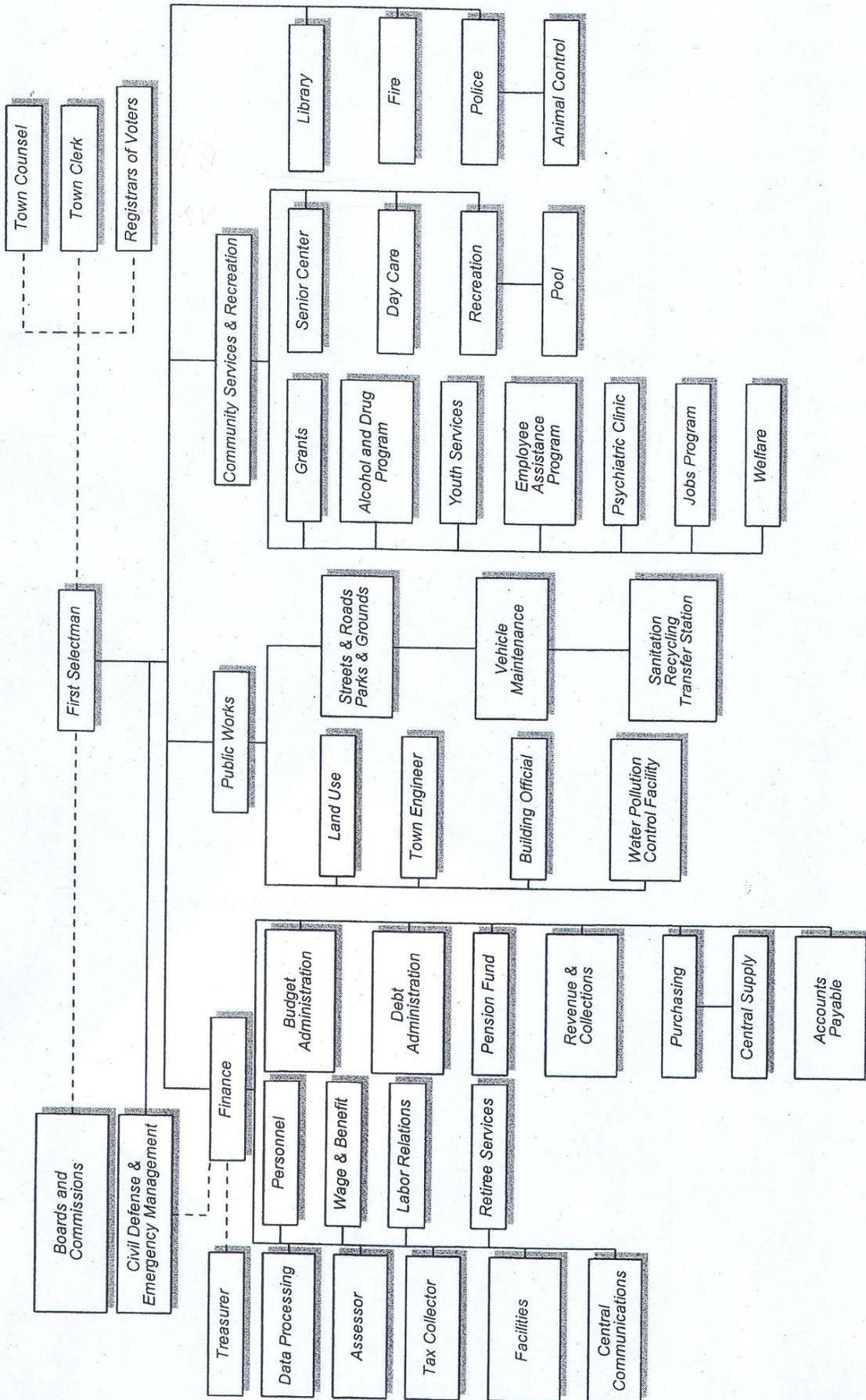
Director of Finance/Administration	Edward J. Swinkoski
Manager, Information Technology	William Bennett
Assistant Office Manager/Staff Personnel Specialist	Rose Tryanow
Assessor	Gary Johns
Tax Collector	J. Stacey Yarbrough
Town Counsel	William R. Ryan, Ryan & Ryan, LLC
Town Clerk	J. Stacey Yarbrough
Treasurer	Laurie-Jean Hannon
Director of Public Works	Lynn Sadosky
Director of Field Operations	Victor Palma
Assistant Director of Field Operations, Highway	Robert DeMauro
Assistant Director of Field Operations, Sanitation	Michael Maturo
Land Use Administrator	Alan Fredricksen
Town Engineer	Jonathan Bodwell
Building Official	Elio Floriano
Assistant Building Official	Vacant
Chief of Police	Thomas McLoughlin
Deputy Chief of Police	Jonathan Mulhern
Fire Chief/Fire Marshall	Vincent Landisio
Deputy Fire Chief	David Marcarelli
Animal Control Officer	David Carney
Director of Community Services and Recreation	Edward J. Swinkoski
Assistant Director of Recreation	Eileen Pettit
Assistant Director of Recreation/Pool	Andrew DelVecchio
Youth Services Administrator	Nancy Leddy
Manager of Senior Center	Judy Amarone
Director of Library Services	Lois Baldini
Assistant Director of Library Services	Patricia Dortenzio

**BOARD OF EDUCATION**

Stephen DiCapua, Acting Chairman  
Alicia Clapp  
Carole Franceschet  
James C. Hogan, Jr.  
Bert F. Mozealous  
Wesley J. O'Brien  
Anita B. Anderson  
Bryan P. Bogen

Superintendent of Schools

Dr. Robert Cronin



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Town of North Haven  
Connecticut

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2010

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



*Linda C. Sandison*

President

*Jeffrey R. Emer*

Executive Director

**This page intentionally left blank.**

**Financial Section**



## INDEPENDENT AUDITOR'S REPORT

To the Board of Finance  
Town of North Haven, Connecticut

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of North Haven, Connecticut as of and for the year ended June 30, 2011, which collectively comprise the Town's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the Town's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in "Government Auditing Standards" issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of North Haven, Connecticut as of June 30, 2011, and the respective changes in financial position and, where applicable, cash flows thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 17 to the basic financial statements, the Town adopted GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions," which changed its method of accounting of governmental funds' fund balance classification and restated the General Fund and Nonmajor Governmental funds' beginning fund balances.

In accordance with "Government Auditing Standards," we have also issued our report dated December 16, 2011 on our consideration of the Town of North Haven, Connecticut's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with "Government Auditing Standards" and should be considered in assessing the results of our audit.

The management discussion and analysis, budgetary comparison information, the schedules of funding progress and schedules of employer contributions for the pension plans and other post-employment benefits are not a required part of the basic financial statements, but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The budgetary detail, combining and individual nonmajor fund statements, capital assets schedule and other schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*McGladrey & Pullen, LLP*

New Haven, Connecticut  
December 16, 2011

# Town of North Haven, Connecticut Management's Discussion and Analysis June 30, 2011

As management of the Town of North Haven, we offer readers of the Town of North Haven's financial statements this narrative overview and analysis of the financial activities of the Town of North Haven for the fiscal year ended June 30, 2011. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i through ix, of this report.

## Financial Highlights

- The assets of the Town of North Haven exceeded its liabilities at the close of the most recent fiscal year by \$75,537,923 (net assets). Of this amount, \$10,269,051 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net assets decreased by \$1,604,790.
- As of the close of the current fiscal year, the Town of North Haven's governmental funds reported combined ending fund balances of \$19,493,651, an increase of \$967,497, in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$8,619,912, or 10.54% of total general fund expenditures.
- The Town of North Haven's total debt decreased by \$4,646,099, 8.2% during the current fiscal year.

## Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the Town of North Haven's basic financial statements. The Town of North Haven's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

The statement of net assets presents information on all of the Town of North Haven's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Town of North Haven is improving or deteriorating.

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Town of North Haven that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Town of North Haven include general government, public safety, highways and streets, sanitation, economic development, and culture and recreation. The business-type activity of the Town of North Haven is the Water Pollution Control Authority.

The government-wide financial statements include only the Town of North Haven itself (known as the primary government). The Town of North Haven does not have any component units to be reported separately from the financial information presented for the primary government itself. The Water Pollution Control Authority, although also legally separate, functions for all practical purposes as a department of the Town of North Haven, and therefore has been included as an integral part of the primary government.

The government-wide financial statements can be found on pages 11 and 12 of this report.

**Fund financial statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town of North Haven, like other state and local governments uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town of North Haven can be divided into two categories: governmental funds and fiduciary funds.

**Governmental funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town of North Haven maintains 52 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund which is considered to be a major fund. Data from the other 51 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The Town of North Haven adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 13 and 14 of this report.

**Proprietary funds.** The Town of North Haven maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Town of North Haven uses an enterprise fund to account for its Water Pollution Control Authority. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the Town of North Haven's various functions. The Town of North Haven uses an internal service fund to account for its dental insurance and prescription programs. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water Pollution Control Authority, which is considered to be a major fund of the Town of North Haven. Conversely, two internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements.

The basic proprietary fund financial statements can be found on pages 16-18 of this report.

**Fiduciary funds.** 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 Town of North Haven's own programs.

The basic fiduciary statements can be found on pages 19 and 20 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 21 through 59 of this report.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Town of North Haven, Connecticut's progress in funding its obligation to provide pension benefits and other postemployment benefits to its employees and the General Fund budgetary comparison. This information can be found on pages 61 through 66 of this report.

### Government-wide Financial Analysis

As noted, earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the Town of North Haven, assets exceeded liabilities by \$75,537,923 at the close of the most recent fiscal year.

By far the largest portion of the Town of North Haven's net assets (84.4%) reflects its investment in capital assets (e.g., land, building, machinery, and equipment), less any related debt used to acquire those assets that are still outstanding. The Town of North Haven uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town of North Haven'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.

**Town of North Haven's Statement of Net Assets**  
As of June 30, 2011 and 2010

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Current and other assets	\$ 31,837,640	\$ 26,694,324	\$ 1,950,369	\$ 992,447	\$ 33,788,009	\$ 27,686,771
Capital assets	105,352,939	109,823,519	10,059,919	10,735,590	115,412,858	120,559,109
<b>Total Assets</b>	<b>137,190,579</b>	<b>136,517,843</b>	<b>12,010,288</b>	<b>11,728,037</b>	<b>149,200,867</b>	<b>148,245,880</b>
Long-term liabilities outstanding	67,884,982	70,066,163	-	-	67,884,982	70,066,163
Other liabilities	5,730,810	4,246,584	47,152	-	5,777,962	4,246,584
<b>Total Liabilities</b>	<b>73,615,792</b>	<b>74,312,747</b>	<b>47,152</b>	<b>-</b>	<b>73,662,944</b>	<b>74,312,747</b>
Net assets:						
Invested in capital assets, net of related debt	53,680,889	50,307,262	10,059,919	10,735,590	63,740,808	61,042,852
Restricted	1,528,064	227,635	-	-	1,528,064	227,635
Unrestricted	8,365,834	11,670,199	1,903,217	992,447	10,269,051	12,662,646
<b>Total Net Assets</b>	<b>\$ 63,574,787</b>	<b>\$ 62,205,096</b>	<b>\$ 11,963,136</b>	<b>\$ 11,728,037</b>	<b>\$ 75,537,923</b>	<b>\$ 73,933,133</b>

An additional portion of the Town of North Haven's net assets (\$1,528,064) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets \$8,365,834 may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the Town of North Haven is able to report positive balances in all three categories of net assets. The same situation held true for the prior fiscal year.

The Town's total net assets increased by \$1,604,790 during the current fiscal year.

**Governmental activities.** Governmental activities increased the Town of North Haven's net assets by \$1,369,691. Key elements of this increase are as follows:

Town Revenue-General included the receipt of \$2,501,505 from the Connecticut Resource Recovery Authority which was \$501,505 more than budgeted. There was also a \$521,906 underexpenditure in the employees insurance accounts.

**Town of North Haven's Changes in Net Assets**  
Years Ended June 30, 2011 and 2010

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
<b>Revenues:</b>						
Program Revenues:						
Charges for services	\$ 3,370,887	\$ 3,181,701	\$ 2,987,289	\$ 2,909,703	\$ 6,358,176	\$ 6,091,404
Operating grants and contributions	11,699,711	11,427,537	-	-	11,699,711	11,427,537
Capital grants and contributions	157,901	839,675	-	-	157,901	839,675
General Revenues:						
Property taxes	73,999,013	67,316,651	-	-	73,999,013	67,316,651
Grants and contributions not restricted to specific programs	1,942,138	2,153,040	-	-	1,942,138	2,153,040
Interest income	110,356	163,639	-	-	110,356	163,639
Other	3,286,973	3,270,684	-	-	3,286,973	3,270,684
<b>Total revenues</b>	<b>94,566,979</b>	<b>88,352,927</b>	<b>2,987,289</b>	<b>2,909,703</b>	<b>97,554,268</b>	<b>91,262,630</b>
<b>Expenses:</b>						
General government	9,586,158	9,548,877	-	-	9,586,158	9,548,877
Public safety	15,017,493	13,907,039	-	-	15,017,493	13,907,039
Public works	7,988,896	7,563,157	-	-	7,988,896	7,563,157
Health and welfare	1,526,970	1,681,907	-	-	1,526,970	1,681,907
Culture and recreation	1,353,346	1,283,582	-	-	1,353,346	1,283,582
Education	57,724,425	56,945,642	-	-	57,724,425	56,945,642
WPCA	-	-	2,752,190	4,358,834	2,752,190	4,358,834
<b>Total expenses</b>	<b>93,197,288</b>	<b>90,930,204</b>	<b>2,752,190</b>	<b>4,358,834</b>	<b>95,949,478</b>	<b>95,289,038</b>
<b>Change in net assets</b>	<b>1,369,691</b>	<b>(2,577,277)</b>	<b>235,099</b>	<b>(1,449,131)</b>	<b>1,604,790</b>	<b>(4,026,408)</b>
Net assets, beginning	62,205,096	64,782,373	11,728,037	13,177,168	73,933,133	77,959,541
Net assets, ending	<u>\$ 63,574,787</u>	<u>\$ 62,205,096</u>	<u>\$ 11,963,136</u>	<u>\$ 11,728,037</u>	<u>\$ 75,537,923</u>	<u>\$ 73,933,133</u>

**Business-type activities.** Business-type activities increased the Town of North Haven's net assets by \$235,099.

The depreciation charge for the year was \$675,671.

**Financial Analysis of the Government's Funds**

As noted earlier, the Town of North Haven uses fund accounting to ensure and demonstrate compliance with financial-related legal requirements.

**Governmental funds.** The focus of the Town of North Haven's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town of North Haven's financial requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Town of North Haven's governmental funds reported combined ending fund balances of \$19,493,651, an increase of \$967,497 in comparison with the prior year. \$5,756,926 of this fund balance is assigned to indicate that there is intent to spend the funds on a specific purpose: 1) to liquidate contracts and purchase orders of the prior period \$463,310, or 2) for a variety of other purposes \$577,834. Additionally, \$3,074,782 is assigned for debt retirement, and \$1,641,000 for the fiscal 2011-2012 budget.

The general fund is the chief operating fund of the Town of North Haven. At the end of the current fiscal year, unassigned fund balance of the general fund was \$8,619,912, while total fund balance reached \$14,422,930. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 10.54% of the total general fund expenditures, while total fund balance represents 17.63% of that same amount.

The fund balance of the Town of North Haven's general fund increased by \$1,128,995 during the current fiscal year. This was mainly the result of \$501,505 in CRRA funds received that were more than anticipated and \$521,906 in under-expenditures in the employees insurance accounts.

**Proprietary funds.** The Town of North Haven's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net assets of the Water Pollution Control Authority at the end of the year amounted to \$1,903,217. The total increase in net assets of the fund was \$235,099.

**General Fund Budgetary Highlights**

The difference between the original budget and the final amended budget was a \$266,635 decrease in appropriations, and can be briefly summarized as follows:

General Government	\$ (420,923)
Public Safety	(145,795)
Public Works	300,083
<b>Total</b>	<u><u>\$ (266,635)</u></u>

Budget variances in the General Fund were attributable to various revenue items. Actual revenues were more than budgeted revenues by \$580,087. Town Revenue-General was over budget by \$628,500 due to the CRRA refund being \$501,505 more than budgeted.

**Capital Asset and Debt Administration**

**Capital assets.** The Town of North Haven's investment in capital assets for its governmental type activities as of June 30, 2011, amounts to \$107,879,446 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system, improvements, machinery and equipment, park facilities, roads, highways, and bridges. The Town of North Haven's investment in capital assets for its business-type activities as of June 30, 2011 amounts to \$10,059,919. This investment in capital assets includes buildings and systems along with machinery and equipment. The total decrease in the Town of North Haven's investment in capital assets for the current fiscal year was 4.3%.

Major capital asset events during the current fiscal year included various building renovations in the amount of \$456,450.

**Town of North Haven's Capital Assets - Gross**

	Governmental Activities		Business-Type Activities		Total	
	June 30, 2011	June 30, 2010	June 30, 2011	June 30, 2010	June 30, 2011	June 30, 2010
Land	\$ 2,526,507	\$ 2,526,507	\$ -	\$ -	\$ 2,526,507	\$ 2,526,507
Building and system Improvements other than building	123,920,863	123,464,413	12,922,130	12,922,130	136,842,993	136,386,543
Machinery and equipment	1,281,565	870,100	-	-	1,281,565	870,100
Infrastructure	15,604,959	15,328,697	4,776,485	4,776,485	20,381,444	20,105,182
	27,220,043	27,189,143	22,424,647	22,424,647	49,644,690	49,613,790
<b>Total</b>	<b>\$ 170,553,937</b>	<b>\$ 169,378,860</b>	<b>\$ 40,123,262</b>	<b>\$ 40,123,262</b>	<b>\$ 210,677,199</b>	<b>\$ 209,502,122</b>

Additional information on the Town of North Haven's capital assets can be found in Note 6 of this report.

**Long-term debt.** At the end of the current fiscal year, the Town of North Haven had total bonded debt outstanding of \$50,715,000 which is backed by the full faith and credit of the government.

**Town of North Haven's Outstanding Debt  
General Obligation Bonds**

	Governmental Activities	
	June 30, 2011	June 30, 2010
General Obligation Bonds	\$ 50,715,000	\$ 54,410,000

The Town of North Haven's total bonded debt decreased by \$3,695,000 (6.8%) during the current fiscal year.

The Town of North Haven maintains an "Aa1" rating from Moody's for general obligation debt.

State statutes limit the amount of general obligation debt a governmental entity may issue to seven times total tax collections. The current debt limitation for the Town of North Haven's outstanding general obligation debt is \$517,490,579.

Additional information on the Town of North Haven's long-term debt can be found in Note 7 of this report.

**Economic Factors and Next Year's Budget and Rates.**

The unemployment rate from the Town of North Haven is currently 8.2 percent. Inflationary trends in the region are comparable to national indices.

These factors were considered in preparing the Town of North Haven's budget for the 2011 fiscal year.

During the current fiscal year, unassigned fund balance in the general fund increased by \$1,891,638.

## **Requests for Information**

This financial report is designed to provide a general overview of the Town of North Haven's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Office, Town of North Haven, 18 Church Street, North Haven, Connecticut 06473.

**This page intentionally left blank.**

## **Basic Financial Statements**



TOWN OF NORTH HAVEN, CONNECTICUT

STATEMENT OF NET ASSETS  
June 30, 2011

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Cash and cash equivalents	\$ 23,599,779	\$ 1,614,330	\$ 25,214,109
Receivables, net of allowance for collection losses:			
Property taxes	3,572,594	-	3,572,594
Assessments and user charges	161,649	336,039	497,688
Intergovernmental	1,867,380	-	1,867,380
Other	40,534	-	40,534
Prepaid	46,692	-	46,692
Inventories	15,359	-	15,359
Pension asset	7,146	-	7,146
Capital assets not being depreciated	2,526,507	-	2,526,507
Capital assets being depreciated, net of accumulated depreciation	105,352,939	10,059,919	115,412,858
<b>Total assets</b>	<b>137,190,579</b>	<b>12,010,288</b>	<b>149,200,867</b>
<b>Liabilities</b>			
Current liabilities:			
Accounts payable	3,416,348	-	3,416,348
Internal balances	(47,152)	47,152	
Accrued interest payable	925,183	-	925,183
Unearned revenue	1,436,431	-	1,436,431
Noncurrent liabilities:			
Due in less than one year	4,939,168	-	4,939,168
Due in more than one year	62,945,814	-	62,945,814
<b>Total liabilities</b>	<b>73,615,792</b>	<b>47,152</b>	<b>73,662,944</b>
<b>Net Assets</b>			
Investment in capital assets, net of related debt	53,680,889	10,059,919	63,740,808
Restricted for:			
Permanently restricted	526,548	-	526,548
Other purposes	1,001,516	-	1,001,516
Unrestricted	8,365,834	1,903,217	10,269,051
<b>Total net assets</b>	<b>\$ 63,574,787</b>	<b>\$ 11,963,136</b>	<b>\$ 75,537,923</b>

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

TOWN OF NORTH HAVEN, CONNECTICUT

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2011

Functions/Programs	Expenses	Indirect Expense Allocations	Program Revenues			Net (Expense) Revenue and Change in Net Assets		
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Primary government:</b>								
Governmental activities:								
General government	\$ (9,384,068)	\$ (202,090)	\$ 528,711	\$ -	\$ -	\$ (9,057,447)	\$ -	\$ (9,057,447)
Public safety	(15,017,493)	-	660,888	1,042,410	-	(13,314,195)	-	(13,314,195)
Public works	(7,988,896)	-	305,169	450,413	-	(7,233,314)	-	(7,233,314)
Health and welfare	(1,526,970)	-	99,532	388,379	98,500	(940,559)	-	(940,559)
Cultural and recreation	(1,353,346)	-	354,734	32,372	-	(966,240)	-	(966,240)
Education	(55,905,612)	(1,818,813)	1,421,853	9,786,137	59,401	(46,457,034)	-	(46,457,034)
Interest on long-term debt	(2,020,903)	2,020,903	-	-	-	-	-	-
<b>Total governmental activities</b>	<b>(93,197,288)</b>	<b>-</b>	<b>3,370,887</b>	<b>11,699,711</b>	<b>157,901</b>	<b>(77,968,789)</b>	<b>-</b>	<b>(77,968,789)</b>
Business-type activities:								
WPCA	(2,752,190)	-	2,987,289	-	-	-	235,099	235,099
<b>Total primary government</b>	<b>\$ (95,949,478)</b>	<b>\$ -</b>	<b>\$ 6,358,176</b>	<b>\$ 11,699,711</b>	<b>\$ 157,901</b>	<b>(77,968,789)</b>	<b>235,099</b>	<b>(77,733,690)</b>
General revenues:								
Property taxes						73,999,013	-	73,999,013
Grants and contributions not restricted to specific programs						1,942,138	-	1,942,138
Investment income						110,356	-	110,356
Miscellaneous						3,286,973	-	3,286,973
<b>Total general revenues</b>						<b>79,338,480</b>	<b>-</b>	<b>79,338,480</b>
Change in net assets						1,369,691	235,099	1,604,790
Net assets - beginning						62,205,096	11,728,037	73,933,133
Net assets - ending						<b>\$ 63,574,787</b>	<b>\$ 11,963,136</b>	<b>75,537,923</b>

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

TOWN OF NORTH HAVEN, CONNECTICUT

BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2011

	Major Fund		Total Governmental Funds
	General Fund	Nonmajor Governmental Funds	
<b>Assets</b>			
Cash and cash equivalents	\$ 16,941,649	\$ 6,230,090	\$ 23,171,739
Receivables (net of allowances for collection losses):			
Property taxes	3,572,594	-	3,572,594
Assessments and user charges	161,649	-	161,649
Intergovernmental	1,330,048	537,332	1,867,380
Other	40,534	-	40,534
Due from other funds	744,018	839,117	1,583,135
Prepaid items	46,092	600	46,692
Inventories	-	15,359	15,359
<b>Total assets</b>	<b>\$ 22,836,584</b>	<b>\$ 7,622,498</b>	<b>\$ 30,459,082</b>
<b>Liabilities</b>			
Accounts payable	\$ 2,357,353	\$ 979,445	\$ 3,336,798
Unearned revenues	563,629	872,802	1,436,431
Deferred revenues	4,674,055	-	4,674,055
Due to other funds	818,617	699,530	1,518,147
<b>Total liabilities</b>	<b>8,413,654</b>	<b>2,551,777</b>	<b>10,965,431</b>
<b>Fund balances</b>			
Nonspendable	46,092	542,507	588,599
Restricted	-	4,268,397	4,268,397
Committed	-	369,379	369,379
Assigned	5,756,926	-	5,756,926
Unassigned	8,619,912	(109,562)	8,510,350
<b>Total fund balances</b>	<b>14,422,930</b>	<b>5,070,721</b>	<b>19,493,651</b>
<b>Total liabilities and fund balances</b>	<b>\$ 22,836,584</b>	<b>\$ 7,622,498</b>	

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

Capital assets, net of accumulated depreciation, used in governmental fund are not financial resources and, therefore, are not reported in the funds.	107,879,446
Deferred revenue	4,674,055
Pension asset	7,146
Accrued interest	(925,183)
Internal service funds are used by management to charge the costs of risk management to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	265,336
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds	(67,819,664)

Net assets of governmental activities

\$ 63,574,787

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

TOWN OF NORTH HAVEN, CONNECTICUT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2011

	Major Fund		Total Governmental Funds
	General Fund	Nonmajor Governmental Funds	
<b>REVENUES</b>			
Property taxes	\$ 73,908,177	\$ -	\$ 73,908,177
Licenses, permits, fees and fines	881,729	-	881,729
Intergovernmental	8,729,212	4,901,914	13,631,126
Investment income	100,182	4,079	104,261
Charges for services	1,022,831	1,470,365	2,493,196
Net increase in fair value of investments	-	6,095	6,095
Contributions	3,498	78,655	82,153
Other	3,523,716	49,720	3,573,436
<b>Total revenues</b>	<b>88,169,345</b>	<b>6,510,828</b>	<b>94,680,173</b>
<b>EXPENDITURES</b>			
Current:			
General Government	5,480,490	-	5,480,490
Public Safety	8,273,999	542,941	8,816,940
Public Works	4,881,808	304,260	5,186,068
Health and Welfare	781,039	452,222	1,233,261
Culture and Recreation	847,376	115,292	962,668
Benefits and Insurance	9,711,664	-	9,711,664
Education	47,701,735	4,204,971	51,906,706
Other	1,452,466	-	1,452,466
Principal retirements	4,646,099	-	4,646,099
Interest	2,325,270	-	2,325,270
Capital outlay	685,408	1,305,636	1,991,044
<b>Total expenditures</b>	<b>86,787,354</b>	<b>6,925,322</b>	<b>93,712,676</b>
<b>Revenues over (under) expenditures</b>	<b>1,381,991</b>	<b>(414,494)</b>	<b>967,497</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	116,004	383,300	499,304
Transfers out	(369,000)	(130,304)	(499,304)
<b>Total other financing sources (uses)</b>	<b>(252,996)</b>	<b>252,996</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>1,128,995</b>	<b>(161,498)</b>	<b>967,497</b>
<b>FUND BALANCES</b> , beginning, as restated (Note 17)	<b>13,293,935</b>	<b>5,232,219</b>	<b>18,526,154</b>
<b>FUND BALANCES</b> , ending	<b>\$ 14,422,930</b>	<b>\$ 5,070,721</b>	<b>\$ 19,493,651</b>

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

**TOWN OF NORTH HAVEN, CONNECTICUT**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE  
STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2011**

---

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

Net changes in fund balances - total governmental funds (Page 14) \$ 967,497

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period. (1,944,073)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (113,193)

Change in pension assets (651)

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 assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. 4,937,053

Some items 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. (2,630,452)

The net revenue (expense) of certain activities of internal service funds is reported with governmental activities. 153,510

Change in net assets of governmental activities (Page 12) \$ 1,369,691

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

TOWN OF NORTH HAVEN, CONNECTICUT

STATEMENT OF NET ASSETS - PROPRIETARY FUNDS

June 30, 2011

	Business-Type Activities Enterprise Fund Water Pollution Control Authority	Governmental Activities Internal Service Funds
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 1,614,330	\$ 428,040
Accounts receivable	336,039	-
<b>Total current assets</b>	<u>1,950,369</u>	<u>428,040</u>
Capital Assets, net of accumulated depreciation	<u>10,059,919</u>	<u>-</u>
<b>Total assets</b>	<u>12,010,288</u>	<u>428,040</u>
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	-	97,386
Due to other funds	47,152	-
Claims payable	-	65,318
<b>Total current liabilities</b>	<u>47,152</u>	<u>162,704</u>
<b>Total liabilities</b>	<u>47,152</u>	<u>162,704</u>
<b>NET ASSETS</b>		
Invested in capital assets	10,059,919	-
Unrestricted	1,903,217	265,336
<b>Total net assets</b>	<u>\$ 11,963,136</u>	<u>\$ 265,336</u>

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

TOWN OF NORTH HAVEN, CONNECTICUT

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS -  
 PROPRIETARY FUNDS

For the Year Ended June 30, 2011

	Business-Type Activities Enterprise Fund Water Pollution Control Authority	Governmental Activities Internal Service Funds
<b>OPERATING REVENUES</b>		
Water use fees and charges	\$ 2,987,289	\$ -
Premiums	-	1,912,611
<b>Total operating revenues</b>	<u>2,987,289</u>	<u>1,912,611</u>
<b>OPERATING EXPENSES</b>		
Claims	-	1,718,041
Depreciation	675,671	-
Administration and operations	2,076,519	41,060
<b>Total operating expenses</b>	<u>2,752,190</u>	<u>1,759,101</u>
<b>Change in net assets</b>	235,099	153,510
<b>FUND NET ASSETS, beginning</b>	<u>11,728,037</u>	<u>111,826</u>
<b>FUND NET ASSETS, ending</b>	<u>\$ 11,963,136</u>	<u>\$ 265,336</u>

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

TOWN OF NORTH HAVEN, CONNECTICUT

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS  
For the Year Ended June 30, 2011

	Business-Type Activities Enterprise Fund Water Pollution Control Authority	Governmental Activities Internal Service Funds
<b>Cash Flows From Operating Activities</b>		
Cash received from charges for services	\$ 2,869,984	\$ 1,915,512
Cash paid to vendors and beneficiaries	(2,029,367)	(1,684,978)
<b>Net cash provided by operating activities</b>	<u>840,617</u>	<u>230,534</u>
<b>Net increase in cash and cash equivalents</b>	840,617	230,534
<b>Cash and Cash Equivalents</b>		
Beginning	<u>773,713</u>	<u>197,506</u>
Ending	<u>\$ 1,614,330</u>	<u>\$ 428,040</u>
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</b>		
Operating income	\$ 235,099	\$ 153,510
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	675,671	-
Changes in assets and liabilities:		
Decrease (Increase) in accounts receivable	(117,305)	2,899
Increase in accounts payable	47,152	94,487
Decrease in claims payable	-	(20,362)
<b>Net cash provided by operating activities</b>	<u>\$ 840,617</u>	<u>\$ 230,534</u>

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

**TOWN OF NORTH HAVEN, CONNECTICUT**

**STATEMENT OF FIDUCIARY NET ASSETS - FIDUCIARY FUNDS**

**June 30, 2011**

	Pension Trust Funds	Agency Funds
<b>ASSETS</b>		
Cash and cash equivalents	\$ 332,243	\$ 1,916,053
Accounts receivable	258,097	-
Investments, at fair value:		
U.S. government and agency notes and bonds	10,496,952	-
Corporate bonds	16,549,010	-
Money market mutual funds	2,101,139	-
Equity mutual funds	37,798,604	-
<b>Total investments</b>	<u>66,945,705</u>	<u>-</u>
<b>Total assets</b>	<u>67,536,045</u>	<u>1,916,053</u>
<b>LIABILITIES</b>		
Due to student groups and agencies or others	17,836	1,916,053
<b>Total liabilities</b>	<u>17,836</u>	<u>1,916,053</u>
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS</b>	<u>\$ 67,518,209</u>	<u>\$ -</u>

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

TOWN OF NORTH HAVEN, CONNECTICUT

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS - FIDUCIARY FUNDS  
For the Year Ended June 30, 2011

---

	Pension Trust Funds
<b>ADDITIONS</b>	
Contributions	
Employer	\$ 3,227,209
Plan members	145,067
<b>Total contributions</b>	<u>3,372,276</u>
Investment Income	
Net appreciation in fair value of investments	9,198,178
Interest and dividends	1,064,466
	<u>10,262,644</u>
Less investment expenses:	
Investment management fees	47,998
<b>Net investment income</b>	<u>10,214,646</u>
<b>Total additions</b>	<u>13,586,922</u>
<b>DEDUCTIONS</b>	
Benefits	4,533,757
Administration	9,871
	<u>4,543,628</u>
<b>Changes in net assets</b>	9,043,294
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS</b>	
Beginning of year	<u>58,474,915</u>
End of year	<u>\$ 67,518,209</u>

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

## TOWN OF NORTH HAVEN, CONNECTICUT

### NOTES TO FINANCIAL STATEMENTS

June 30, 2011

---

#### **Note 1. Significant Accounting Policies**

##### **Reporting entity**

The Town of North Haven, Connecticut (the "Town"), was incorporated in 1786 under the provisions of the Home Rule Law of the State of Connecticut. It operates under a Board of Selectmen form of government and provides services as authorized by its charter including public safety (police and fire), sanitation, health and social services, recreation, education and general administrative services. The accompanying financial statements conform to accounting principles generally accepted in the United States of America as applicable to governments.

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 the Governmental Accounting Standards Board Codification, Section 2100, have been considered and there are no agencies or entities, which should be presented with the Town.

##### **Government-wide and fund financial statements**

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which are normally 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.

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

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

##### **Measurement focus, basis of accounting, and financial statement presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as are the proprietary fund and the fiduciary fund financial statements. The agency funds are reported using the accrual basis of accounting but do not have a measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year when levied for. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the

## TOWN OF NORTH HAVEN, CONNECTICUT

### NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2011

---

Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred as under accrual accounting, however, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due (matured).

Property taxes, when levied for, intergovernmental revenue when eligibility requirements are met, licenses, 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. All other revenue items are considered to be measurable and available only when cash is received by the Town.

#### **Governmental Funds**

Governmental Funds are those through which most governmental functions typically are financed.

Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the Town's major governmental funds:

The *General Fund* is the primary operating fund of the Town. This fund is used to account for and report all financial transactions and resources except those required to be accounted for in another fund. Revenues are derived primarily from property taxes, state and federal grants, licenses, permits, charges for service and interest income.

The other governmental funds of the Town are considered nonmajor and are as follows:

*Special Revenue Funds* account for and report the proceeds of specific revenue sources that are restricted or committed for expenditure for specific activities other than debt service or capital projects.

*Capital Project Funds* account for and report all financial resources that are restricted, committed or assigned to expenditure for capital outlay.

*Permanent Funds* are used to account for and report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the Town's programs.

#### **Proprietary Funds**

Proprietary funds are used to account for activities that are similar to those often found in the private sector. These funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting.

The Town reports the following major proprietary fund:

- Enterprise Funds account for operations that are financed in a manner similar to private business enterprises, where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The WPCA Fund is the Town's only enterprise fund.

## TOWN OF NORTH HAVEN, CONNECTICUT

### NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2011

---

Additionally, the Town reports the following proprietary fund:

- Internal Service Funds account for the financing of goods or services provided by one department to other departments or agencies of the Town on a cost-reimbursement basis.

#### **Fiduciary Funds**

Fiduciary Funds are used to account for assets held by the Town in a trustee capacity or as an agent for individuals, private organizations and other governments. Fiduciary funds are not included in the government-wide statements. The fiduciary funds are as follows:

The *Pension Trust Fund* accounts for the Municipal Employees Retirement System.

*Agency Funds* are custodial in nature (assets equal liabilities) and do not involve measurement of results of operation. The Student Activities Fund, Student Scholarship Fund and Performance Bonds Fund are the Town's agency funds.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide financial statements and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private sector guidance for their business-type activities and enterprise funds, subject to the same limitation. The Town has elected not to follow FASB's pronouncements issued subsequent to November 30, 1989.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. Interfund services provided and used are not eliminated in the process of consolidation. Exceptions to this general rule are charges between the proprietary funds and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all 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 of the proprietary funds are charges to customers for services and other funds for premium costs. Operating expenses for proprietary funds, including both enterprise funds and internal service funds, include the cost of operations and maintenance, claims expense, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, and then unrestricted resources, as they are needed.

#### **Pension plan accounting**

##### *Pension Trust Funds:*

The Pension Trust Funds are reported on the accrual basis of accounting. Employee contributions are recognized in the period in which the contributions are due. Employer contributions to the plan

## TOWN OF NORTH HAVEN, CONNECTICUT

### NOTES TO FINANCIAL STATEMENTS, Continued

June 30, 2011

---

are recognized when due and the Town has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan. Administrative costs are financed through investment earnings. Stand-alone statements are not issued.

#### *Governmental Activities:*

The net pension obligation (asset), the cumulative difference between annual pension cost and the Town's contributions to the plan since 1986, is calculated on an actuarial basis consistent with the requirements of Government Accounting Standards Board Statement No. 27. Expenditures are recognized when they are paid or are expected to be paid with current available resources. The pension obligation (asset) is recorded as a non-current liability (asset) in the government-wide financial statements, and generally liquidated by the General Fund.

#### *Funding Policy:*

The Town funds the contributions to its pension plans based on actuarial valuations.

### **Net other post-employment benefit obligations**

In fiscal year 2009, the Town implemented GASB Statement No. 45, "*Accounting and Financial Reporting by Employers for Post-employment Benefits Other than Pensions.*" This pronouncement required the Town to calculate and record a net other post-employment benefit obligation (NOPEBO) at June 30, 2009. The NOPEBO is, in general, the cumulative difference between the actuarial required contribution and the actual contributions since July 1, 2008. The NOPEBO is recorded as a non-current liability in the government-wide financial statements, and generally liquidated by the General Fund.

### **Accounting estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses and expenditures during the reporting period. Actual results could differ from those estimates.

### **Encumbrances**

Encumbrances represent commitments related to contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is utilized in the governmental funds. Encumbrances outstanding at year-end are reported as an assignment of fund balance as they do not constitute either expenditures or liabilities.

### **Property taxes**

Property taxes are assessed as of October 1 and levied on the following June 1st. Real estate taxes are generally due and payable in two installments on July 1 and January 1. Motor vehicle taxes are due and payable in one installment on July 1. Payments not received within one month after the due date become delinquent, with interest charged at the rate of 1 ½% per month. Assessments for real and personal property, excluding motor vehicles, are computed at 70% of the market value. Liens are recorded July 1.

## **TOWN OF NORTH HAVEN, CONNECTICUT**

### **NOTES TO FINANCIAL STATEMENTS, Continued**

**June 30, 2011**

---

#### **Cash equivalents**

The Town considers all certificates of deposit, money market accounts and highly liquid short-term investment funds with maturities of three months or less to be cash equivalents.

#### **Allowance for doubtful accounts**

Accounts and notes receivable for the primary government are reported net of allowance for doubtful accounts. The allowance for doubtful accounts represents those accounts which are deemed uncollectible based upon past collection history and an assessment of the creditor's ability to pay.

#### **Investments**

Investments for the government are reported at fair value based on quoted market prices. Most of the Town's investments are recorded in the Pension Trust Fund.

The Connecticut State Treasurer's Short-Term Investment Fund is an investment pool managed by the State of Connecticut Office of the State Treasurer. Investments must be made in instruments authorized by Connecticut General Statutes 3-27c through 3-27e. Investment guidelines are adopted by the State Treasurer. The fair value of the position in the pool is the same as the value of the pool shares.

The balance of the pooled fixed income investments were invested in a pool similar to a 2a-7. The fair value of the position in the pool is the same as the value of the pool shares. These investments are stated at amortized cost.

#### **Inventory**

Inventory is stated at the lower of cost or market, determined on a first-in, first-out basis. Governmental fund type inventory consists of expendable supplies and is recorded as an expenditure when consumed.

#### **Capital assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the governmental column in the government-wide financial statements. The government defines capital assets as assets with an initial, individual cost of more than \$1,000, and an estimated useful life in excess of two-years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

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

## TOWN OF NORTH HAVEN, CONNECTICUT

### NOTES TO FINANCIAL STATEMENTS, Continued

June 30, 2011

---

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

Assets	Years
Buildings	50
Building improvements	20
Public domain infrastructure	15-50
Vehicles	5-8
Office equipment	5-20
Computer equipment	5

In the governmental fund financial statements, capital assets are reported as expenditures and no depreciation expense is recorded.

#### **Compensated absences**

It is the Town'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 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, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount and deferred gains/losses on refundings. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

#### **Net Assets and Fund Balance**

##### Net Assets

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

***Invested in Capital Assets, Net of Related Debt*** - This category groups all capital assets, including infrastructure, into one component of net assets. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce this category.

## TOWN OF NORTH HAVEN, CONNECTICUT

### NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2011

---

**Restricted Net Assets** - This category represents the net assets of the Town, which are restricted by external parties.

**Unrestricted Net Assets** - This category represents the net assets of the Town, which are not restricted for any project or other purpose.

#### Fund Balance

In the government fund financial statements, the Town classified fund balances as follows:

- Nonspendable Fund Balance – Amounts which cannot be spent either because they are in a nonspendable 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 (Town of North Haven, Board of Finance).
- 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.
- 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 Town's practice to use restricted resources first. Additionally, the Town would first use committed, then assigned, and lastly unassigned.

TOWN OF NORTH HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued  
June 30, 2011

---

**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 assets**

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

Bond premium	\$ 1,780,409
Bonds payable	50,715,000
Capital leases payable	374,642
Net pension obligation	721,336
Landfill costs	140,000
Deferred amounts on refunding	(280,133)
Notes payable	1,608,639
Claims payable	808,000
Compensated absences	4,355,310
OPEB obligation	<u>7,596,461</u>
Net adjustment to reduce fund balance - total governmental funds to arrive at net assets - governmental activities	<u>\$ 67,819,664</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**

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances - total governmental funds, and changes in net assets 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	\$ 1,177,012
Loss on disposal	(1,935)
Depreciation expense	<u>(3,119,150)</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ (1,944,073)</u>

TOWN OF NORTH HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued

June 30, 2011

---

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 assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities." The details of this difference are as follows:

Principal repayments:	
General obligation debt and notes payable	4,646,099
Payment of capital lease	174,002
Amortization of premium	<u>116,952</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u><u>\$ 4,937,053</u></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 this difference are as follows:

Compensated absences	\$ (50,294)
Accrued interest	60,102
Net pension obligation	(40,483)
Amortization of refunding amounts	(46,690)
Landfill costs	10,000
OPEB obligation	<u>(2,563,087)</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u><u>\$ (2,630,452)</u></u>

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

Deposits: The Town has a policy that deposits can include demand and savings accounts and certificates of deposits. The Town's custodial credit risk policy is to only allow the Town to use banks that are in the State of Connecticut. The Town follows the State of Connecticut collateral requirements for deposits. 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 Town conform to the policies as set forth by the State of Connecticut. The Town does not have a custodial credit risk policy. The Town's policy is to only allow prequalified financial institution broker/dealers and advisors. The Town 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-

**TOWN OF NORTH HAVEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2011**

---

load open end money market 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. The Statutes (Sections 3-24f and 3-27f) also provide for investment in shares of the Connecticut Short-Term Investment Fund, Cutwater Connecticut Class Plus, and the Tax Exempt Proceeds Fund.

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

Equities	40-70%
Bonds	30-60%
Cash Equivalents	5-30%

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

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

The following represents the investments in the pension plans that represent more than 5% of the plan's net assets as of June 30, 2011:

Vanguard 500 Index Fund  
Vanguard Instl Index Fund

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. As of June 30, 2011, \$18,796,000 of the Town's bank balance of \$20,796,000 was uninsured and uncollateralized.

Investments: This is the risk that in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Town and the pension funds do not have custodial credit risk policies for investments.

TOWN OF NORTH HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued  
June 30, 2011

---

Cash and investments of the Town consist of the following at June 30, 2011:

**Cash and Cash Equivalents**

Deposits with financial institutions	\$ 19,154,356
State of Connecticut Short-Term Investment fund	6,958,576
Cutwater Connecticut Class Plus	1,349,473
<b>Total cash and cash equivalents</b>	<u>27,462,405</u>

**Investments**

Pension Trust Funds:	
U.S. Government Securities	3,215,948 *
U.S. Treasury Notes	1,433,219 *
Municipal Bonds	5,847,785 *
Corporate Debt	16,549,010 *
Equity Mutual Funds	37,798,604
Money Market Mutual Funds	2,101,139
<b>Total pension investments</b>	<u>66,945,705</u>

**Total cash, cash equivalents and investments** \$ 94,408,110

\* These investments are uninsured and unregistered, with securities held by the counterparty, in the Town's or the pension trust's name.

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

**Statement of Net Assets**

Cash and cash equivalents	\$ 25,214,109
	<u>25,214,109</u>

**Fiduciary Funds:**

Cash and cash equivalents	2,248,296
Investments	66,945,705
	<u>69,194,001</u>

**Total cash, cash equivalents and investments** \$ 94,408,110

TOWN OF NORTH HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued  
June 30, 2011

*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 Town's debt type investments to this risk using the segmented time distribution model is as follows:

Type of Investment	Fair Value	Investment Maturities (In Years)		
		Less Than 1 Year	1-5 Years	6-10 Years
U.S. Government Securities	\$ 3,215,948	\$ -	\$ 3,215,948	\$ -
U.S. Treasury Notes	1,433,219	-	-	1,433,219
Municipal Bonds	5,847,785	-	5,327,045	520,740
Corporate Debt	16,549,010	304,986	15,239,024	1,005,000
Pooled Fixed Income	8,308,049	8,308,049	-	-
Money Market Mutual Funds	2,101,139	2,101,139	-	-
Total	<u>\$ 37,455,150</u>	<u>\$ 10,714,174</u>	<u>\$ 23,782,017</u>	<u>\$ 2,958,959</u>

*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. Presented below is the actual rating as required for each debt type investment.

Average Rating	U.S. Treasury Notes	Municipal Bonds	Corporate Debt	Pooled Fixed Income	Money Market Mutual Funds
AAA	\$ 1,433,219	\$ 2,409,978	\$ -	\$ 1,349,743	\$ -
AAA/M	-	-	-	6,958,306	-
AA+	-	1,469,942	2,628,594	-	-
AA	-	540,865	717,968	-	-
AA-	-	383,610	783,073	-	-
A+	-	-	316,840	-	-
A	-	1,043,390	4,098,161	-	-
A-	-	-	5,269,380	-	-
BBB+	-	-	1,729,994	-	-
BBB	-	-	1,005,000	-	-
Unrated	-	-	-	-	2,101,139
Total	<u>\$ 1,433,219</u>	<u>\$ 5,847,785</u>	<u>\$ 16,549,010</u>	<u>\$ 8,308,049</u>	<u>\$ 2,101,139</u>

TOWN OF NORTH HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued  
June 30, 2011

**Note 4. Unearned Revenue, Receivables and Payables**

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

	Deferred Revenues	Unearned Revenue
<b>General Fund:</b>		
School building construction receivable	\$ 1,328,048	\$ -
Delinquent property taxes receivable	3,184,358	-
Water and Sewer assessments	161,649	-
Other	-	563,629
	4,674,055	563,629
<b>Nonmajor Governmental Fund:</b>		
Intergovernmental	-	872,802
	-	872,802
<b>Total</b>	\$ 4,674,055	\$ 1,436,431

Receivables and payables

Receivables as of year-end for the Town's individual major funds and non-major funds, in the aggregate, including the applicable allowance for uncollectible accounts, are as follows:

	General	Water Pollution Control Authority	Non-Major Funds	Total Receivables
Taxes - property	\$ 4,208,833	\$ -	\$ -	\$ 4,208,833
Sewer Use	-	336,039	-	336,039
Intergovernmental	2,000	-	537,332	539,332
School building construction receivable	1,328,048	-	-	1,328,048
Water and sewer assessment	161,649	-	-	161,649
Other	40,534	-	-	40,534
<b>Total receivables</b>	5,741,064	336,039	537,332	6,614,435
Less: allowance for doubtful accounts	636,239	-	-	636,239
<b>Receivables, net</b>	\$ 5,104,825	\$ 336,039	\$ 537,332	\$ 5,978,196

**TOWN OF NORTH HAVEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2011**

---

Payables as of June 30, 2011 for the Town's individual major funds and non-major governmental funds were as follows:

	General	Non-Major Governmental Funds	Total Payables
Vendors	\$ 2,357,353	\$ 798,551	\$ 3,155,904
Retainage payable	-	180,894	180,894
<b>Total payables</b>	<b>\$ 2,357,353</b>	<b>\$ 979,445</b>	<b>\$ 3,336,798</b>

**Note 5. Interfund Receivables, Payables and Transfers**

At June 30, 2011, interfund balances that resulted from various interfund transactions were as follows:

	Due From Other Funds	Due To Other Funds
General Fund	\$ 744,018	\$ 818,617
Water Pollution Control Authority	-	47,152
Nonmajor Governmental Funds and other	839,117	717,366
	<b>\$ 1,583,135</b>	<b>\$ 1,583,135</b>

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Interfund transfers during the year ended June 30, 2011 were as follows:

	Transfers In	Transfers Out
General Fund	\$ 116,004	\$ 369,000
Nonmajor Governmental Funds	383,300	130,304
	<b>\$ 499,304</b>	<b>\$ 499,304</b>

Transfers are used to account for funding of various capital improvements and fund close-outs.

**TOWN OF NORTH HAVEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2011**

**Note 6. Capital Assets**

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

<b>Governmental activities:</b>	Beginning Balance	Increases	Decreases/ Transfers	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 2,526,507	\$ -	\$ -	\$ 2,526,507
Total capital assets, not being depreciated	<u>2,526,507</u>	<u>-</u>	<u>-</u>	<u>2,526,507</u>
Capital assets, being depreciated:				
Land improvements	870,100	411,465	-	1,281,565
Buildings	123,464,413	456,450	-	123,920,863
Computer equipment	678,082	44,218	-	722,300
Machinery and equipment	14,650,615	233,979	(1,935)	14,882,659
Infrastructure	27,189,143	30,900	-	27,220,043
Total capital assets being depreciated	<u>166,852,353</u>	<u>1,177,012</u>	<u>(1,935)</u>	<u>168,027,430</u>
Less accumulated depreciation for:				
Land improvements	795,800	24,355	-	820,155
Buildings	25,566,669	2,271,672	-	27,838,341
Computer equipment	522,562	53,324	-	575,886
Machinery and equipment	10,452,487	396,732	-	10,849,219
Infrastructure	22,217,823	373,067	-	22,590,890
Total accumulated depreciation	<u>59,555,341</u>	<u>3,119,150</u>	<u>-</u>	<u>62,674,491</u>
Total capital assets, being depreciated, net	<u>107,297,012</u>	<u>(1,942,138)</u>	<u>(1,935)</u>	<u>105,352,939</u>
Governmental activities capital assets, net	<u>\$ 109,823,519</u>	<u>\$ (1,942,138)</u>	<u>\$ (1,935)</u>	<u>\$ 107,879,446</u>

**TOWN OF NORTH HAVEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2011**

<b>Business-type activities:</b>	Beginning Balance	Increases	Decreases/ Transfers	Ending Balance
Capital assets, being depreciated:				
Buildings	\$ 12,922,130	\$ -	\$ -	\$ 12,922,130
Computer equipment	7,500	-	-	7,500
Machinery and equipment	4,768,985	-	-	4,768,985
Infrastructure	22,424,647	-	-	22,424,647
Total capital assets being depreciated	<u>40,123,262</u>	<u>-</u>	<u>-</u>	<u>40,123,262</u>
Less accumulated depreciation for:				
Buildings	6,312,586	440,233	-	6,752,819
Computer equipment	7,500	7,798	-	15,298
Machinery and equipment	4,758,158	-	-	4,758,158
Infrastructure	18,309,428	227,640	-	18,537,068
Total accumulated depreciation	<u>29,387,672</u>	<u>675,671</u>	<u>-</u>	<u>30,063,343</u>
Total capital assets, being depreciated, net	<u>10,735,590</u>	<u>(675,671)</u>	<u>-</u>	<u>10,059,919</u>
Business-type activities capital assets, net	<u>\$ 10,735,590</u>	<u>\$ (675,671)</u>	<u>\$ -</u>	<u>\$ 10,059,919</u>

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

Government Activities:	
General Government	\$ 570,902
Public Safety	233,184
Public Works	250,696
Health and welfare	2,359
Culture and Rec	2,211
Education	2,059,798
Total depreciation expense-governmental activities	<u>\$ 3,119,150</u>
Business-type Activities:	
WPCA	<u>\$ 675,671</u>

**TOWN OF NORTH HAVEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2011**

Construction commitments

The Town has the following major active construction projects as of June 30, 2011:

Project	Cumulative Authorization	Cumulative Expenditures	Balance June 30, 2011
North Haven High School	\$ 75,000,000	\$ 74,074,558	\$ 925,442
Town Hall Renovation	2,000,000	170,839	1,829,161
Streetscape	630,000	480,761	149,239
<b>Total</b>	<b>\$ 77,630,000</b>	<b>\$ 74,726,158</b>	<b>\$ 2,903,842</b>

**Note 7. Long-Term Obligations**

A summary of changes in outstanding long-term debt during the year ended June 30, 2011 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
<b>Governmental activities:</b>					
Bonds payable:					
General Purpose	\$ 5,811,825	\$ -	\$ 701,257	\$ 5,110,568	\$ 371,800
Schools	48,598,175	-	2,993,743	45,604,432	3,318,200
Add: Bond Issuance Premium	1,897,361	-	116,952	1,780,409	116,952
Less: Deferred Amounts on Refunding	(326,823)	-	(46,690)	(280,133)	(46,690)
Notes Payable - Pollution Facility Projects	2,559,738	-	951,099	1,608,639	951,906
<b>Total bonds and notes payable</b>	<b>58,540,276</b>	<b>-</b>	<b>4,716,361</b>	<b>53,823,915</b>	<b>4,712,168</b>
Estimated liabilities for landfill closure costs	150,000	-	10,000	140,000	10,000
Accrued compensated absences	4,305,016	155,556	105,262	4,355,310	100,000
Capital Leases	548,644	-	174,002	374,642	117,000
Claims payable	808,000	-	-	808,000	-
Net pension obligation	680,853	40,860	377	721,336	-
OPEB obligation	5,033,374	2,563,087	-	7,596,461	-
<b>Governmental activity long- term debt</b>	<b>\$ 70,066,163</b>	<b>\$ 2,759,503</b>	<b>\$ 5,006,002</b>	<b>\$ 67,819,664</b>	<b>\$ 4,939,168</b>

**TOWN OF NORTH HAVEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2011**

Included within the Governmental Activities - Long-Term Obligations are liabilities for employee compensated absences, which are generally paid from the General Fund. The amounts of these are as follows:

	Sick Pay	Vacation Pay	Total
Town	\$ 3,175,013	\$ 1,093,070	\$ 4,268,083
Board of Education	87,227	-	87,227
<b>Total</b>	<b>\$ 3,262,240</b>	<b>\$ 1,093,070</b>	<b>\$ 4,355,310</b>

Bonds and notes payable at June 30, 2011 are comprised of the following individual issues:

Description	Interest Rate (%)	Issue Date	Maturity Date	Original Amount	Balance Outstanding June 30, 2011
Bonds Payable:					
School Bond - Refunding	1.0%-4.0%	4/29/10	10/15/20	\$ 758,000	\$ 678,000
School Bond - Refunding	3.0%-5.0%	3/15/05	9/1/17	10,970,775	5,725,919
General Imp. - Refunding	1.0%-4.0%	4/29/10	10/15/20	4,702,000	4,532,000
General Imp. - Refunding	3.0%-5.0%	3/15/05	9/1/17	1,914,225	999,081
School Bond	3.875%-5.0%	4/26/06	7/15/25	22,445,000	19,595,000
General Improvement Bond	3.875%-5.0%	4/26/06	7/15/25	935,000	785,000
School Bond	3.875%-4.75%	1/23/07	7/15/26	21,850,000	18,400,000
<b>Total Bonds Payable</b>					<b>\$ 50,715,000</b>
Notes Payable:					
General Improvement Note	2.0%	10/31/92	10/31/11	\$ 17,964,967	\$ 911,100
General Improvement Note	2.0%	4/20/06	4/30/26	889,772	697,539
<b>Total Notes Payables</b>					<b>\$ 1,608,639</b>

**TOWN OF NORTH HAVEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2011**

The annual debt service requirements of general obligation bonds and notes are as follows:

	Bonds		Notes		Total Principal	Total Interest
	Principal	Interest	Principal	Interest		
2012	\$ 3,690,000	\$ 2,136,629	\$ 951,906	\$ 31,800	\$ 4,641,906	\$ 2,168,429
2013	3,665,000	2,002,163	41,629	12,754	3,706,629	2,014,917
2014	3,780,000	1,859,538	42,470	11,914	3,822,470	1,871,452
2015	3,925,000	1,704,002	43,327	10,457	3,968,327	1,714,459
2016	3,970,000	1,544,532	44,201	10,182	4,014,201	1,554,714
2017	3,975,000	1,382,989	45,093	9,290	4,020,093	1,392,279
2018	3,980,000	1,214,564	46,004	8,380	4,026,004	1,222,944
2019	3,060,000	1,060,007	46,932	7,452	3,106,932	1,067,459
2020	3,055,000	921,450	47,880	6,504	3,102,880	927,954
2021	3,055,000	780,463	48,846	5,538	3,103,846	786,001
2022	2,900,000	638,213	49,832	4,552	2,949,832	642,765
2023	2,610,000	504,813	50,838	3,546	2,660,838	508,359
2024	2,625,000	376,813	51,864	2,520	2,676,864	379,333
2025	2,635,000	248,188	52,911	2,443	2,687,911	250,631
2026	2,640,000	119,188	44,906	413	2,684,906	119,601
2027	1,150,000	27,313	-	-	1,150,000	27,313
	<u>\$ 50,715,000</u>	<u>\$ 16,520,865</u>	<u>\$ 1,608,639</u>	<u>\$ 127,745</u>	<u>\$ 52,323,639</u>	<u>\$ 16,648,610</u>

Bonds Authorized But Unissued

Authorization of bonds and bonds issued during the fiscal year ended June 30, 2011, are summarized below:

	Authorized and Unissued June 30, 2011
General Obligation Bonds	\$ 15,000,000
School Bonds	6,156,591
<b>Total</b>	<u>\$ 21,156,591</u>

**TOWN OF NORTH HAVEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2011**

---

Operating Leases

Commitments under operating lease agreements for equipment and real estate provide for annual payments for the next year as follows:

<u>Fiscal Year Ended June 30,</u>	<u>Amount</u>
2012	\$ 36,614

Rental expense was \$40,689 for the year ended June 30, 2011.

Capital lease

The Town has entered into multi-year capital leases for the purchase of equipment at public schools. The following is a summary of capital lease commitments at June 30, 2011.

<u>Fiscal Year Ended June 30,</u>	<u>Amount</u>
2012	\$ 117,123
2013	108,029
2014	62,563
2015	62,563
2016	62,563
Total payments	412,841
Less interest	(38,199)
Principal balance	<u>\$ 374,642</u>

The Town originally issued \$714,000 in capital lease financing agreements to purchase vehicle and equipment capital assets. The net undepreciated value approximates the principal balance payable of \$374,642 at June 30, 2011.

Legal debt limit

The Town's indebtedness (including authorized but unissued bonds), net of principal reimbursements expected from the state, does not exceed the legal debt limitation as required by the Connecticut General Statutes as reflected in the following schedule:

<u>Category</u>	<u>Debt Limit</u>	<u>Indebtedness</u>	<u>Balance</u>
General purpose	\$ 166,336,258	\$ 20,110,568	\$ 146,225,690
Unfunded Pension Benefit Obligation	221,781,677	-	221,781,677
Schools	332,672,515	50,432,975	282,239,540
Sewers	277,227,096	1,608,639	275,618,457
Urban renewal	240,263,483	-	240,263,483
	<u>\$ 1,238,281,029</u>	<u>\$ 72,152,182</u>	<u>\$ 1,166,128,847</u>

**TOWN OF NORTH HAVEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2011**

---

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation, or \$517,490,579.

School bond reimbursements

The State of Connecticut reimburses the Town for eligible school bond principal and interest costs. The amount of such reimbursement for the year ended June 30, 2011 was \$196,000. Additional payments for principal and interest aggregating \$1,777,000 are to be received through the bonds' maturity dates.

**Note 8. Pension Plans**

General

The Town of North Haven is the Administrator of five Single Employer Public Employee Retirement Systems, excluding public school teachers (PERS) established and administered by the Town to provide pension benefits for its employees. The pension plans are single employer defined benefit plans. The PERS is considered to be part of the Town of North Haven's financial reporting entity and is included in the Town's financial reports as a pension trust fund. Separate audited pension plan financial statements are not issued. The Town's payroll for general employees covered by the PERS for the year ended June 30, 2011 was \$4,577,031. The covered payroll for the Police Department Plan was \$2,978,325. The covered payroll for the Fire Department Plan was \$2,023,211. The cost for plan administration is paid for by the Plans. Benefits and refunds of the plans are recognized when due and payable in accordance with terms of the plan. Administrative costs are financed through the plans.

The Town's total current year payroll for all employees was \$40,113,704. Public school teachers are covered by a retirement plan administered by the Connecticut State Teacher's Retirement Board ("TRS") to which the Town does not contribute.

The PERS is Contributory Defined Benefit Plans covering all Town employees deemed eligible.

	General Employees	Policemen	Firefighters	Volunteer Firefighters	Elected Officials
Retirees and beneficiaries currently receiving benefits	177	47	25	32	4
Terminated employees not yet receiving benefits	16	4	-	1	-
Vested	115	25	20	17	-
Non-vested	89	21	12	71	2
<b>Total number of participating employees</b>	<b>397</b>	<b>97</b>	<b>57</b>	<b>121</b>	<b>6</b>

TOWN OF NORTH HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued  
June 30, 2011

---

Plan Description

**The Pension Plan for General Employees of the Town of North Haven**

All Town full-time employees are eligible to participate except those eligible to participate in the Connecticut State Teachers' Retirement System, part-time employees, elected officials, Police, Firemen, and Volunteer Firemen. Employees who retire at or after age 65 (age 55 for the Town Government Management, Clerical/Administrative, Supervisors Union, Social Workers, and Public Works, age 62 for Nurses and Educational Support Staff) with 5 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to a percentage of final average compensation per year of service as follows:

*Board of Education:* 2% of final average compensation per year of service.

*Town Government:* 2% of final average compensation per year of service (2.5% for Supervisors, Social Workers, Management and Clerical/Administrative employees). Final average compensation is defined as the average of basic salary earned during the highest three years out of the last five years of employment prior to termination. Benefits fully vest on reaching 10 years of service. Vested employees including Librarians may retire at or after age 55 and receive reduced retirement benefits. Other vested employees including Town Government Management, Clerical/Administrative, Supervisors Unions, Social Workers, and Public Works may retire at or after age 55 and receive full retirement benefits. The Plan also provides death and disability benefits.

*Covered Town Government and Board of Education Employees* - are required to contribute 3% of their annual earnings to the Plan (4% for Public Works) while there are no required employee contributions for Town Government Management, Clerical/Administrative, Supervisors, Social Workers, or Library Unions. The Town is required to contribute the remaining amounts necessary to pay benefits when due.

**The Retirement System for the Police Department of the Town of North Haven**

All Police full-time employees are eligible to participate. Employees who retire with 25 years of credited service, but not later than age 65, are entitled to a retirement benefit, payable monthly for life, equal to 2.5% of average annual pay per year of service subject to a maximum of 75%.

Average annual pay is defined as the average of basic rate of compensation earned during the highest three years out of the last five years of employment prior to termination. Benefits fully vest on reaching 10 years of service. The Plan also provides death and disability benefits.

The Town is required by contract to contribute the entire amount necessary to pay benefits when due.

**The Town of North Haven Fire Department Pension Plan**

All Fire Department full-time employees are eligible to participate. Employees who retire with 25 years of service, but not later than age 65, are entitled to a retirement benefit, payable monthly for life, equal to 2.5% of average annual pay per year of service subject to a maximum of 75%.

Average annual pay is defined as the average of basic rate of compensation earned during the highest three years out of the last five years of employment prior to termination. Benefits fully vest on reaching 10 years of service. The Plan also provides death and disability benefits.

The Town is required by contract to contribute the entire amount necessary to pay benefits when due.

**TOWN OF NORTH HAVEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2011**

---

**The Town of North Haven Volunteer Firefighters' Pension Plan**

Effective July 1, 1991, the Town established a non-contributory Pension Plan exclusively for the benefit of its Volunteer Firefighters in accordance with Section 7-148(c)(5) of the State of Connecticut General Statutes. As the participants are volunteers, there is no payroll for members within the Plan.

Each Volunteer Firefighter who has performed fire duties for the Town prior to the effective date of July 1, 1991 and who was living on July 1, 1991 shall be eligible to participate. Each other Volunteer Firefighter shall become eligible to participate in this Pension Plan on the date fire duties are first performed for the Town, provided the Volunteer Firefighter has not attained age 45 on the first day of performing duties. Volunteer Firefighters who retire at or after age 65 with 20 years of service are entitled to a retirement benefit, payable monthly for life, equal to \$200 per month, plus \$4 per month for each year of service in excess of 20 years up to a maximum monthly benefit of \$300. Volunteer Firefighters who as of their normal retirement date have completed at least 10 years of service as an officer are eligible to receive the Supplemental Officer Benefit up to a maximum monthly benefit of \$5 per month not exceeding \$300.

Benefits fully vest after completing at least 20 years of service. The Plan also provides death and disability benefits.

The Town shall have in effect an agreement or contract or both (the "Trust Agreement") with a corporate trustee or corporate trustees and/or insurance company and/or other financial institution selected by the Town to manage and operate the Trust Fund and to receive, hold, invest and disburse such contributions, interest and other income for the purposes of providing the benefits payable in accordance with the Plan and paying any reasonable expenses incident to the operation of the Plan or Fund to the extent authorized by the Town and consistent with the terms of the Plan and the Trust. The Town may modify the Trust Agreement from time to time to accomplish the purposes of the Plan, and the Town may remove any Trustee and appoint any successor or successors.

The Town will make periodic payments to the Trustee, determined on the basis of actuarial estimates furnished by a qualified actuary chosen by the Town which shall be in such amounts as the actuary deems necessary or appropriate for the accumulation to be sufficient to provide to the Participants the Retirement and Disability Benefits specified herein.

No part of the funds held by the Trustee pursuant to the Trust Agreement shall be used for or diverted to purposes other than for the exclusive benefit of Participants and Beneficiaries covered under this Pension Plan prior to the satisfaction of all liabilities hereunder with respect to them.

No person shall have any interest in or right to any of the funds contributed to or held by the Trust under this Pension Plan except as expressly provided in this Plan and then only to the extent that such funds have been contributed by the Town to the Trust.

The Town expressly reserves the right to change the method of funding at any time at its own election and without the consent of any person or organization of any kind.

**The Pension Plan for the Chief Executive, Town Clerk and Tax Collector of the Town of North Haven**

The Town of North Haven also maintains a non-contributor pension plan, which covers the chief executive and town clerk/tax collector of the Town of North Haven. The current year covered payroll was approximately \$168,503. Amounts paid for benefits were approximately \$147,400 and are pay-as-you-go, paid out of the General Fund as no formal trust has been set up (see Schedule of Funding Progress on page 64).

**TOWN OF NORTH HAVEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2011**

---

Plan Description

The Plan covers any person serving as the elected chief executive, town clerk or tax collector of the Town of North Haven with eight years cumulative services in such position or combination thereof upon reaching age 65.

The amount of said annual pension after eight years of cumulative service shall be equal to 40% of the average annual salary received by said person during the last five years of service to the town while serving in any of the aforementioned elected positions and be computed at the rate of 5% per year for years of service in excess of eight years of cumulative service not to exceed 50% of such average salary. Any salary received from the Town of North Haven or the Board of Education shall be deducted from the amount of their pension.

Early retirement may also be elected at age 62 provided it is approved by the Board of Selectmen. The retirement allowance would be 80% if the individual retired at age 62, 85% at age 63, and 90% at age 64.

**ANNUAL PENSION COST AND NET PENSION OBLIGATION (ASSET)**

The Town's Annual Pension Cost and Net Pension Obligation (Asset) to the PERS for the current year were as follows:

	General Employees	Police Department	Fire Department	Volunteer Fire	Elected Officials
Annual Required Contribution	\$ 1,838,125	\$ 809,049	\$ 511,620	\$ 68,415	\$ 191,527
Interest on Net Pension Obligation	5,014	-	-	(546)	42,646
Adjustment to Annual Required Contribution	(5,391)	-	-	1,197	(45,923)
<b>Annual Pension Cost</b>	<b>1,837,748</b>	<b>809,049</b>	<b>511,620</b>	<b>69,066</b>	<b>188,250</b>
Contributions Made	1,838,125	809,049	511,620	68,415	147,390
Increase (Decrease) in Net Pension Obligation (Asset)	(377)	-	-	651	40,860
Net Pension Obligation (Asset), Beginning of Year	71,625	-	-	(7,797)	609,228
Net Pension Obligation (Asset), End of Year	<u>\$ 71,248</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (7,146)</u>	<u>\$ 650,088</u>

TOWN OF NORTH HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued  
June 30, 2011

Fiscal Year Ending	Three Year Trend Information		
	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (Asset)
<b>General Employees</b>			
6/30/11	\$ 1,837,748	100.00%	\$ 71,248
6/30/10	1,442,551	97.50%	71,625
6/30/09	1,405,472	100.20%	35,293
<b>Police Department</b>			
6/30/11	\$ 809,049	100.00%	\$ -
6/30/10	808,780	100.00%	-
6/30/09	948,141	100.00%	-
<b>Fire Department</b>			
6/30/11	\$ 511,620	100.00%	\$ -
6/30/10	491,673	100.00%	-
6/30/09	594,455	100.00%	-
<b>Volunteer Fire</b>			
6/30/11	\$ 69,066	99.06%	\$ (7,146)
6/30/10	98,049	97.60%	(7,797)
6/30/09	155,389	98.64%	(10,154)
<b>Elected Officials</b>			
6/30/11	\$ 188,250	78.29%	\$ 650,088
6/30/10	182,262	80.60%	609,228
6/30/09	151,812	100.20%	573,756

TOWN OF NORTH HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued  
June 30, 2011

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	(Over) Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
<b><u>General Employees:</u></b>						
7/1/09	\$ 38,940,688	\$ 49,343,283	\$ 10,402,595	78.92%	\$ 8,107,904	127.31%
<b><u>Police Department:</u></b>						
7/1/10	\$ 16,614,473	\$ 26,283,327	\$ (9,668,854)	63.21%	\$ 3,087,436	313.17%
<b><u>Fire Department:</u></b>						
7/1/10	\$ 10,390,955	\$ 15,606,930	\$ 5,215,975	66.58%	\$ 2,099,874	248.39%
<b><u>Volunteer Fire:</u></b>						
7/1/09	\$ 530,277	\$ 914,946	\$ 384,669	57.00%	N/A	N/A
<b><u>Elected Officials:</u></b>						
7/1/09	\$ -	\$ 1,540,084	\$ 1,540,084	0.00%	\$ 173,558	887.36%

The schedules of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, present multi-year trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the AALs for benefits.

**TOWN OF NORTH HAVEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2011**

	<b>ACTUARIAL ASSUMPTIONS - PENSIONS</b>				
	<b>General Employees</b>	<b>Police Department</b>	<b>Fire Department</b>	<b>Volunteer Fire</b>	<b>Elected Officials</b>
Valuation Date	7/1/09	7/1/10	7/1/10	7/1/09	7/1/09
Actuarial Cost Method	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Pro Rata Projected Unit Credit
Amortization Method	Level Percentage of Payroll, Closed	Level Percentage of Payroll, Closed	Level Percentage of Payroll, Closed	Level Dollar, Closed	Level Percentage of Payroll, Open
Remaining Amortization Period	20 Years	20 Years	20 Years	10 Years	20 Years
Asset Valuation Method	Market Value of Assets Less Unrecognized Returns in Each of the Last Five Years	5-Year Smoothing of Investment Returns Greater (Less) Than Expected	5-Year Smoothing of Investment Returns Greater (Less) Than Expected	Market Value Assets As Reported By The Town	N/A
Actuarial Assumptions:					
Inflation Rate	3.0%	4.5%	4.5%	N/A	3.0%
Investment Rate of Return	7.0%	7.5%	7.0%	7.0%	7.0%
Projected Salary Increases	0.0 to 3.7%	5.0%	3.5%	N/A	4.5%
Cost-of-living adjustment	3.0%	N/A	N/A	N/A	3.0%

TOWN OF NORTH HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued  
June 30, 2011

**SCHEDULE OF PLAN NET ASSETS**  
**June 30, 2011**

	Pension Trust Funds				<b>Total Pension Trust Funds</b>
	Municipal Employees Retirement	Police Department Retirement	Fire Department Retirement	Volunteer Firefighters' Pension Plan	
<b>ASSETS</b>					
Cash	\$ 214,890	\$ 71,415	\$ 45,333	\$ 605	\$ 332,243
Accounts Receivable	155,925	73,055	29,117	-	258,097
Investments					
U.S. government and agency bonds/notes	6,769,971	2,565,591	1,161,390	-	10,496,952
Corporate bonds	9,427,256	3,936,743	3,185,011	-	16,549,010
Money market mutual funds	1,086,404	760,500	237,718	16,517	2,101,139
Equity mutual funds	21,907,725	9,368,390	5,833,857	688,632	37,798,604
<b>Total investments</b>	<b>39,191,356</b>	<b>16,631,224</b>	<b>10,417,976</b>	<b>705,149</b>	<b>66,945,705</b>
<b>Total assets</b>	<b>39,562,171</b>	<b>16,775,694</b>	<b>10,492,426</b>	<b>705,754</b>	<b>67,536,045</b>
<b>LIABILITIES</b>					
Due to general fund	8,082	6,883	2,746	125	17,836
<b>Total liabilities</b>	<b>8,082</b>	<b>6,883</b>	<b>2,746</b>	<b>125</b>	<b>17,836</b>
<b>Net Assets Held in Trust for Pension Benefits</b>	<b>\$ 39,554,089</b>	<b>\$ 16,768,811</b>	<b>\$ 10,489,680</b>	<b>\$ 705,629</b>	<b>\$ 67,518,209</b>

TOWN OF NORTH HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued  
June 30, 2011

**SCHEDULE OF CHANGES IN PLAN NET ASSETS**  
**Year Ended June 30, 2011**

	Pension Trust Funds				Total Pension Trust Funds
	Municipal Employees Retirement	Police Department Retirement	Fire Department Retirement	Volunteer Firefighters' Pension Plan	
<b>Additions:</b>					
Employer contributions	\$ 1,838,125	\$ 809,049	\$ 511,620	\$ 68,415	\$ 3,227,209
Employee contributions	145,067	-	-	-	145,067
<b>Total additions</b>	<b>1,983,192</b>	<b>809,049</b>	<b>511,620</b>	<b>68,415</b>	<b>3,372,276</b>
Investment Income:					
Net appreciation in fair value of investments	5,335,557	2,315,289	1,443,950	103,382	9,198,178
Interest and dividends	624,589	265,100	164,929	9,848	1,064,466
	5,960,146	2,580,389	1,608,879	113,230	10,262,644
Less investment expenses:					
Investment management fees	28,016	12,034	7,448	500	47,998
<b>Net investment income</b>	<b>5,932,130</b>	<b>2,568,355</b>	<b>1,601,431</b>	<b>112,730</b>	<b>10,214,646</b>
<b>Total additions</b>	<b>7,915,322</b>	<b>3,377,404</b>	<b>2,113,051</b>	<b>181,145</b>	<b>13,586,922</b>
<b>Deductions:</b>					
Benefits	2,476,335	1,273,702	703,028	80,692	4,533,757
Administration	5,191	1,557	1,660	1,463	9,871
<b>Total deductions</b>	<b>2,481,526</b>	<b>1,275,259</b>	<b>704,688</b>	<b>82,155</b>	<b>4,543,628</b>
<b>Change in net assets</b>	<b>5,433,796</b>	<b>2,102,145</b>	<b>1,408,363</b>	<b>98,990</b>	<b>9,043,294</b>
<b>Net Assets Held in Trust,</b> beginning of year	<b>34,120,293</b>	<b>14,666,666</b>	<b>9,081,317</b>	<b>606,639</b>	<b>58,474,915</b>
<b>Net Assets Held in Trust,</b> end of year	<b>\$ 39,554,089</b>	<b>\$ 16,768,811</b>	<b>\$ 10,489,680</b>	<b>\$ 705,629</b>	<b>\$ 67,518,209</b>

## TOWN OF NORTH HAVEN, CONNECTICUT

### NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2011

---

#### **Connecticut State Teachers' Retirement System**

The faculty and professional personnel of the Board of Education participate in a contributory defined benefit plan, established under Chapter 167a of the Connecticut General Statutes, which is administered by the Connecticut State Teachers' Retirement Board. A teacher is eligible to receive normal retirement benefits if he or she has attained age sixty and has accumulated twenty years of credited service in the public schools of Connecticut or has attained any age and has accumulated thirty-five years of credited service, at least twenty-five of which are service in the public schools of Connecticut. The State of Connecticut Teacher's Retirement System is to be considered to be a part of the State of Connecticut financial reporting entity and is included in the State's financial report as a pension trust fund. Those reports may be obtained by writing to the State of Connecticut, Office of the State Comptroller, 55 Elm Street, Hartford, CT 06106.

Certain part-time and full-time certified teachers are eligible to participate in the plan and are required to contribute 7.25% of their annual earnings to the plan. The Town does not, and is not legally responsible to, contribute to the plan.

The State of Connecticut contributes based on actuarially determined amounts. The funding level was determined based on an actuarial valuation of the plan as a whole, which does not provide actuarial information on an individual city/town basis.

In addition, the Town has recognized revenues and expenditures for on-behalf payments for pension contributions paid directly to the Connecticut State Teachers' Retirement System by the State of Connecticut. Such on-behalf payments were approximately \$3,444,000 for the year ended June 30, 2011.

#### **Note 9. Other Postemployment Benefits**

##### Post-retirement benefits

The Town provides post-retirement benefits for certain employees for current and future health and life insurance benefit expenses through a single-employer defined benefit plan. An annual actuarial valuation is made to determine whether the contributions are sufficient to meet the plan obligations. The latest actuarial valuation was made June 30, 2009. The post-retirement plan does not issue standalone financial reports.

From an accrual accounting perspective, the cost of post-employment healthcare benefits, like the cost of pension benefits, generally should be associated with the periods in which the cost occurs, rather than in the future year when it will be paid. In adopting the requirements of GASB Statement No. 45 during the year ended June 30, 2009, the Town recognizes the cost of post-employment healthcare in the year when the employee services are received, reports the accumulated liability from prior years, and provides information useful in assessing potential demands on the Town's future cash flows. Recognition of the liability accumulated from prior years will be phased in over 30 years, commencing with the 2009 liability.

The contribution requirements of plan members and the Town are established and may be amended by the Town. The Town determines the required contribution using the Projected Unit Credit Method.

**TOWN OF NORTH HAVEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2011**

---

Membership in the plan consisted of the following at June 30, 2009, the date of the last actuarial valuation.

Retirees and beneficiaries receiving benefits	215
Active plan members	624
<b>Total</b>	<u><u>839</u></u>

The Town's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation was as follows:

Fiscal Year Ending	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/09	\$ 4,116,231	\$ 1,617,826	39.3%	\$ 2,498,405
6/30/10	\$ 4,341,036	\$ 1,806,067	41.6%	\$ 5,033,374
6/30/11	\$ 4,581,740	\$ 2,018,653	44.1%	\$ 7,596,461

OPEB Obligation

Annual required contribution	\$ 4,540,125
Interest on net pension obligation	201,335
ARC adjustment	(159,720)
Annual OPEB cost	<u>4,581,740</u>
Contributions made	<u>(2,018,653)</u>
Increase in net OPEB liability	2,563,087
Net OPEB obligation, beginning of year	<u>5,033,374</u>
Net OPEB obligation, end of year	<u><u>\$ 7,596,461</u></u>

**TOWN OF NORTH HAVEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2011**

The Town's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. Included in the calculation is an estimate of the implicit rate subsidy for Board of Education retirees. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The schedule of funding progress is as follows:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Accrued Liability (b)	Unfunded Accrued Liability (UAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAL as a Percentage of Covered Payroll ((b-a)/c)
6/30/2009	\$ -	\$ 53,767,756	\$ 53,767,756	0%	\$ 40,108,760	134%

The schedules of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, present multi-year trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the AALs for benefits.

**ACTUARIAL ASSUMPTIONS - OPEB**

Valuation Date:	June 30, 2009
Actuarial Cost Method:	Projected Unit Credit
Asset Valuation Method:	Market Value
Amortization Method:	Level Percent
Remaining Amortization Period:	30 Years Decreasing
Actuarial Assumptions:	
Investment rate of return	4.00%
Inflation rate	4.50%
Health Cost Trend Rates:	Annual increases in premium for retired medical and benefits are assumed to be as follows:

Year After Valuation Date	Increase	
	Board of Education	Town
1	10.00%	9.00%
2	9.00%	8.50%
3	8.00%	8.00%
4	7.00%	7.50%
5	6.00%	7.00%
6	5.00%	6.50%
7	5.00%	6.00%
8	5.00%	5.50%
9 or more	5.00%	5.00%

**TOWN OF NORTH HAVEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2011**

---

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

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

**Note 10. Employee Retirement System**

Defined Contribution Retirement Savings Plan

Town employees are eligible to participate in a defined contribution retirement savings plan administered by the Town. In a defined contribution plan, benefits depend solely on amounts contributed to the Plan plus investment earnings. Employer contributions are based on union contracts. Employees may make additional contributions subject to IRS regulations. The Plan is not reported as a fiduciary fund by the Town as it does not meet the reporting criterion.

The Plan requires the Town to contribute specified amounts per union bi-weekly. Employees elected to contribute 10% of their earnings. Employees are 100% vested.

Upon termination of employment, for any reason other than death or retirement, an employee shall be entitled to a deferred vested benefit based upon the number of years of credited service completed. Payment of benefits is deferred until the later of the employee's normal retirement date, the seventh anniversary of the Plan year in which participation commenced or the date of termination. The unvested accrued benefit of the employee is forfeited and allocated to each participant.

The assets for the plan are held by ICMA Retirement Corporation. The balance of the plan amounted to approximately \$142,000 at June 30, 2011 and is not reflected in the accompanying financial statements of the Town, as the Town's role in the administration of the Plan is limited.

**Note 11. Fund Deficits**

The Town has the following fund deficits at June 30, 2011:

	<u>Fund Deficit</u>
<b><u>Capital Projects Funds</u></b>	
Sackett Point Road Bridge	(67,000)
Streetscapes	(4,481)
Valley Service Road	(27,298)
Todd Drive Drainage	(5,310)
Town Improvements	(5,000)

The Town anticipates financing the fund deficits in the Capital Projects funds through future bond issues and/or revenues.

**TOWN OF NORTH HAVEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2011**

---

**Note 12. Risk Management and Insurance**

The Town is exposed to various risks of loss related to public official liability, police professional liability, theft or impairment of assets, errors and omissions, injury to employees, natural disasters, and owners and contractors protective liability.

The Town has a Comprehensive Risk Management Program, which is managed by the Finance Office.

The Town is self-insured for the deductibles required on its dental insurance, and as of July 1, 2009, it also became self-insured for prescriptions.

Commercial insurance is used to handle the various risks of loss. The more significant policies include workers compensation, property and umbrella, professional liability counseling, public officials liability, police professional liability, educators liability, errors and omissions and a fidelity and fiduciary bond.

The amount of settlements did not exceed insurance coverage for the fiscal years ended June 30, 2011, 2010 and 2009.

Changes in the balances of claim liabilities during the past year is as follows:

Fiscal Year Ended	Claims Payable July 1	Claims and Changes in Estimates	Claims Paid	Claims Payable June 30
2011	\$ 85,680	\$ 1,718,041	\$ 1,738,403	\$ 65,318
2010	\$ 34,630	\$ 1,774,642	\$ 1,723,592	\$ 85,680

**Note 13. Municipal Solid Waste Landfill Closure and Postclosure Care Costs**

State and Federal laws and regulations require that the Town of North Haven place a final cover on its closed landfill and perform certain maintenance and monitoring functions at the landfill site for thirty years. The site which was covered according to Regulations in 1989 had estimated total current costs of landfill closure and postclosure care, aggregating approximately \$140,000 which 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, 2011, and is recorded in the government-wide financial statements. However, the actual cost of monitoring and other postclosure care may be higher due to inflation, changes in technology or changes in landfill laws and regulations. Costs will continue to be funded through the current Public Works operating budget, at approximately \$10,000 annually.

**Note 14. Litigation**

The Town and the Board of Education is contingently liable in connection with litigation involving zoning matters, tax appeals, personal injury claims, discrimination suits, union contract suits, and other miscellaneous suits and unasserted claims. The Town intends to vigorously defend these actions; however, there can be no assurance that the Town will prevail.

TOWN OF NORTH HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued  
June 30, 2011

**Note 15. Governmental Funds – Fund Balance**

GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions establishes accounting and financial reporting standards for governmental funds. It establishes criteria for classifying fund balances into specifically defined classification and clarifies definitions for governmental fund types. Fund balances for governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Below is a table of fund balance categories and classifications at June 30, 2011 for the Town governmental funds:

	General Fund	Nonmajor Governmental Funds
Fund balances:		
Non-spendable:		
Prepays	\$ 46,092	\$ 600
Inventory	-	15,359
Permanent funds	-	526,548
	<u>46,092</u>	<u>542,507</u>
Restricted:		
Public safety	-	117,229
Health & Welfare	-	11,096
Education	-	357,517
Culture & Recreation	-	104,150
Capital projects	-	3,678,405
	<u>-</u>	<u>4,268,397</u>
Committed:		
Public safety	-	38,213
Education	-	251,420
Public works	-	79,746
	<u>-</u>	<u>369,379</u>
Assigned:		
General government	4,818,435	-
Culture & Recreation	119,484	-
Public safety	29,048	-
Education	781,058	-
Public works	8,901	-
	<u>5,756,926</u>	<u>-</u>
Unassigned:		
General government	8,619,912	-
Fund deficit	-	(109,562)
	<u>8,619,912</u>	<u>(109,562)</u>
<b>Total fund balance</b>	<u><u>\$ 14,422,930</u></u>	<u><u>\$ 5,070,721</u></u>

**TOWN OF NORTH HAVEN, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS, Continued**  
**June 30, 2011**

**Note 16. Fund Equity - Assigned For Debt Retirement**

As detailed below, this is composed of amounts relating to sewer assessments and capital project funds and is assigned for repayments of bonded debt relative to these items.

The amount assigned for debt retirement at June 30, 2011 amounted to \$3,074,782 and consisted of the following:

	Amount	Date of Borrowing	Amortization Schedule	Bond Maturity Schedule
Sewer assessment and interest collections	\$ 1,570,317	Various	Unscheduled	1992-2011
Accumulated interest income and grant revenue associated with capital projects:				
Capital project:				
Loan grant	742,342	10/31/92	1992-2012	1992-2012
School renovations	433,214	9/1/97	1997-2018	1997-2018
Public building	72,321	6/15/02	2002-2022	2002-2022
North Haven High School	256,588	4/26/06	2006-2026	2006-2026
	<u>\$ 3,074,782</u>			

**Note 17. Accounting Change/Restatement**

Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, was implemented as of July 1, 2010. The effect of fund type reclassification is as follows:

	General	Nonmajor Governmental Funds
Fund balance, June 30, 2010, as previously reported	\$ 12,338,890	\$ 6,187,264
Change in fund type classification per implementation of GASB Statement No. 54	955,045	(955,045)
Fund balance, July 1, 2010, as restated	<u>\$ 13,293,935</u>	<u>\$ 5,232,219</u>

As a result of the implementation of GASB 54, the Cemetery Perpetual Care Fund was reclassified to a permanent fund.

## TOWN OF NORTH HAVEN, CONNECTICUT

### NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2011

---

#### Note 18. Governmental Accounting Standards Board (GASB) Statements

The Town adopted the following statements during the year ended June 30, 2011:

- **GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.** This Statement is intended to improve the usefulness of information provided to financial report users about fund balances by providing clearer, more structured fund balance classifications, and by clarifying the definitions of existing governmental fund types. Fund balance information is among the most widely and frequently used information in state and local government financial reports. The GASB developed this standard to address the diversity of practice and the resulting lack of consistency that had evolved in fund balance reporting. To reduce confusion, the new standard establishes a hierarchy of fund balance classification based primarily on the extent to which a government is bound to observe spending constraints. As explained in Notes 15 and 17 to the basic financial statements, the Town reclassified the fund balances for governmental funds and restated the General Fund and Nonmajor Governmental Funds fund balance by \$955,045 as a result of the implementation of this Statement.
- **GASB Statement No. 59, *Financial Instruments Omnibus*.** This Statement is intended to update and improve existing standards regarding financial reporting of certain financial instruments and external investment pools. Specifically, this Statement provides financial reporting guidance by emphasizing the applicability of SEC requirements to certain external investment pools, addressing the applicability of GASB 53, Accounting and Financial Reporting for Derivative Instruments, and applying the reporting provisions for interest-earning investment contracts of GASB 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools.

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:

- **GASB Statement 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*,** was issued in December 2009. The objective of this Statement is to address issues related to the use of the alternative measurement method and the frequency and timing of measurements by employers that participate in agent multiple-employer other postemployment benefit (OPEB) plans (that is, agent employers). This Statement amends Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, to permit certain OPEB plans to use an alternative measurement method. Consistent with this change to the employer-reporting requirements, this Statement also amends a Statement No. 43, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, requirement that a defined benefit OPEB plan obtain an actuarial valuation. In addition, this Statement clarifies that when actuarially determined OPEB measures are reported by an agent multiple-employer OPEB plan and its participating employers, those measures should be determined as of a common date and at a minimum frequency to satisfy the agent multiple-employer OPEB plan's financial reporting requirements. The provisions of this Statement will be effective for the Town beginning with its year ending June 30, 2012.

## TOWN OF NORTH HAVEN, CONNECTICUT

### NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2011

---

- **GASB Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements***, issued November 2010, will be effective for the Town beginning with its year ending June 30, 2013. This Statement is intended to improve financial reporting by addressing issues related to service concession arrangements (SCAs), which are a type of public-private or public-public partnership. Specifically, this Statement improves financial reporting by establishing recognition, measurement, and disclosure requirements SCAs for both transferors and governmental operators, requiring governments to account for and report SCAs in the same manner, which improves the comparability of financial statements. This Statement also improves the decision usefulness of financial reporting by requiring that specific relevant disclosures be made by transferors and governmental operators about SCAs.
- **GASB Statement No. 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34***, issued November 2010, will be effective for the Town beginning with its year ending June 30, 2013. This Statement is intended to improve financial reporting for a governmental financial reporting entity by improving guidance for including, presenting, and disclosing information about component units and equity interest transactions of a financial reporting entity. The amendments to the criteria for including component units allow users of financial statements to better assess the accountability of elected officials by ensuring that the financial reporting entity includes only organizations for which the elected officials are financially accountable or that are determined by the government to be misleading to exclude. The amendments to the criteria for blending also improve the focus of a financial reporting entity on the primary government by ensuring that the primary government includes only those component units that are so intertwined with the primary government that they are essentially the same as the primary government, and by clarifying which component units have that characteristic.
- **GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements***, issued January 2011, will be effective for the Town beginning with its year ending June 30, 2013. This Statement is intended to enhance the usefulness of the Codification of Governmental Accounting and Financial Reporting Standards by incorporating guidance that previously could only be found in certain FASB and AICPA pronouncements. This Statement incorporates into the GASB's authoritative literature the applicable guidance previously presented in the following pronouncements issued before November 30, 1989: FASB Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the AICPA's Committee on Accounting Procedure. By incorporating and maintaining this guidance in a single source, the GASB believes that GASB 62 reduces the complexity of locating and using authoritative literature needed to prepare state and local government financial reports.
- **GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position***, issued July 2011, will be effective for the Town beginning with its year ending June 30, 2013. This Statement is intended to improve financial reporting by providing citizens and other users of state and local government financial reports with information about how past transactions will continue to impact a government's financial statements in the future. This Statement provides a new statement of net position format to report all assets, deferred outflows of resources, liabilities deferred inflows of resources, and net position (which is the net residual amount of the other elements). The Statement requires that deferred outflows of resources and deferred inflows of resources be reported separately from assets and liabilities. This Statement also amends certain provisions of Statement No. 34, Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments, and related pronouncements to reflect the residual measure in the statement of financial position as net position, rather than net assets.

TOWN OF NORTH HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued  
June 30, 2011

---

- **GASB Statement No. 64, *Derivative Instruments: Application of Hedge Accounting Termination Provisions*** (an amendment of GASB Statement No. 53), issued July 2011, will be effective for the Town beginning with its year ending June 30, 2012. This Statement clarifies that when certain conditions are met, the use of hedge accounting should not be terminated. Those conditions are: (a) the collectibility of swap payments is considered to be probable, (b) the replacement of the counterparty or credit support provider meets the criteria of an assignment or in-substance assignment as described in the Statement, and (c) the counterparty or counterparty credit support provider (and not the government) has committed the act of default or termination event. When all of these conditions exist, the GASB believes that the hedging relationship continues and hedge accounting should continue to be applied.

**This page intentionally left blank.**

**Required Supplementary  
Information**



TOWN OF NORTH HAVEN, CONNECTICUT

REQUIRED SUPPLEMENTARY INFORMATION  
 GENERAL FUND REVENUES AND OTHER FINANCING SOURCES - BUDGETARY BASIS -  
 BUDGET AND ACTUAL  
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance With
	Original	Final		Final Budget Positive (Negative)
<b>PROPERTY TAXES, INTEREST AND LIENS</b>				
Current Taxes	\$ 71,934,111	\$ 71,934,111	\$ 72,326,541	\$ 392,430
Arrears Taxes	850,000	850,000	531,935	(318,065)
Interest and Lines	450,000	450,000	446,087	(3,913)
Supplemental Auto Tax - Current	450,000	450,000	450,485	485
Personal Property Audit Taxes	150,000	150,000	153,129	3,129
<b>Total Property Taxes, Interest and Liens</b>	<b>73,834,111</b>	<b>73,834,111</b>	<b>73,908,177</b>	<b>74,066</b>
<b>EDUCATION GRANTS</b>				
Education Grant - ECS	3,174,940	3,174,940	2,761,816	(413,124)
School Transportation	173,796	173,796	93,003	(80,793)
Adult Education	17,313	17,313	17,426	113
School Building Grants	196,492	196,492	196,492	-
School Interest Subsidy	59,402	59,402	59,402	-
<b>Total Education Grants</b>	<b>3,621,943</b>	<b>3,621,943</b>	<b>3,128,139</b>	<b>(493,804)</b>
<b>OTHER GOVERNMENT GRANTS</b>				
Tax Relief-Elderly Disabled Homeowner	250,000	250,000	236,914	(13,086)
Tax Relief-Totally Disabled	2,800	2,800	4,095	1,295
Boat Grant	5,000	5,000	8,537	3,537
Telephone Access Line	130,000	130,000	114,826	(15,174)
PILOT	195,584	195,584	196,501	917
DOT Street Lighting	2,500	2,500	2,440	(60)
Tax Relief for Veterans	30,000	30,000	27,716	(2,284)
Mashantucket Pequot	156,190	156,190	156,540	350
Machinery and Equipment Exemption	1,225,000	1,225,000	1,194,569	(30,431)
FEMA	-	-	76,232	76,232
Fire Safety Grant	138,700	138,700	138,703	3
<b>Total Other Government Grants</b>	<b>2,135,774</b>	<b>2,135,774</b>	<b>2,157,073</b>	<b>21,299</b>
<b>INVESTMENT INCOME</b>				
Interest on Short-Term Investments	200,000	200,000	100,182	(99,818)
<b>Total Investment Income</b>	<b>200,000</b>	<b>200,000</b>	<b>100,182</b>	<b>(99,818)</b>

(Continued)

TOWN OF NORTH HAVEN, CONNECTICUT

REQUIRED SUPPLEMENTARY INFORMATION  
 GENERAL FUND REVENUES AND OTHER FINANCING SOURCES - BUDGETARY BASIS -  
 BUDGET AND ACTUAL, Continued  
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance With
	Original	Final		Final Budget Positive (Negative)
<b>TOWN REVENUE-GENERAL</b>				
Sale of Town Property	2,500	2,500	110	(2,390)
In Lieu of Taxes	215,000	215,000	236,742	21,742
Rental Town Property	70,000	70,000	73,874	3,874
Parking Violation	4,000	4,000	1,495	(2,505)
Town Miscellaneous Receipts	2,200,000	2,200,000	2,807,780	607,780
Rent-Mill Road School	89,949	89,949	89,949	-
<b>Town Revenue-General</b>	<b>2,581,449</b>	<b>2,581,449</b>	<b>3,209,950</b>	<b>628,501</b>
<b>LICENSES, PERMITS, FEES AND FINES</b>				
Cemetery	40,000	40,000	55,148	15,148
Assessor's Office	1,000	1,000	799	(201)
Town Clerk Fees	300,000	300,000	310,685	10,685
Registrar of Vital Statistics	12,500	12,500	14,395	1,895
Miscellaneous Licenses/Permits	3,500	3,500	8,110	4,610
Alarm Use Fee	28,000	28,000	28,685	685
Police Photocopies	3,000	3,000	3,775	775
Dog License Fees	8,000	8,000	7,853	(147)
Building Fees	250,000	250,000	305,830	55,830
Engineering Fees	1,000	1,000	1,205	205
Road Permit Fees	6,000	6,000	5,200	(800)
Public Works Fees	3,000	3,000	1,675	(1,325)
Sale of Recyclables	300	300	1,880	1,580
Application Inspection	5,000	5,000	6,540	1,540
P&Z Commission Fees	11,000	11,000	8,992	(2,008)
Inland Wetlands Commission Fees	1,200	1,200	2,564	1,364
Community Service Fees	52,000	52,000	114,505	62,505
Zoning Board of Appeals	5,000	5,000	3,888	(1,112)
<b>Total Licenses, Permits, Fees and Fines</b>	<b>730,500</b>	<b>730,500</b>	<b>881,729</b>	<b>151,229</b>
<b>Total Revenues</b>	<b>83,103,777</b>	<b>83,103,777</b>	<b>83,385,250</b>	<b>281,473</b>

(Continued)

TOWN OF NORTH HAVEN, CONNECTICUT

REQUIRED SUPPLEMENTARY INFORMATION  
 GENERAL FUND REVENUES AND OTHER FINANCING SOURCES - BUDGETARY BASIS -  
 BUDGET AND ACTUAL, Continued  
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>OTHER FINANCING SOURCES</b>				
Transfer From Other Funds:				
Police Outside Duty	-	-	100,000	100,000
Sewer General	-	-	14,536	14,536
Capital Improvement	-	-	1,468	1,468
Other	-	-	182,611	182,611
<b>Total Other Financing Sources</b>	-	-	298,615	298,615
<b>Total Budgetary Revenue</b>	<u>\$ 83,103,777</u>	<u>\$ 83,103,777</u>	83,683,865	<u>\$ 580,088</u>

Budgetary Revenues are different than GAAP because:

State of Connecticut "on-behalf" contributions to the Connecticut State Teachers Retirement System for Town Teachers are not budgeted.	3,444,000
Revenues and transfers from other funds charged directly to reserve for debt retirement/claims	131,155
Effect of the implementation of GASB 54	<u>1,026,329</u>

Total revenues and other financing sources as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds - page 14.

\$ 88,285,349

TOWN OF NORTH HAVEN, CONNECTICUT

REQUIRED SUPPLEMENTARY INFORMATION  
 GENERAL FUND EXPENDITURES AND OTHER FINANCING USES -  
 BUDGETARY BASIS - BUDGET AND ACTUAL  
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>EXPENDITURES</b>				
<b>Current:</b>				
<b>General Government:</b>				
Selectmen	\$ 144,876	\$ 147,546	\$ 147,546	\$ -
Town Clerk	162,792	159,459	159,459	-
Election	99,600	97,477	97,477	-
Legal	199,800	252,547	252,547	-
Probate Court	4,600	5,079	5,079	-
Economic Development	2,900	1,208	1,208	-
Land Use Administration	182,989	180,019	180,019	-
Planning and Zoning	15,900	6,024	6,024	-
Inland Wetlands Commission	9,250	4,901	4,901	-
Zoning Board of Appeals	6,300	4,168	4,168	-
Building Inspection/Permit	200,593	213,338	213,338	-
Public Libraries	928,124	867,259	867,259	-
Cemetery Commission	48,400	56,511	56,511	-
Treasurer Finance	472,816	471,201	471,201	-
Board of Finance	9,250	5,709	5,709	-
Contingent Fund	300,000	-	-	-
Annual/special Audit	76,400	60,880	60,880	-
Personnel Policy Expenses	437,547	500,530	500,530	-
Central Supply Services	328,519	332,331	332,331	-
Central Facilities	335,500	363,668	363,668	-
Information Technology	447,353	432,539	432,539	-
Assessor	221,788	212,847	212,847	-
Board of Assessment Appeals	2,350	1,194	1,194	-
Tax Collector	152,332	163,464	163,464	-
Insurance-General	1,087,506	916,663	916,663	-
<b>Total General Government</b>	<b>5,877,485</b>	<b>5,456,562</b>	<b>5,456,562</b>	<b>-</b>
<b>Public Safety:</b>				
Police	4,637,918	4,571,038	4,571,038	-
Animal Control/Dog Warden	84,616	72,787	72,787	-
Fire	3,236,215	3,169,129	3,169,129	-
<b>Total Public Safety</b>	<b>7,958,749</b>	<b>7,812,954</b>	<b>7,812,954</b>	<b>-</b>

(Continued)

TOWN OF NORTH HAVEN, CONNECTICUT

REQUIRED SUPPLEMENTARY INFORMATION  
 GENERAL FUND EXPENDITURES AND OTHER FINANCING USES -  
 BUDGETARY BASIS - BUDGET AND ACTUAL, Continued  
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>EXPENDITURES, Continued</b>				
<b>Current, Continued:</b>				
<b>Public Works:</b>				
Department of Public Works	228,553	224,961	224,961	-
Transfer Station/Recycling	432,585	468,089	468,089	-
Sanitation	1,491,340	1,347,864	1,347,864	-
Streets and Roads	1,742,465	2,174,408	2,174,408	-
Maintenance	258,365	234,874	234,874	-
Parks	262,700	262,574	262,574	-
Engineering	92,719	96,040	96,040	-
<b>Total Public Works</b>	<b>4,508,727</b>	<b>4,808,810</b>	<b>4,808,810</b>	<b>-</b>
<b>Public Services</b>				
Regional Health District	124,477	124,477	124,477	-
Regional Visiting Nurse Association	37,247	37,247	37,247	-
Community Services	375,040	378,387	378,387	-
Welfare	3,100	2,593	2,593	-
Senior Center	235,704	238,717	238,717	-
<b>Total Public Services</b>	<b>775,568</b>	<b>781,421</b>	<b>781,421</b>	<b>-</b>
<b>Recreation</b>	<b>578,963</b>	<b>557,844</b>	<b>557,844</b>	<b>-</b>
<b>Total Recreation</b>	<b>578,963</b>	<b>557,844</b>	<b>557,844</b>	<b>-</b>
<b>Employee Benefits</b>				
Pension and Social Security	4,461,978	4,380,461	4,380,461	-
Insurance Employees	5,793,704	5,271,798	5,271,798	-
<b>Total Employee Benefits</b>	<b>10,255,682</b>	<b>9,652,259</b>	<b>9,652,259</b>	<b>-</b>
<b>Education</b>	<b>43,739,350</b>	<b>43,283,759</b>	<b>43,283,759</b>	<b>-</b>
<b>Total Education</b>	<b>43,739,350</b>	<b>43,283,759</b>	<b>43,283,759</b>	<b>-</b>
<b>Miscellaneous</b>				
Miscellaneous	365,150	357,918	357,918	-
Utilities	1,057,000	1,090,513	1,090,513	-
<b>Total Miscellaneous</b>	<b>1,422,150</b>	<b>1,448,431</b>	<b>1,448,431</b>	<b>-</b>

(Continued)

TOWN OF NORTH HAVEN, CONNECTICUT

REQUIRED SUPPLEMENTARY INFORMATION  
 GENERAL FUND EXPENDITURES AND OTHER FINANCING USES -  
 BUDGETARY BASIS - BUDGET AND ACTUAL, Continued  
 For the Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
<b>EXPENDITURES, Continued</b>				
<b>Current, Continued:</b>				
<b>Capital</b>	643,369	652,616	652,616	-
<b>Total Capital</b>	643,369	652,616	652,616	-
<b>Debt Service</b>				
Principal	4,571,099	4,646,099	4,646,099	-
Interest	2,403,636	2,325,270	2,325,270	-
<b>Total Debt Service</b>	6,974,735	6,971,369	6,971,369	-
<b>Total Expenditures</b>	82,734,778	81,426,025	81,426,025	-
<b>OTHER FINANCING USES</b>				
<b>Operating Transfers Out:</b>				
Capital Improvement	155,000	155,000	155,000	-
State/ Federal Grants	110,000	110,000	110,000	-
Community Services Recreation	4,000	4,000	4,000	-
Capital Improvement - BOE	100,000	100,000	100,000	-
<b>Total Other Financing Uses</b>	369,000	369,000	369,000	-
<b>Total Budgetary Expenditures</b>	\$ 83,103,778	\$ 81,795,025	81,795,025	\$ -

Budgetary Expenditures are different than GAAP because:

State of Connecticut "on-behalf" payments to the Connecticut State Teachers Retirement System for Town Teachers are not budgeted. 3,444,000

Encumbrances for purchases and commitments ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year received for financial reporting purposes. (463,310)

Effect of the implementation of GASB 54 1,377,698

Encumbrances for purchases and commitments ordered in the previous year, that were received and liquidated in the current year are reported for financial statement reporting purposes. 1,002,941

Total expenditures and other financing uses as reported in the statement of revenues, expenditures and changes in fund balances - governmental funds - Page 14. \$ 87,156,354

THE TOWN OF NORTH HAVEN, CONNECTICUT

REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF FUNDING PROGRESS - PENSIONS  
 June 30, 2011

SCHEDULE OF FUNDING PROGRESS - PENSIONS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	(Over) Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
<b>General Employees:</b>						
7/1/10	N/A	N/A	N/A	N/A	N/A	N/A
7/1/09	38,940,688	49,343,283	10,402,595	78.92%	8,170,904	127.31%
7/1/08	N/A	N/A	N/A	N/A	N/A	N/A
7/1/07	41,115,104	44,099,379	2,984,275	93.23%	8,259,819	36.13%
7/1/06	N/A	N/A	N/A	N/A	N/A	N/A
7/1/05	38,375,737	39,650,681	1,274,944	96.78%	7,596,156	16.78%
<b>Police Department:</b>						
7/1/10	\$ 16,614,473	\$ 26,283,327	\$ (9,668,854)	63.21%	\$ 3,087,436	313.17%
7/1/09	N/A	N/A	N/A	N/A	N/A	N/A
7/1/08	17,674,899	21,494,845	3,819,946	82.23%	2,975,442	128.38%
7/1/07	N/A	N/A	N/A	N/A	N/A	N/A
7/1/06	16,512,240	19,727,754	3,215,514	83.70%	2,641,886	121.71%
7/1/05	N/A	N/A	N/A	N/A	N/A	N/A
<b>Fire Department:</b>						
7/1/10	\$ 10,390,955	\$ 15,606,930	\$ 5,215,975	66.58%	\$ 2,099,874	248.39%
7/1/09	N/A	N/A	N/A	N/A	N/A	N/A
7/1/08	11,218,605	13,420,680	2,202,075	83.59%	1,825,641	120.62%
7/1/07	N/A	N/A	N/A	N/A	N/A	N/A
7/1/06	10,518,860	12,530,477	2,011,617	83.95%	1,433,161	140.36%
7/1/05	N/A	N/A	N/A	N/A	N/A	N/A
<b>Volunteer Fire:</b>						
7/1/10	N/A	N/A	N/A	N/A	N/A	N/A
7/1/09	530,277	914,946	384,669	57.96%	N/A	N/A
7/1/08	N/A	N/A	N/A	N/A	N/A	N/A
7/1/07	577,105	937,187	360,082	61.58%	N/A	N/A
7/1/06	N/A	N/A	N/A	N/A	N/A	N/A
7/1/05	388,329	958,512	570,183	40.51%	N/A	N/A
<b>Elected Officials:</b>						
7/1/10	N/A	N/A	N/A	N/A	N/A	N/A
7/1/09	-	1,540,084	1,540,084	0.00%	173,558	887.36%
7/1/08	N/A	N/A	N/A	N/A	N/A	N/A
7/1/07	-	1,536,838	1,536,838	0.00%	183,719	836.52%
7/1/06	N/A	N/A	N/A	N/A	N/A	N/A
7/1/05	-	1,357,230	1,357,230	0.00%	174,907	775.97%

THE TOWN OF NORTH HAVEN, CONNECTICUT

REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF EMPLOYER CONTRIBUTIONS - PENSIONS  
 June 30, 2011

<b>SCHEDULE OF EMPLOYER CONTRIBUTIONS - PENSIONS</b>							
Year Ended June 30,	General Employees		Police Department		Fire Department		
	Annual Required Contribution	Percentage Contributed	Annual Required Contribution	Percentage Contributed	Annual Required Contribution	Percentage Contributed	
2011	\$ 1,838,125	100.0%	\$ 809,049	100.0%	\$ 511,620	100.0%	
2010	1,442,647	97.5%	808,780	100.0%	491,673	100.0%	
2009	1,408,390	100.0%	976,484	100.0%	594,455	100.0%	
2008	1,153,433	100.0%	867,449	100.0%	570,584	100.0%	
2007	1,177,883	100.0%	615,624	100.0%	426,958	100.0%	
2006	884,007	100.0%	599,774	100.0%	424,659	100.0%	

Year Ended June 30,	Volunteer Firefighters		Elected Officials	
	Annual Required Contribution	Percentage Contributed	Annual Required Contribution	Percentage Contributed
2011	\$ 68,415	100.0%	\$ 191,527	77.0%
2010	95,692	100.0%	185,948	79.3%
2009	95,692	100.0%	152,129	94.2%
2008	153,277	100.0%	147,245	93.5%
2007	153,277	100.0%	114,415	84.8%
2006	145,034	100.0%	130,577	77.1%

THE TOWN OF NORTH HAVEN, CONNECTICUT

REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULES OF FUNDING PROGRESS AND EMPLOYER CONTRIBUTIONS - OPEB  
 June 30, 2011

**SCHEDULE OF FUNDING PROGRESS - OPEB**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	(Over) Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
6/30/2009	\$ -	\$ 53,767,756	\$ 53,757,756	0.00%	N/A	N/A

**SCHEDULE OF EMPLOYER  
 CONTRIBUTIONS - OPEB**

Year Ended June 30,	Annual Required Contribution	Percentage Contributed
2011	\$ 4,540,125	44.5%
2010	4,320,380	42.7%
2009	4,116,231	39.3%

## TOWN OF NORTH HAVEN, CONNECTICUT

### REQUIRED SUPPLEMENTARY INFORMATION NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION June 30, 2011

---

#### Note 1. Budgets and Budgetary Accounting

##### Budgetary Information

Town department heads, except for education, submit expenditure requests to the Board of Selectmen 90 days or more before the annual budget Town meeting, which is held on the second Monday in May unless otherwise scheduled. Not less than 70 days before the annual meeting, the Board of Selectmen after review of these initial estimates, compile the revised estimates and submit them to the Board of Finance. The Education Department, not less than 70 days before the annual meeting, submits its requests directly to the Board of Finance.

One or two more public hearings are held on the budget not less than 21 days before the annual meeting. The budget becomes effective when approved at the annual meeting. No appropriation can be made exceeding that which was originally recommended by the Board of Finance. An appropriation for less than was recommended can be instituted if approved by a majority of those present and voting.

Special budget appropriations must be approved by the Board of Finance and, if in excess of \$20,000, recommended to the Town Meeting for approval. During the fiscal year ended June 30, 2011 there were no special appropriations. The Board of Finance has the power to transfer any portion of the cash surplus not otherwise appropriated.

The annual operating budget for the Town of North Haven is approved at the line item level (e.g. Town Clerk). The budget for the Department of Education is approved as a single amount. The legal level of budgetary control is at the department level. Management can make transfers within a department without limit and without approval from the Board of Finance. The Board of Finance may also approve transfers from contingency for any lawful purpose. Required transfers are tracked continuously and are formally adopted immediately after the end of the fiscal year as part of the end of the fiscal closing of the budget. Appropriations for goods not received or for capital construction projects or work-in-progress may continue in force. Appropriations which have been continued but not utilized lapse if five fiscal years shall elapse without any expenditure or encumbrance.

Only the General Fund has a legally adopted annual budget.

Additional appropriations may be made after the budget's adoption by either the Board of Finance or at a Town meeting.

Except for the Board of Education and Probate Court, all departments wishing to make budgetary transfers must have them approved by the Board of Finance.

The differences between the budgetary and GAAP basis of accounting are as follows:

- Encumbrances are recognized as valid and proper charges against budget appropriations in the year in which the purchase order is issued and, accordingly, encumbrances outstanding at year-end are reflected in budgetary reports as expenditures in the current year but are shown as an assigned fund balance on a GAAP basis.
- State of Connecticut payments on behalf of the Town of North Haven teachers for the State Teachers' Retirement System are reported for GAAP purposes only.
- The effect of the implementation of GASB 54.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are reported as an assigned fund balance and do not constitute expenditures or liabilities because the commitment will be re-appropriated and honored during the subsequent year.

**Supplemental and Combining Nonmajor  
Fund Statements and Schedules**



**General Fund**

## ***General Fund***

The general fund is the principal fund of the Town and is used to account for all activities of the Town, except those required to be accounted for in another fund. The general fund accounts for the normal recurring activities of the Town (i.e., general government, public safety, public works, health, social services, recreation, education, etc.). These activities are funded principally by property taxes, user fees and grants from other governmental units.

TOWN OF NORTH HAVEN, CONNECTICUT

GENERAL FUND  
BALANCE SHEET

June 30, 2011

---

**ASSETS**

Cash and cash equivalents	\$ 16,941,649
Receivables (net of allowances for collection losses):	
State and federal grants	1,330,048
Sewer assessments receivable	161,649
Property taxes	3,572,594
Other	40,534
Due from other funds	744,018
Prepayments	46,092
<b>Total assets</b>	<u><u>\$ 22,836,584</u></u>

**LIABILITIES AND FUND EQUITY**

Accounts payable	\$ 2,357,353
Unearned revenues	563,629
Deferred revenue	4,674,055
Due to other funds	818,617
<b>Total liabilities</b>	<u><u>8,413,654</u></u>

**Fund Equity:**

Nonspendable	46,092
Assigned	5,756,926
Unassigned	8,619,912
<b>Total fund equity</b>	<u><u>14,422,930</u></u>

**Total liabilities and fund equity** \$ 22,836,584

**This page intentionally left blank.**

## **Nonmajor Governmental Funds**

# ***Special Revenue Funds***

## State Grant P.A. 701

To account for the annual grant from the State Department of Transportation for the repairs and maintenance of Town roads.

## Community Services

To account for expenditures for Outreach programs, Project Graduation and Weekend counselors.

## School Cafeteria

To account for the operations of the food program by the school system.

## DCYS Grant

To account for expenditures for youth service programs.

## Crime Control Seizure

To account for monies received under General Statutes Section 54-361.

## Education Grants

To account for expenditure of State and Federal grants received for a variety of school programs.

## Substance Abuse Prevention Council Grant

To account for expenditures for the education of youth on drugs, alcohol and tobacco prevention.

## Day Care

To account for grant funds from the State of Connecticut received by the Town.

## Equipment Replacement

To account for cost of significant equipment replacement required by EPA and CT DEP regulations.

## Senior Center

To account for fees collected and related expenditures.

## Harbor Health

To account for Mental Health Grant.

## Police Outside Duty

To account for operations for jobs requiring policemen on duty to outside contractors.

## Fire Outside Duty

To account for operations for jobs requiring firemen on duty to outside contractors.

## Library Grant

To account for Connecticard grant and State Library grant received from the State.

## ***Special Revenue Funds, Continued***

### Retired Teachers Health Insurance

To account for medical premium expenditures for retired teachers.

### Land Option Mall

To account for payments on expired option relating to proposed mall site on Valley Service Road.

### Board of Education Scholarship Funds

To account for expenditures of scholarship monies.

### Emergency Fund

To account for donated funds received for members of the community in need.

### Show and Sell

Funds donated and used for economic development project.

### Firemen's Benevolent

To provide relief to volunteer and paid fire personnel and families should the need arise.

### State/Federal Grants

To account for certain Federal and State grants.

### Workforce Alliance

To account for a state grant that provides job opportunities for students that meet the grant requirements.

## ***Capital Projects Funds***

### North Haven High School

To account for expenditures for building the new school.

### Capital Improvement

To account for expenditures used in the acquisition and construction of capital facilities and other fixed assets.

### Sewer General

To account for capital projects approved by the WPCA

### Sackett Point Road Bridge

To account for expenditures of the Sackett Point Road Bridge renovation.

### Streetscapes

To account for expenditures for central block.

## ***Capital Projects Funds, Continued***

### Local Capital Improvement Program (LoCIP)

To account for monies reimbursed by the State for pre-approval Local Capital Improvement Programs performed by the Town of North Haven.

### DEFECO Park

To account for expenditures of DEFECO Park.

### BOE Capital Improvement

To account for expenditures used in the acquisition and construction of capital facilities and other fixed assets.

### Todd Drive Drainage

To account for expenditures of the Todd Drive Drainage Project.

### Valley Service Road

To account for expenditures on Valley Service Road.

### Town Improvements

To account for expenditures for Town improvements.

## ***Permanent Funds***

### Bradley Trust

This fund was established by a bequest from Andrew R. Bradley. The income derived from this bequest is to be used as follows: care of Pierpont Park, maintenance and support of the Library and care of Andrew R. Bradley's cemetery lot.

### Stiles Library Maintenance

This fund was established by a bequest from Frank L. Stiles. The income is to be used for repairs to library and purchase of books of reference or other permanent value.

### Banton Civic Association Scholarship

This scholarship fund was created in 1976. A portion of the income is to be awarded to a deserving student from the North Haven High School graduating class.

### Walter Kraemer Memorial

This fund was established to use income to purchase books for the North Haven Library.

### William E. Dickerman Memorial

This fund was established in the memory of William E. Dickerman. The income is to be used for the general educational purposes of the North Haven Library.

## ***Permanent Funds, Continued***

### Walter T. Berniere Scholarship

This fund was established in 1990 to provide a scholarship to an individual pursuing a career in law enforcement.

### Roger Blood Memorial

This fund was established by a bequest from Ida Mastroianni Caccese. The income is to be used to purchase books in English Literature, History and Travel.

### Louis and Mary Tagliatella Foundation Scholarship

A scholarship was established by a bequest from Louis F. Tagliatella, Sr. to be available for annual awards to graduates of North Haven High School under the PTSA Scholarship Program.

### Louis Mastroianni Endowment Fund

This fund was established by a bequest from Ida Mastroianni Caccese in memory of Louis D. Mastroianni. The income from this fund is to be used for the purpose of purchasing children's books on nature, environment and gardening.

### Cemetery Perpetual Care

This fund is used to account for resources legally held for the perpetual care of the cemetery. All resources of the fund, including any earnings on invested resources, may be used to support the maintenance of the cemetery. This is no requirement that any portion of these resources be preserved as capital.

### Lester W. Gott Scholarship

A scholarship fund established by a bequest from Louis F. and Mary A. Tagliatella Foundation, Inc. to provide a scholarship to a high school graduate.

### Abercrombie Scholarship

A scholarship fund was established in memory of Paul D. Abercrombie to provide a scholarship to a high school graduate.

### Carol E. White Endowment Fund

This fund was established by a bequest from Steven D. White in memory of Carol E. White for the purpose of purchasing high quality non-fiction books.



**This page intentionally left blank.**

TOWN OF NORTH HAVEN, CONNECTICUT

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
June 30, 2011

	Special Revenue Funds					
	State Grant P.A. 701	Community Services	School Cafeteria	DCYS Grant	Crime Control Seizure	Education Grants
<b>ASSETS</b>						
Cash and cash equivalents	\$ -	\$ 44,738	\$ 150,717	\$ -	\$ -	\$ 992,804
Receivables:						
Intergovernmental	-	-	37,870	-	-	-
Prepays	-	-	-	-	-	-
Due from other funds	389,257	-	-	-	4,710	-
Inventories	-	-	15,359	-	-	-
<b>Total assets</b>	<b>\$ 389,257</b>	<b>\$ 44,738</b>	<b>\$ 203,946</b>	<b>\$ -</b>	<b>\$ 4,710</b>	<b>\$ 992,804</b>
<b>LIABILITIES AND FUND BALANCES (DEFICITS)</b>						
<b>LIABILITIES</b>						
Accounts payable	\$ -	\$ -	\$ 189,060	\$ -	\$ -	\$ 58,862
Unearned revenue	-	-	-	-	-	823,300
Due to other funds	-	-	-	-	-	70,000
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>189,060</b>	<b>-</b>	<b>-</b>	<b>952,162</b>
<b>FUND BALANCES (DEFICITS)</b>						
Nonspendable	-	-	15,359	-	-	-
Restricted	389,257	44,738	-	-	4,710	40,642
Committed	-	-	-	-	-	-
Unassigned	-	-	(473)	-	-	-
<b>Total fund balances     (deficits)</b>	<b>389,257</b>	<b>44,738</b>	<b>14,886</b>	<b>-</b>	<b>4,710</b>	<b>40,642</b>
<b>Total liabilities and fund     balances (deficits)</b>	<b>\$ 389,257</b>	<b>\$ 44,738</b>	<b>\$ 203,946</b>	<b>\$ -</b>	<b>\$ 4,710</b>	<b>\$ 992,804</b>

Special Revenue Funds

Substance Abuse Prevention Council Grant	Day Care	Equipment Replacement	Senior Center	Harbor Health	Police Outside Duty	Fire Outside Duty	Library Grant
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	5,839	-	-	-
-	-	-	-	-	-	-	-
-	11,096	79,746	-	-	27,686	10,527	18,782
-	-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 11,096</u>	<u>\$ 79,746</u>	<u>\$ -</u>	<u>\$ 5,839</u>	<u>\$ 27,686</u>	<u>\$ 10,527</u>	<u>\$ 18,782</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	5,839	-	-	-
-	-	-	-	5,839	-	-	-
-	-	-	-	-	-	-	-
-	11,096	-	-	-	-	-	18,782
-	-	79,746	-	-	27,686	10,527	-
-	-	-	-	-	-	-	-
-	11,096	79,746	-	-	27,686	10,527	18,782
<u>\$ -</u>	<u>\$ 11,096</u>	<u>\$ 79,746</u>	<u>\$ -</u>	<u>\$ 5,839</u>	<u>\$ 27,686</u>	<u>\$ 10,527</u>	<u>\$ 18,782</u>

(Continued)

TOWN OF NORTH HAVEN, CONNECTICUT

COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS, Continued  
 June 30, 2011

	Special Revenue Funds						
	Retired Teachers Health Insurance	Board of Education Scholarship Funds	Emergency Fund	Show and Sell	Firemen's Benevolent	State/ Federal Grants	Workforce Alliance
<b>ASSETS</b>							
Cash and cash equivalents	\$ 9,558	\$ 263,239	\$ 58,744	\$ -	\$ 53,775	\$ -	\$ -
Receivables:							
Intergovernmental	-	-	-	-	-	382,891	-
Prepays	-	-	600	-	-	-	-
Due from other funds	-	-	-	1,815	-	-	44,078
Inventories	-	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 9,558</b>	<b>\$ 263,239</b>	<b>\$ 59,344</b>	<b>\$ 1,815</b>	<b>\$ 53,775</b>	<b>\$ 382,891</b>	<b>\$ 44,078</b>
<b>LIABILITIES AND FUND BALANCES (DEFICITS)</b>							
<b>LIABILITIES</b>							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unearned revenue	-	-	-	-	-	7,497	-
Due to other funds	-	-	-	-	-	369,086	-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>376,583</b>	<b>-</b>
<b>FUND BALANCES (DEFICITS)</b>							
Nonspendable	-	-	600	-	-	-	-
Restricted	9,558	263,239	58,744	1,815	53,775	6,308	44,078
Committed	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
<b>Total fund balances     (deficits)</b>	<b>9,558</b>	<b>263,239</b>	<b>59,344</b>	<b>1,815</b>	<b>53,775</b>	<b>6,308</b>	<b>44,078</b>
<b>Total liabilities and fund balances (deficits)</b>	<b>\$ 9,558</b>	<b>\$ 263,239</b>	<b>\$ 59,344</b>	<b>\$ 1,815</b>	<b>\$ 53,775</b>	<b>\$ 382,891</b>	<b>\$ 44,078</b>

Capital Projects Funds

North Haven High School	Capital Improvement	Sewer General	Sackett Point Road Bridge	Streetscapes	Valley Service Road	DEFCO Park	BOE Capital Improvement
\$ 2,484,569	\$ 1,606,081	\$ -	\$ -	\$ -	\$ -	\$ -	
-	-	-	-	38,057	49,065	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	251,420
-	-	-	-	-	-	-	-
<u>\$ 2,484,569</u>	<u>\$ 1,606,081</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 38,057</u>	<u>\$ 49,065</u>	<u>\$ -</u>	<u>\$ 251,420</u>
\$ 731,523	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	42,005	-	-	-	-	-	-
34,282	-	-	67,000	42,538	76,363	-	-
<u>765,805</u>	<u>42,005</u>	<u>-</u>	<u>67,000</u>	<u>42,538</u>	<u>76,363</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-	-
1,718,764	1,564,076	-	-	-	-	-	-
-	-	-	-	-	-	-	251,420
-	-	-	(67,000)	(4,481)	(27,298)	-	-
<u>1,718,764</u>	<u>1,564,076</u>	<u>-</u>	<u>(67,000)</u>	<u>(4,481)</u>	<u>(27,298)</u>	<u>-</u>	<u>251,420</u>
<u>\$ 2,484,569</u>	<u>\$ 1,606,081</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 38,057</u>	<u>\$ 49,065</u>	<u>\$ -</u>	<u>\$ 251,420</u>

(Continued)

TOWN OF NORTH HAVEN, CONNECTICUT

COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS, Continued  
 June 30, 2011

	Capital Projects		Permanent Funds		
	Todd Drive Drainage	Town Improvements	Bradley Trust	Stiles Library Maintenance	Banton Civic Association Scholarship
<b>ASSETS</b>					
Cash and cash equivalents	\$ -	\$ -	\$ 3,875	\$ 25,846	\$ 3,295
Receivables:					
Intergovernmental	23,610	-	-	-	-
Prepays	-	-	-	-	-
Due from other funds	-	-	-	-	-
Inventories	-	-	-	-	-
<b>Total assets</b>	<b>\$ 23,610</b>	<b>\$ -</b>	<b>\$ 3,875</b>	<b>\$ 25,846</b>	<b>\$ 3,295</b>
<b>LIABILITIES AND FUND BALANCES (DEFICITS)</b>					
<b>LIABILITIES</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Unearned revenue	-	-	-	-	-
Due to other funds	28,920	5,000	-	502	-
<b>Total liabilities</b>	<b>28,920</b>	<b>5,000</b>	<b>-</b>	<b>502</b>	<b>-</b>
<b>FUND BALANCES (DEFICITS)</b>					
Nonspendable	-	-	2,500	10,000	3,250
Restricted	-	-	1,375	15,344	45
Committed	-	-	-	-	-
Unassigned	(5,310)	(5,000)	-	-	-
<b>Total fund balances     (deficits)</b>	<b>(5,310)</b>	<b>(5,000)</b>	<b>3,875</b>	<b>25,344</b>	<b>3,295</b>
<b>Total liabilities and fund     balances (deficits)</b>	<b>\$ 23,610</b>	<b>\$ -</b>	<b>\$ 3,875</b>	<b>\$ 25,846</b>	<b>\$ 3,295</b>

Permanent Funds

Walter Kraemer Memorial	William E. Dickerman Memorial	Walter T. Berniere Scholarship	Roger Blood Memorial	Louis & Mary Tagliatella Foundation Scholarship	Louis Mastroianni Endowment Fund	Lester W. Gott Scholarship	Abercrombie Scholarship
\$ 1,890	\$ 78,580	\$ 14,586	\$ 15,229	\$ 65,044	\$ 5,341	\$ 30,538	\$ 11,458
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
\$ 1,890	\$ 78,580	\$ 14,586	\$ 15,229	\$ 65,044	\$ 5,341	\$ 30,538	\$ 11,458
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,675	68,297	10,000	10,000	65,000	5,000	30,503	11,410
215	10,283	4,586	5,229	44	341	35	48
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,890	78,580	14,586	15,229	65,044	5,341	30,538	11,458
\$ 1,890	\$ 78,580	\$ 14,586	\$ 15,229	\$ 65,044	\$ 5,341	\$ 30,538	\$ 11,458

(Continued)

TOWN OF NORTH HAVEN, CONNECTICUT

COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS, Continued  
 June 30, 2011

	Permanent Funds		Totals
	Carol E. White Endowment Fund	Cemetery Perpetual Care	
<b>ASSETS</b>			
Cash and cash equivalents	\$ 10,195	\$ 299,988	\$ 6,230,090
Receivables:			
Intergovernmental	-	-	537,332
Prepays	-	-	600
Due from other funds	-	-	839,117
Inventories	-	-	15,359
<b>Total assets</b>	<b>\$ 10,195</b>	<b>\$ 299,988</b>	<b>\$ 7,622,498</b>
<b>LIABILITIES AND FUND BALANCES (DEFICITS)</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ -	\$ -	\$ 979,445
Unearned revenue	-	-	872,802
Due to other funds	-	-	699,530
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>2,551,777</b>
<b>FUND BALANCES (DEFICITS)</b>			
Nonspendable	10,000	298,913	542,507
Restricted	195	1,075	4,268,397
Committed	-	-	369,379
Unassigned	-	-	(109,562)
<b>Total fund balances     (deficits)</b>	<b>10,195</b>	<b>299,988</b>	<b>5,070,721</b>
<b>Total liabilities and fund balances (deficits)</b>	<b>\$ 10,195</b>	<b>\$ 299,988</b>	<b>\$ 7,622,498</b>

**This page intentionally left blank.**

TOWN OF NORTH HAVEN, CONNECTICUT

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCES (DEFICITS)  
 NONMAJOR GOVERNMENTAL FUNDS  
 For the Year Ended June 30, 2011

	Special Revenue Funds					
	State Grant P.A. 701	Community Services	School Cafeteria	DCYS Grant	Crime Control Seizure	Education Grants
<b>REVENUES</b>						
Charges for services	\$ -	\$ -	\$ 772,504	\$ -	\$ -	\$ -
Intergovernmental	182,366	-	215,694	23,593	-	2,858,536
Investment income	-	-	-	-	-	-
Net increase in fair value of investments	-	-	-	-	-	-
Contributions	-	11,561	-	-	-	-
Other	-	-	-	-	14,445	-
<b>Total revenues</b>	<b>182,366</b>	<b>11,561</b>	<b>988,198</b>	<b>23,593</b>	<b>14,445</b>	<b>2,858,536</b>
<b>EXPENDITURES</b>						
Current:						
Public safety	-	-	-	-	24,686	-
Public works	-	-	-	-	-	-
Health and welfare	-	-	-	23,593	-	-
Culture and recreation	-	20,434	-	-	-	-
Education	-	-	1,139,612	-	-	2,858,536
Capital outlay	-	-	-	-	-	-
<b>Total expenditures</b>	<b>-</b>	<b>20,434</b>	<b>1,139,612</b>	<b>23,593</b>	<b>24,686</b>	<b>2,858,536</b>
<b>Revenues over (under) expenditures</b>	<b>182,366</b>	<b>(8,873)</b>	<b>(151,414)</b>	<b>-</b>	<b>(10,241)</b>	<b>-</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	-	110,000	-	-	-
Transfers out	-	-	-	-	-	-
<b>Net other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>110,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances (deficits)</b>	<b>182,366</b>	<b>(8,873)</b>	<b>(41,414)</b>	<b>-</b>	<b>(10,241)</b>	<b>-</b>
<b>FUND BALANCES (DEFICITS), beginning of year, as restated (Note 17)</b>	<b>206,891</b>	<b>53,611</b>	<b>56,300</b>	<b>-</b>	<b>14,951</b>	<b>40,642</b>
<b>FUND BALANCES (DEFICITS), end of year</b>	<b>\$ 389,257</b>	<b>\$ 44,738</b>	<b>\$ 14,886</b>	<b>\$ -</b>	<b>\$ 4,710</b>	<b>\$ 40,642</b>

Special Revenue

Substance Abuse Prevention Council Grant	Day Care	Equipment Replacement	Senior Center	Harbor Health	Police Outside Duty	Fire Outside Duty	Library Grant
\$ -	\$ 99,532	\$ -	\$ -	\$ -	\$ 578,911	\$ 19,418	\$ -
-	241,355	-	98,500	37,255	-	-	10,921
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	300	-	-	-	-	-	-
-	-	29,775	-	-	-	-	-
-	341,187	29,775	98,500	37,255	578,911	19,418	10,921
-	-	-	-	-	481,575	18,376	-
-	-	-	-	-	-	-	-
45	373,009	-	-	37,255	-	-	-
-	-	-	6,757	-	-	-	8,317
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
45	373,009	-	6,757	37,255	481,575	18,376	8,317
(45)	(31,822)	29,775	91,743	-	97,336	1,042	2,604
-	-	-	-	-	-	-	-
-	-	-	-	-	(100,000)	-	-
-	-	-	-	-	(100,000)	-	-
(45)	(31,822)	29,775	91,743	-	(2,664)	1,042	2,604
45	42,918	49,971	(91,743)	-	30,350	9,485	16,178
\$ -	\$ 11,096	\$ 79,746	\$ -	\$ -	\$ 27,686	\$ 10,527	\$ 18,782

(Continued)

TOWN OF NORTH HAVEN, CONNECTICUT

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCES (DEFICITS), Continued  
 NONMAJOR GOVERNMENTAL FUNDS  
 For the Year Ended June 30, 2011

	Special Revenue Funds						
	Retired Teachers Health Insurance	Board of Education Scholarship Fund	Emergency Fund	Show and Sell	Firemen's Benevolent	State/ Federal Grants	Workforce Alliance
<b>REVENUES</b>							
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	110,990	-	-	-	-	813,030	76,902
Investment income	-	720	-	-	42	-	-
Net increase in fair value of investments	-	-	-	-	-	-	-
Contributions	-	47,930	9,274	6,000	-	3,565	-
Other	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>110,990</b>	<b>48,650</b>	<b>9,274</b>	<b>6,000</b>	<b>42</b>	<b>816,595</b>	<b>76,902</b>
<b>EXPENDITURES</b>							
Current:							
Public safety	-	-	-	-	-	18,304	-
Public works	-	-	-	-	-	-	-
Health and welfare	-	-	18,320	-	-	-	-
Culture and recreation	-	-	-	7,228	-	31,473	-
Education	106,040	22,850	-	-	-	-	68,433
Capital outlay	-	-	-	-	-	802,385	-
<b>Total expenditures</b>	<b>106,040</b>	<b>22,850</b>	<b>18,320</b>	<b>7,228</b>	<b>-</b>	<b>852,162</b>	<b>68,433</b>
<b>Revenues over (under) expenditures</b>	<b>4,950</b>	<b>25,800</b>	<b>(9,046)</b>	<b>(1,228)</b>	<b>42</b>	<b>(35,567)</b>	<b>8,469</b>
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
<b>Net other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances (deficits)</b>	<b>4,950</b>	<b>25,800</b>	<b>(9,046)</b>	<b>(1,228)</b>	<b>42</b>	<b>(35,567)</b>	<b>8,469</b>
<b>FUND BALANCES (DEFICITS), beginning of year, as restated (Note 17)</b>							
	4,608	237,439	68,390	3,043	53,733	41,875	35,609
<b>FUND BALANCES (DEFICITS), end of year</b>							
	\$ 9,558	\$ 263,239	\$ 59,344	\$ 1,815	\$ 53,775	\$ 6,308	\$ 44,078

Capital Projects Funds

North Haven High School	Capital Improvement	Sewer General	Sackett Point Road Bridge	Streetscapes	Valley Service Road	DEFCO Park	BOE Capital Improvement
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	63,342	-	-
-	1,468	-	-	-	-	-	-
6,095	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	5,000	-	-	-	-	-
6,095	1,468	5,000	-	-	63,342	-	-
-	-	-	-	-	-	-	-
-	99,020	-	30,000	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
4,500	-	-	-	-	-	-	-
364,031	-	-	-	-	90,640	-	48,580
368,531	99,020	-	30,000	-	90,640	-	48,580
(362,436)	(97,552)	5,000	(30,000)	-	(27,298)	-	(48,580)
-	165,500	-	-	-	-	7,800	100,000
-	(15,768)	(14,536)	-	-	-	-	-
-	149,732	(14,536)	-	-	-	7,800	100,000
(362,436)	52,180	(9,536)	(30,000)	-	(27,298)	7,800	51,420
2,081,200	1,511,896	9,536	(37,000)	(4,481)	-	(7,800)	200,000
\$ 1,718,764	\$ 1,564,076	\$ -	\$ (67,000)	\$ (4,481)	\$ (27,298)	\$ -	\$ 251,420

(Continued)

TOWN OF NORTH HAVEN, CONNECTICUT

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCES (DEFICITS), Continued  
 NONMAJOR GOVERNMENTAL FUNDS  
 For the Year Ended June 30, 2011

	Capital Project Funds		Permanent Funds		
	Todd Drive Drainage	Town Improvements	Bradley Trust	Stiles Library Maintenance	Banton Civic Association Scholarship
<b>REVENUES</b>					
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	169,430	-	-	-	-
Investment income	-	-	12	7	11
Net increase in fair value of investments	-	-	-	-	-
Contributions	-	-	-	-	-
Other	500	-	-	-	-
<b>Total revenues</b>	<b>169,930</b>	<b>-</b>	<b>12</b>	<b>7</b>	<b>11</b>
<b>EXPENDITURES</b>					
Current:					
Public safety	-	-	-	-	-
Public works	175,240	-	-	-	-
Health and welfare	-	-	-	-	-
Culture and recreation	-	-	-	1,064	-
Education	-	5,000	-	-	-
Capital outlay	-	-	-	-	-
<b>Total expenditures</b>	<b>175,240</b>	<b>5,000</b>	<b>-</b>	<b>1,064</b>	<b>-</b>
<b>Revenues over (under) expenditures</b>	<b>(5,310)</b>	<b>(5,000)</b>	<b>12</b>	<b>(1,057)</b>	<b>11</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
<b>Net other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances (deficits)</b>	<b>(5,310)</b>	<b>(5,000)</b>	<b>12</b>	<b>(1,057)</b>	<b>11</b>
<b>FUND BALANCES (DEFICITS), beginning of year, as restated (Note 17)</b>	<b>-</b>	<b>-</b>	<b>3,863</b>	<b>26,401</b>	<b>3,284</b>
<b>FUND BALANCES (DEFICITS), end of year</b>	<b>\$ (5,310)</b>	<b>\$ (5,000)</b>	<b>\$ 3,875</b>	<b>\$ 25,344</b>	<b>\$ 3,295</b>

Permanent Funds

Walter Kraemer Memorial	William E. Dickerman Memorial	Walter T. Berniere Scholarship	Roger Blood Memorial	Louis & Mary Tagliatella Foundation Scholarship	Louis Mastroianni Endowment Fund	Lester W. Gott Scholarship	Abercrombie Scholarship
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6	249	53	48	206	17	97	36
-	-	-	-	-	-	-	-
-	-	25	-	-	-	-	-
-	-	-	-	-	-	-	-
6	249	78	48	206	17	97	36
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
169	-	2,750	-	250	-	100	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
169	-	2,750	-	250	-	100	-
(163)	249	(2,672)	48	(44)	17	(3)	36
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
(163)	249	(2,672)	48	(44)	17	(3)	36
2,053	78,331	17,258	15,181	65,088	5,324	30,541	11,422
\$ 1,890	\$ 78,580	\$ 14,586	\$ 15,229	\$ 65,044	\$ 5,341	\$ 30,538	\$ 11,458

(Continued)

TOWN OF NORTH HAVEN, CONNECTICUT

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCES (DEFICITS), Continued  
 NONMAJOR GOVERNMENTAL FUNDS  
 For the Year Ended June 30, 2011

	Permanent Funds		Totals
	Carol E. White Endowment Fund	Cemetery Perpetual Funds	
<b>REVENUES</b>			
Charges for services	\$ -	\$ -	\$ 1,470,365
Intergovernmental	-	-	4,901,914
Investment income	32	1,075	4,079
Net increase in fair value of investments	-	-	6,095
Contributions	-	-	78,655
Other	-	-	49,720
<b>Total revenues</b>	<b>32</b>	<b>1,075</b>	<b>6,510,828</b>
<b>EXPENDITURES</b>			
Current:			
Public safety	-	-	542,941
Public works	-	-	304,260
Health and welfare	-	-	452,222
Culture and recreation	-	36,750	115,292
Education	-	-	4,204,971
Capital outlay	-	-	1,305,636
<b>Total expenditures</b>	<b>-</b>	<b>36,750</b>	<b>6,925,322</b>
<b>Revenues over (under) expenditures</b>	<b>32</b>	<b>(35,675)</b>	<b>(414,494)</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	-	383,300
Transfers out	-	-	(130,304)
<b>Net other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>252,996</b>
<b>Net change in fund balances (deficits)</b>	<b>32</b>	<b>(35,675)</b>	<b>(161,498)</b>
<b>FUND BALANCES (DEFICITS), beginning of year, as restated (Note 17)</b>	<b>10,163</b>	<b>335,663</b>	<b>5,232,219</b>
<b>FUND BALANCES (DEFICITS), end of year</b>	<b>\$ 10,195</b>	<b>\$ 299,988</b>	<b>\$ 5,070,721</b>

**Internal Service Funds**

## **Internal Service Funds**

### **Town Dental Self-Insurance Fund**

This fund is used to account for the charges and claims of the Town's dental insurance fund.

### **Town Prescription Self-Insurance Fund**

This fund is used to account for the charges and claims of the Town's prescription fund.

### **BOE Dental Self-Insurance**

This fund is used to account for the charges and claims of the BOE's dental insurance fund.

### **BOE Prescription Self-Insurance Fund**

This fund is used to account for the charges and claims of the BOE's prescription fund.

TOWN OF NORTH HAVEN, CONNECTICUT

COMBINING STATEMENT OF NET ASSETS - INTERNAL SERVICE FUNDS

June 30, 2011

	Town		Board of Education		Total
	Dental Self-Insurance Fund	Prescription Self-Insurance Fund	Dental Self-Insurance Fund	Prescription Self-Insurance Fund	
<b>ASSETS</b>					
Current assets:					
Cash and cash equivalents	\$ 100,043	\$ 134,918	\$ 45,624	\$ 147,455	\$ 428,040
<b>Total current assets</b>	<u>100,043</u>	<u>134,918</u>	<u>45,624</u>	<u>147,455</u>	<u>428,040</u>
<b>Total assets</b>	<u>100,043</u>	<u>134,918</u>	<u>45,624</u>	<u>147,455</u>	<u>428,040</u>
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable	22,358	1,428	23,160	50,440	97,386
Claims payable	10,646	17,587	14,372	22,713	65,318
<b>Total current liabilities</b>	<u>33,004</u>	<u>19,015</u>	<u>37,532</u>	<u>73,153</u>	<u>162,704</u>
<b>Total liabilities</b>	<u>33,004</u>	<u>19,015</u>	<u>37,532</u>	<u>73,153</u>	<u>162,704</u>
<b>NET ASSETS</b>					
Unrestricted	<u>\$ 67,039</u>	<u>\$ 115,903</u>	<u>\$ 8,092</u>	<u>\$ 74,302</u>	<u>\$ 265,336</u>

TOWN OF NORTH HAVEN, CONNECTICUT

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS -  
INTERNAL SERVICE FUNDS  
For the Year Ended June 30, 2011

	Town		Board of Education		Total
	Dental Self-Insurance Fund	Prescription Self-Insurance Fund	Dental Self-Insurance Fund	Prescription Self-Insurance Fund	
<b>OPERATING REVENUES</b>					
Premiums and other	\$ 259,404	\$ 623,647	\$ 306,180	\$ 723,380	\$ 1,912,611
<b>Total operating revenues</b>	<u>259,404</u>	<u>623,647</u>	<u>306,180</u>	<u>723,380</u>	<u>1,912,611</u>
<b>OPERATING EXPENSES</b>					
Claims	225,898	568,310	274,755	649,078	1,718,041
Administration and operations	17,727	-	23,333	-	41,060
<b>Total operating expenses</b>	<u>243,625</u>	<u>568,310</u>	<u>298,088</u>	<u>649,078</u>	<u>1,759,101</u>
<b>Operating income</b>	15,779	55,337	8,092	74,302	153,510
<b>FUND NET ASSETS, beginning</b>	<u>51,260</u>	<u>60,566</u>	<u>-</u>	<u>-</u>	<u>111,826</u>
<b>FUND NET ASSETS, ending</b>	<u>\$ 67,039</u>	<u>\$ 115,903</u>	<u>\$ 8,092</u>	<u>\$ 74,302</u>	<u>\$ 265,336</u>

TOWN OF NORTH HAVEN, CONNECTICUT

COMBINING STATEMENT OF CASH FLOWS - INTERNAL SERVICE FUNDS

For the Year Ended June 30, 2011

	Town		Board of Education		Total
	Dental Self-Insurance Fund	Prescription Self-Insurance Fund	Dental Self-Insurance Fund	Prescription Self-Insurance Fund	
<b>Cash Flows From Operating Activities</b>					
Cash received from charges for services	\$ 259,405	\$ 626,547	\$ 306,180	\$ 723,380	\$ 1,915,512
Cash paid to vendors and beneficiaries	(244,248)	(604,249)	(260,556)	(575,925)	(1,684,978)
<b>Net cash provided by operating activities</b>	<u>15,157</u>	<u>22,298</u>	<u>45,624</u>	<u>147,455</u>	<u>230,534</u>
<b>Net increase in cash and cash equivalents</b>	15,157	22,298	45,624	147,455	230,534
<b>Cash and Cash Equivalents</b>					
Beginning	84,886	112,620	-	-	197,506
Ending	<u>\$ 100,043</u>	<u>\$ 134,918</u>	<u>\$ 45,624</u>	<u>\$ 147,455</u>	<u>\$ 428,040</u>
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</b>					
Operating income	\$ 15,779	\$ 55,337	\$ 8,092	\$ 74,302	\$ 153,510
Adjustments to reconcile operating income to net cash provided by operating activities:					
Changes in assets and liabilities:					
Decrease in accounts receivable	-	2,899	-	-	2,899
Increase in accounts payable	19,459	1,428	23,160	50,440	94,487
Increase (Decrease) in claims payable	(20,081)	(37,366)	14,372	22,713	(20,362)
<b>Net cash provided by operating activities</b>	<u>\$ 15,157</u>	<u>\$ 22,298</u>	<u>\$ 45,624</u>	<u>\$ 147,455</u>	<u>\$ 230,534</u>

**This page intentionally left blank.**

**Fiduciary Funds**



TOWN OF NORTH HAVEN, CONNECTICUT

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUNDS

For the Year Ended June 30, 2011

	Balance July 1, 2010	Additions	Deductions	Balance June 30, 2011
<b>SCHOOL ACTIVITY FUND</b>				
Assets:				
Cash and cash equivalents	\$ 76,559	\$ 193,443	\$ 192,609	\$ 77,393
<b>Total assets</b>	<b>\$ 76,559</b>	<b>\$ 193,443</b>	<b>\$ 192,609</b>	<b>\$ 77,393</b>
Liabilities:				
Accounts payable	\$ 76,559	\$ 193,443	\$ 192,609	\$ 77,393
<b>Total liabilities</b>	<b>\$ 76,559</b>	<b>\$ 193,443</b>	<b>\$ 192,609</b>	<b>\$ 77,393</b>
<b>PERFORMANCE BONDS</b>				
Assets:				
Cash and cash equivalents	\$ 1,451,067	\$ 576,235	\$ 188,641	\$ 1,838,661
<b>Total assets</b>	<b>\$ 1,451,067</b>	<b>\$ 576,235</b>	<b>\$ 188,641</b>	<b>\$ 1,838,661</b>
Liabilities:				
Accounts payable	\$ 1,451,067	\$ 576,235	\$ 188,641	\$ 1,838,661
<b>Total liabilities</b>	<b>\$ 1,451,067</b>	<b>\$ 576,235</b>	<b>\$ 188,641</b>	<b>\$ 1,838,661</b>
<b>TOTAL</b>				
Assets:				
Cash and cash equivalents	\$ 1,527,626	\$ 769,678	\$ 381,250	\$ 1,916,054
<b>Total assets</b>	<b>\$ 1,527,626</b>	<b>\$ 769,678</b>	<b>\$ 381,250</b>	<b>\$ 1,916,054</b>
Liabilities:				
Accounts payable	\$ 1,527,626	\$ 769,678	\$ 381,250	\$ 1,916,054
<b>Total liabilities</b>	<b>\$ 1,527,626</b>	<b>\$ 769,678</b>	<b>\$ 381,250</b>	<b>\$ 1,916,054</b>

**This page intentionally left blank.**

**Capital Assets Used in the Operation  
of Governmental Funds**



**TOWN OF NORTH HAVEN, CONNECTICUT**

**SCHEDULE BY CATEGORY AND SOURCE**

**June 30, 2011**

---

**CAPITAL ASSETS**

Land	\$ 2,526,507
Land improvements	1,281,565
Buildings	123,920,863
Computer equipment	722,300
Machinery and equipment	14,882,659
Infrastructure	27,220,043
Total capital assets	<u>\$ 170,553,937</u>

Investments in governmental funds capital assets:

Assets put into service prior to July 1, 2010	<u>\$ 170,553,937</u>
---	-----------------------

**This page intentionally left blank.**

**Other Schedules**



**This page intentionally left blank.**

TOWN OF NORTH HAVEN, CONNECTICUT

BALANCE SHEET - BY ACCOUNT - GENERAL FUND

June 30, 2011

	General Fund	Economic Development	Board of Education	Community Services Recreation
<b>ASSETS</b>				
Cash and cash equivalents	\$ 16,697,837	\$ -	\$ 243,812	\$ -
Receivables:				
Property taxes	3,572,594	-	-	-
Assessments and user charges	161,649	-	-	-
Intergovernmental	1,330,048	-	-	-
Other	40,534	-	-	-
Prepays	20,250	-	-	25,842
Due from other funds	744,018	10,000	-	204,835
<b>Total assets</b>	<b>\$ 22,566,930</b>	<b>\$ 10,000</b>	<b>\$ 243,812</b>	<b>\$ 230,677</b>
<b>LIABILITIES AND FUND BALANCES (DEFICITS)</b>				
<b>LIABILITIES</b>				
Accounts payable	2,357,353	-	-	-
Deferred revenue	4,674,055	-	-	-
Unearned revenue	439,674	-	-	123,955
Due to other funds	1,276,594	-	-	-
<b>Total liabilities</b>	<b>8,747,676</b>	<b>-</b>	<b>-</b>	<b>123,955</b>
<b>FUND BALANCES (DEFICITS)</b>				
Nonspendable	20,250	-	-	25,842
Assigned	5,179,092	10,000	243,812	80,880
Unassigned	8,619,912	-	-	-
<b>Total fund balances (deficits)</b>	<b>13,819,254</b>	<b>10,000</b>	<b>243,812</b>	<b>106,722</b>
<b>Total liabilities and fund balances</b>	<b>\$ 22,566,930</b>	<b>\$ 10,000</b>	<b>\$ 243,812</b>	<b>\$ 230,677</b>

Library Reimbursable	Fire EMS	Center Block Beautification Fund	Claims Fund	Eliminate Interfund Receivables	Totals
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,941,649
-	-	-	-	-	3,572,594
-	-	-	-	-	161,649
-	-	-	-	-	1,330,048
-	-	-	-	-	40,534
-	-	-	-	-	46,092
19,568	25,441	8,539	189,594	(457,977)	744,018
<u>\$ 19,568</u>	<u>\$ 25,441</u>	<u>\$ 8,539</u>	<u>\$ 189,594</u>	<u>\$ (457,977)</u>	<u>\$ 22,836,584</u>
-	-	-	-	-	2,357,353
-	-	-	-	-	4,674,055
-	-	-	-	-	563,629
-	-	-	-	(457,977)	818,617
-	-	-	-	(457,977)	8,413,654
-	-	-	-	-	46,092
19,568	25,441	8,539	189,594	-	5,756,926
-	-	-	-	-	8,619,912
<u>19,568</u>	<u>25,441</u>	<u>8,539</u>	<u>189,594</u>	<u>-</u>	<u>14,422,930</u>
<u>\$ 19,568</u>	<u>\$ 25,441</u>	<u>\$ 8,539</u>	<u>\$ 189,594</u>	<u>\$ (457,977)</u>	<u>\$ 22,836,584</u>

TOWN OF NORTH HAVEN, CONNECTICUT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BY ACCOUNT - GENERAL FUND  
 For the Year Ended June 30, 2011

	General Fund	Economic Development	Board of Education	Community Services Recreation
<b>REVENUES</b>				
Charges for services	\$ 881,729	\$ -	\$ 649,349	\$ 331,807
Property taxes	73,908,177			
Intergovernmental	8,729,212	-	-	-
Investment income	100,182	-	-	-
Contributions	-	-	-	-
Other	3,523,716	-	-	-
<b>Total revenues</b>	<b>87,143,016</b>	<b>-</b>	<b>649,349</b>	<b>331,807</b>
<b>EXPENDITURES</b>				
Current:				
General government	5,480,490	-	-	-
Public safety	7,816,973	-	-	-
Public works	4,881,808	-	-	-
Health and welfare	781,039	-	-	-
Culture and recreation	558,930	-	-	265,779
Benefit and insurance	9,711,664	-	-	-
Education	47,069,509	-	632,226	-
Other	1,452,466	-	-	-
Principal Retirements	4,646,099	-	-	-
Interest	2,325,270	-	-	-
Capital outlay	685,408	-	-	-
<b>Total expenditures</b>	<b>85,409,656</b>	<b>-</b>	<b>632,226</b>	<b>265,779</b>
<b>Revenues over (under) expenditures</b>	<b>1,733,360</b>	<b>-</b>	<b>17,123</b>	<b>66,028</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	116,004	-	-	-
Transfers out	(369,000)	-	-	-
<b>Net other financing sources (uses)</b>	<b>(252,996)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances (deficits)</b>	<b>1,480,364</b>	<b>-</b>	<b>17,123</b>	<b>66,028</b>
<b>FUND BALANCES, beginning of year</b>	<b>12,338,890</b>	<b>10,000</b>	<b>226,689</b>	<b>40,694</b>
<b>FUND BALANCES, end of year</b>	<b>\$ 13,819,254</b>	<b>\$ 10,000</b>	<b>\$ 243,812</b>	<b>\$ 106,722</b>

Library Reimbursable	Fire EMS	Center Block Beautification Fund	Claims Fund	Totals
\$ 19,429	\$ 22,246	\$ -	\$ -	\$ 1,904,560
-	-	-	-	73,908,177
-	-	-	-	8,729,212
3,498	-	-	-	100,182
-	-	-	-	3,498
-	-	-	-	3,523,716
22,927	22,246	-	-	88,169,345
-	-	-	-	5,480,490
-	-	-	457,026	8,273,999
-	-	-	-	4,881,808
-	-	-	-	781,039
22,667	-	-	-	847,376
-	-	-	-	9,711,664
-	-	-	-	47,701,735
-	-	-	-	1,452,466
-	-	-	-	4,646,099
-	-	-	-	2,325,270
-	-	-	-	685,408
22,667	-	-	457,026	86,787,354
260	22,246	-	(457,026)	1,381,991
-	-	-	-	116,004
-	-	-	-	(369,000)
-	-	-	-	(252,996)
260	22,246	-	(457,026)	1,128,995
19,308	3,195	8,539	646,620	13,293,935
\$ 19,568	\$ 25,441	\$ 8,539	\$ 189,594	\$ 14,422,930

TOWN OF NORTH HAVEN, CONNECTICUT

SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED AND OUTSTANDING

For the Year Ended June 30, 2011

Grand List Year	Balance Uncollected July 1, 2010	Current Levy	Lawful Corrections		Transfers to Suspense	Balance to be Collected
			Additions	Deletions		
1995	56,246	-	-	-	55,532	714
1996	56,864	-	-	-	(47)	56,911
1997	59,996	-	-	-	(194)	60,190
1998	59,998	-	76	-	(136)	60,210
1999	63,084	-	-	-	(271)	63,355
2000	50,491	-	-	-	(1,274)	51,765
2001	55,134	-	-	-	(2,280)	57,414
2002	58,002	-	438	-	(2,269)	60,709
2003	62,537	-	-	-	(2,869)	65,406
2004	75,739	-	-	-	(2,594)	78,333
2005	255,053	-	-	1,029	157,535	96,489
2006	260,539	-	54,761	6,471	25,954	282,875
2007	364,761	-	61,119	15,812	31,089	378,979
2008	787,444	-	150,174	24,110	41,740	871,768
2009	-	73,974,689	251,085	425,879	29,026	73,770,869
	<u>\$ 2,265,888</u>	<u>\$ 73,974,689</u>	<u>\$ 517,653</u>	<u>\$ 473,301</u>	<u>\$ 328,942</u>	<u>\$ 75,955,987</u>

Collections			Balance Uncollected June 30, 2011
Taxes	Interest and Lien Fees	Total	
714	2,277	2,991	-
47	411	458	56,864
194	442	636	59,996
212	434	646	59,998
271	331	602	63,084
1,274	1,429	2,703	50,491
2,280	2,360	4,640	55,134
2,707	3,343	6,050	58,002
2,926	3,602	6,528	62,480
10,669	3,887	14,556	67,664
10,710	10,424	21,134	85,779
81,460	40,001	121,461	201,415
131,511	51,503	183,014	247,468
446,939	87,320	534,259	424,829
72,552,212	238,422	72,790,634	1,218,657
<b>\$ 73,244,126</b>	<b>\$ 446,186</b>	<b>\$ 73,690,312</b>	<b>\$ 2,711,861</b>

**This page intentionally left blank.**

**Statistical Section**

# ***Statistical Section***

This part of the Town of North Haven, Connecticut's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

## **Contents**

### ***Financial Trends***

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

### ***Revenue Capacity***

These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

### ***Debt Capacity***

These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

### ***Demographic and Economic Information***

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

### ***Operating Information***

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

**This page intentionally left blank.**

**TOWN OF NORTH HAVEN**  
**NET ASSETS BY COMPONENT**  
**LAST NINE YEARS**

	FISCAL YEAR ENDED			
	2011	2010	2009	2008
<b>GOVERNMENTAL ACTIVITIES:</b>				
Invested in Capital Assets, Net of Related Debt	\$ 53,680,889	\$ 50,307,262	\$ 51,184,225	\$ 61,596,577
Restricted for:				
Permanently restricted	526,548	-	-	-
Debt Retirement	-	-	-	-
Other Purposes	1,001,516	227,635	227,635	219,635
Unrestricted	8,365,834	11,670,199	13,370,513	17,405,540
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b>63,574,787</b>	<b>62,205,096</b>	<b>64,782,373</b>	<b>79,221,752</b>
<b>BUSINESS-TYPE ACTIVITIES:</b>				
Invested in Capital Assets, Net of Related Debt	10,059,919	10,735,590	12,744,564	-
Unrestricted	1,903,217	992,447	432,604	-
<b>TOTAL BUSINESS-TYPE ACTIVITIES NET ASSETS</b>	<b>11,963,136</b>	<b>11,728,037</b>	<b>13,177,168</b>	<b>-</b>
<b>PRIMARY GOVERNMENT:</b>				
Invested in Capital Assets, Net of Related Debt	63,740,808	61,042,852	63,928,789	61,596,577
Restricted	1,528,064	227,635	227,635	219,635
Unrestricted	10,269,051	12,662,646	13,803,117	17,405,540
<b>TOTAL PRIMARY GOVERNMENT NET ASSETS</b>	<b>\$ 75,537,923</b>	<b>\$ 73,933,133</b>	<b>\$ 77,959,541</b>	<b>\$ 79,221,752</b>

Note: Data is only available from Fiscal Year 2003 when GASB 34 took effect.

2009 was the first year for Business-Type Activities.

**TABLE 1**

FISCAL YEAR ENDED				
2007	2006	2005	2004	2003
\$ 62,384,288	\$ 58,366,141	\$ 46,656,917	\$ 25,539,104	\$ 20,559,530
-	-	-	-	-
216,342	2,083,687	1,691,229	1,874,121	2,211,421
-	3,642	211,274	17,839	205,892
19,023,633	9,605,058	8,022,093	10,048,545	10,711,741
81,624,263	70,058,528	56,581,513	37,479,609	33,688,584
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
62,384,288	58,366,141	46,656,917	25,539,104	20,559,530
216,342	2,087,329	1,902,503	1,891,960	2,417,313
19,023,633	9,605,058	8,022,093	10,048,545	10,711,741
\$ 81,624,263	\$ 70,058,528	\$ 56,581,513	\$ 37,479,609	\$ 33,688,584

**TOWN OF NORTH HAVEN**  
**CHANGES IN NET ASSETS**  
**LAST NINE YEARS**

	FISCAL YEAR ENDED			
	2011	2010	2009	2008
<b>EXPENSES:</b>				
Governmental Activities:				
General Government	\$ 9,384,068	\$ 9,236,513	\$ 9,037,911	\$ 9,679,197
Public Safety	15,017,493	13,907,039	13,436,844	12,440,770
Public Works	7,988,896	7,563,157	8,563,617	9,186,468
Health and Welfare	1,526,970	1,681,907	1,394,590	1,185,275
Cultural and Recreation	1,353,346	1,283,582	1,314,152	1,095,331
Education	55,905,612	54,134,369	53,626,915	50,932,151
Benefits and Insurance	-	-	-	-
Other	-	-	-	-
Interest Expense	2,020,903	3,123,637	2,731,227	2,812,470
<b>TOTAL GOVERNMENTAL EXPENSES</b>	<b>\$ 93,197,288</b>	<b>\$ 90,930,204</b>	<b>\$ 90,105,256</b>	<b>\$ 87,331,662</b>
<b>BUSINESS-TYPE ACTIVITIES:</b>				
WPCA	\$ 2,752,190	\$ 2,921,684	\$ 2,871,604	\$ -
<b>TOTAL PRIMARY GOVERNMENT EXPENSES</b>	<b>\$ 95,949,478</b>	<b>\$ 93,851,888</b>	<b>\$ 92,976,860</b>	<b>\$ 87,331,662</b>
<b>PROGRAM REVENUES:</b>				
Governmental Activities:				
Charges for Services:				
General Government	\$ 528,711	\$ 592,311	\$ 432,740	\$ 630,163
Public Safety	660,888	448,051	578,624	1,093,901
Public Works	305,169	255,098	646,200	3,351,681
Health and Welfare	99,532	94,927	102,367	111,039
Culture and Recreation	354,734	345,572	417,581	489,580
Education	1,421,853	1,445,742	1,490,603	1,531,868
Operating Grants & Contributions	11,699,711	11,427,537	9,847,702	9,596,836
Capital Grants & Contributions	157,901	839,675	379,113	233,083
<b>TOTAL GOVERNMENTAL PROGRAM REVENUES</b>	<b>\$ 15,228,499</b>	<b>\$ 15,448,913</b>	<b>\$ 13,894,930</b>	<b>\$ 17,038,151</b>
<b>BUSINESS-TYPE ACTIVITIES:</b>				
WPCA	\$ 2,987,289	\$ 2,909,703	\$ 2,419,323	\$ -
<b>TOTAL PRIMARY GOVERNMENT REVENUES</b>	<b>\$ 18,215,788</b>	<b>\$ 18,358,616</b>	<b>\$ 16,314,253</b>	<b>\$ 17,038,151</b>
<b>NET EXPENSES:</b>				
Governmental Activities	\$ (77,968,789)	\$ (75,481,291)	\$ (76,210,326)	\$ (70,293,511)
<b>BUSINESS-TYPE</b>	<b>\$ 235,099</b>	<b>\$ (11,981)</b>	<b>\$ (452,281)</b>	<b>\$ -</b>
<b>TOTAL PRIMARY GOVERNMENT NET EXPENSES</b>	<b>\$ (77,733,690)</b>	<b>\$ (75,493,272)</b>	<b>\$ (76,662,607)</b>	<b>\$ (70,293,511)</b>

TABLE 2

FISCAL YEAR ENDED				
2007	2006	2005	2004	2003
\$ 10,251,737	\$ 8,149,683	\$ 7,748,675	\$ 7,121,727	\$ 6,501,451
11,701,179	7,219,526	7,329,239	6,506,380	6,864,711
8,369,826	7,884,891	7,258,319	6,802,809	7,291,095
1,309,582	1,147,312	1,214,935	1,138,933	1,089,866
1,112,982	1,021,054	1,019,127	1,120,844	986,060
47,210,165	44,042,805	40,907,739	39,749,260	38,818,662
-	6,629,138	5,795,099	5,588,750	4,997,987
-	1,103,351	1,006,199	996,646	1,117,089
1,674,608	1,328,443	1,256,564	1,390,797	1,537,128
<u>\$ 81,630,079</u>	<u>\$ 78,526,203</u>	<u>\$ 73,535,896</u>	<u>\$ 70,416,146</u>	<u>\$ 69,204,049</u>
\$ -	\$ -	\$ -	\$ -	\$ -
<u>\$ 81,630,079</u>	<u>\$ 78,526,203</u>	<u>\$ 73,535,896</u>	<u>\$ 70,416,146</u>	<u>\$ 69,204,049</u>
\$ 1,543,937	\$ 1,100,596	\$ 1,107,761	\$ 1,267,780	\$ 817,548
434,354	621,714	423,695	411,340	304,877
2,136,725	2,228,266	2,095,611	2,136,841	1,975,243
93,694	95,937	80,191	159,998	221,827
419,957	490,800	512,956	520,383	462,729
1,669,080	1,571,934	1,429,389	1,403,790	1,450,936
7,189,649	7,745,445	5,572,450	4,207,628	4,635,685
2,353,179	7,798,610	16,611,207	2,681,729	910,671
<u>\$ 15,840,575</u>	<u>\$ 21,653,302</u>	<u>\$ 27,833,260</u>	<u>\$ 12,789,489</u>	<u>\$ 10,779,516</u>
\$ -	\$ -	\$ -	\$ -	\$ -
<u>\$ 15,840,575</u>	<u>\$ 21,653,302</u>	<u>\$ 27,833,260</u>	<u>\$ 12,789,489</u>	<u>\$ 10,779,516</u>
\$ (65,789,504)	\$ (56,872,901)	\$ (45,702,636)	\$ (57,626,657)	\$ (58,424,533)
\$ -	\$ -	\$ -	\$ -	\$ -
<u>\$ (65,789,504)</u>	<u>\$ (56,872,901)</u>	<u>\$ (45,702,636)</u>	<u>\$ (57,626,657)</u>	<u>\$ (58,424,533)</u>

**TOWN OF NORTH HAVEN  
CHANGES IN NET ASSETS, CONTINUED  
LAST NINE YEARS**

	FISCAL YEAR ENDED			
	2011	2010	2009	2008
GENERAL REVENUES AND OTHER CHANGES IN NET ASSETS:				
Governmental Activities:				
Property Taxes	\$ 73,999,013	\$ 67,316,651	\$ 67,237,887	\$ 64,446,265
Grants & Contributions Not Restricted to Specific Programs	1,942,138	2,153,040	2,142,670	1,848,601
Investment Earnings	110,356	163,639	446,301	1,064,896
Settlement	-	-	-	-
Miscellaneous	3,286,973	1,833,534	5,573,538	531,238
Total General Revenues	\$ 79,338,480	\$ 71,466,864	\$ 75,400,396	\$ 67,891,000
 CHANGE IN NET ASSETS	 \$ 1,604,790	 \$ (4,026,408)	 \$ (1,262,211)	 \$ (2,402,511)

\* Data is only available from Fiscal Year 2003 when GASB 34 took effect.

2009 was the first year with Business-Type Activities.

TABLE 2

FISCAL YEAR ENDED				
2007	2006	2005	2004	2003
\$ 65,341,125	\$ 63,123,592	\$ 58,637,252	\$ 53,894,546	\$ 56,280,620
1,787,885	1,793,225	1,869,621	1,929,457	2,635,302
1,538,461	1,588,505	846,061	361,013	356,030
-	1,000,000	750,000	750,000	750,000
1,925,262	2,844,594	2,351,615	817,209	1,043,617
\$ 70,592,733	\$ 70,349,916	\$ 64,454,549	\$ 57,752,225	\$ 61,065,569
\$ 4,803,229	\$ 13,477,015	\$ 18,751,913	\$ 125,568	\$ 2,641,036

TABLE 3

## TOWN OF NORTH HAVEN

**GENERAL FUND REVENUES AND OTHER FINANCING SOURCES BY SOURCE**  
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Taxes (1)	Educational Grants	Other Governmental Grants	Charges For Services Programs Receipts	Investment Income	Town Revenue General	Licenses, Permits, Fees Fines	Transfers From Other Funds and Other	Total
2011	\$ 73,908,177	\$ 6,572,139	\$ 2,157,073	\$ 1,022,831	\$ 100,182	\$ 3,527,213	\$ 881,729	\$ 116,004	\$ 88,285,348
2010	68,165,768	6,647,071	2,155,761	-	136,650	3,042,159	881,725	6,496,290	87,525,424
2009	68,084,739	6,995,868	2,142,670	-	384,205	5,748,213	1,114,246	505,125	84,975,066
2008	66,035,552	4,570,865	1,848,601	2,156,107	824,866	1,679,470	1,253,936	3,401,273	81,770,670
2007	64,497,427	4,786,111	1,748,543	1,935,764	1,256,632	2,616,785	1,148,521	47,945	78,037,728
2006	63,125,559	4,737,926	1,862,288	2,008,646	753,634	1,887,578	1,100,596	441,670	75,917,897
2005	58,599,629	3,461,831	1,922,961	1,842,727	470,244	1,870,414	1,107,761	21,329	69,296,896
2004	55,583,834	3,848,127	1,673,486	1,748,472	267,351	1,507,283	1,267,780	36,110	65,932,443
2003	55,238,799	2,041,291	2,635,302	1,782,449	304,509	3,139,152	817,548	51,677	66,010,727
2002	50,987,068	3,667,015	3,666,976	1,655,623	443,234	3,354,026	703,127	238,278	64,715,347

(1) Includes interest and lien fees.

TOWN OF NORTH HAVEN

GENERAL FUND EXPENDITURES AND OTHER FINANCING USES

LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Board of Education	General Government	Public Safety	Public Works	Public Services	Recreation	Employee Benefits	Reimbursables	Miscellaneous	Capital Outlay	Debt Service	Operating Transfers and Other	Total
2011	\$ 47,701,735	\$ 5,480,490	\$ 8,273,999	\$ 4,881,808	\$ 781,039	\$ 847,376	\$ 9,711,664	\$ -	\$ 1,452,466	\$ 685,408	\$ 6,971,368	\$ 369,000	\$ 87,156,353
2010	45,524,362	5,676,959	7,752,025	4,780,425	756,558	590,147	8,085,522	-	1,392,234	1,049,456	7,200,174	6,078,301	88,886,163
2009	45,468,390	5,941,039	7,454,687	5,192,010	686,075	562,389	7,774,337	-	1,207,761	1,510,056	7,739,178	1,060,242	84,596,164
2008	43,745,733	6,103,676	7,176,031	6,732,334	694,060	521,640	7,807,315	-	1,305,530	911,245	5,744,928	380,000	81,122,492
2007	41,162,636	6,686,740	6,792,625	6,112,152	787,500	495,214	7,089,218	-	1,049,992	372,051	3,868,236	350,000	74,766,364
2006	40,128,977	7,110,160	6,390,132	5,955,660	754,651	495,734	6,629,138	-	1,014,537	501,224	3,945,274	476,678	73,402,165
2005	37,478,231	6,791,710	6,653,822	5,907,320	765,992	521,607	5,795,099	-	1,012,173	213,540	4,488,468	481,353	70,109,315
2004	36,236,183	6,258,398	5,796,377	5,372,517	765,400	598,698	5,588,750	-	1,022,014	1,729,610	4,559,208	1,424,005	69,351,160
2003	35,074,815	5,742,676	6,266,137	5,781,251	724,708	457,732	4,997,987	-	976,654	416,663	5,036,268	217,952	65,692,843
2002	33,327,056	5,552,058	6,045,522	5,523,553	710,275	495,901	4,327,811	1,128,079	955,035	298,281	3,798,106	238,095	62,399,772

\*Part of Debt Service

TABLE 5

**TOWN OF NORTH HAVEN**  
**FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Fund										
Reserved	\$ 2,953,717	\$ 2,614,822	\$ 2,661,581	\$ 2,256,304	\$ 2,507,665	\$ 697,435	\$ 391,112	\$ 182,710	\$ 1,025,989	\$ -
Nonspendable	-	-	-	-	-	-	-	-	-	46,092
Assigned	-	-	-	-	-	-	-	-	-	5,756,926
Unassigned	-	-	-	-	-	-	-	-	-	8,619,912
Unreserved	7,844,988	8,501,767	5,036,291	4,629,149	6,893,520	11,975,114	12,929,615	13,516,919	11,312,901	-
Total General Fund	\$ 10,798,705	\$ 11,116,589	\$ 7,697,872	\$ 6,885,453	\$ 9,401,185	\$ 12,672,549	\$ 13,320,727	\$ 13,699,629	\$ 12,338,890	\$ 14,422,930
All Other Governmental Funds										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 542,507
Restricted	-	-	-	-	-	-	-	-	-	4,268,397
Committed	-	-	-	-	-	-	-	-	-	369,379
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	(109,562)
Reserved	589,806	200,968	-	201,577	201,577	243,580	267,089	240,440	251,469	-
Unreserved, Reported In:										
Special Revenue Funds	2,298,352	2,376,221	1,977,171	2,808,748	2,045,455	2,240,420	1,545,843	2,852,665	2,141,170	-
Capital Project Funds	1,329,401	1,142,478	(8,186,200)	(36,905,183)	(16,475,224)	4,276,668	4,776,683	3,983,951	3,753,351	-
Permanent Funds	412,112	-	213,568	33,382	31,565	47,248	62,046	40,594	41,274	-
Total All Other Government Funds	\$ 4,629,671	\$ 3,719,667	\$ (5,995,461)	\$ (33,861,476)	\$ (14,196,627)	\$ 6,807,916	\$ 6,651,661	\$ 7,117,650	\$ 6,187,264	\$ 5,070,721

TABLE 6

**TOWN OF NORTH HAVEN**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**

	FISCAL YEAR									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>REVENUES</b>										
Property Taxes	\$ 50,987,068	\$ 55,238,799	\$ 55,583,834	\$ 58,599,629	\$ 63,125,559	\$ 64,497,427	\$ 66,035,552	\$ 68,084,739	\$ 68,165,768	\$ 73,908,177
Licenses and Permits	703,127	817,548	1,267,780	1,107,761	1,100,596	1,148,521	1,253,936	1,114,246	881,725	881,729
Intergovernmental	10,406,308	8,181,658	8,818,814	24,380,153	17,581,159	11,316,130	12,380,432	12,622,667	14,215,050	13,631,126
Charges for Services	4,068,728	4,415,612	4,632,352	4,596,032	5,008,651	4,780,642	4,907,129	2,553,869	2,299,976	2,493,196
Investment Earnings	530,684	356,030	361,013	846,061	1,588,505	1,521,124	1,064,896	445,855	152,304	110,356
Miscellaneous	3,536,585	1,793,617	1,567,209	2,252,424	2,550,876	2,893,473	2,578,405	6,969,583	3,252,270	3,655,589
<b>Total Revenues</b>	<b>70,232,500</b>	<b>70,803,264</b>	<b>72,231,002</b>	<b>91,782,060</b>	<b>90,955,346</b>	<b>86,157,317</b>	<b>88,220,350</b>	<b>91,790,959</b>	<b>88,967,093</b>	<b>94,680,173</b>
<b>EXPENDITURES</b>										
General Government	5,552,058	5,807,832	6,366,244	7,022,974	7,465,831	6,708,165	6,103,676	5,941,039	5,676,959	5,480,490
Public Safety	6,045,522	6,575,152	6,213,852	7,040,254	6,940,209	7,356,424	7,883,949	8,316,868	8,566,141	8,816,940
Public Works	7,296,876	6,262,982	5,781,437	6,237,293	6,885,881	6,458,129	7,632,089	5,515,392	5,581,946	5,186,068
Health & Welfare	710,275	1,086,070	1,135,188	1,211,211	1,144,487	1,179,218	1,053,225	1,159,387	1,436,869	1,233,261
Benefits & Insurance	4,327,811	4,997,987	5,588,750	5,795,099	6,629,138	7,089,218	7,807,315	7,774,337	8,085,522	9,711,664
Education	35,555,099	38,010,854	39,004,157	40,254,625	43,423,542	45,359,243	48,089,380	49,488,631	50,090,166	51,906,706
Other	1,275,388	976,654	1,022,014	1,012,173	1,014,537	1,049,992	1,305,530	1,207,761	1,392,234	1,452,466
Culture & Recreation	495,901	975,119	1,117,417	1,015,942	1,018,407	922,974	915,114	1,000,952	957,844	962,668
Capital Outlay	5,881,506	1,246,261	14,835,285	47,350,196	16,185,950	4,785,137	1,193,221	2,802,523	2,842,200	1,991,044
Debt Service:										
Principal	3,156,100	3,456,100	3,131,100	3,131,100	2,846,100	2,833,026	2,833,771	4,964,540	4,575,307	4,646,099
Interest	1,481,677	1,580,168	1,428,108	1,357,368	1,099,174	1,035,210	2,911,157	2,774,638	2,624,867	2,325,270
<b>Total Expenditures</b>	<b>71,778,213</b>	<b>70,975,179</b>	<b>85,623,552</b>	<b>121,428,235</b>	<b>94,653,256</b>	<b>84,776,736</b>	<b>87,728,427</b>	<b>90,946,068</b>	<b>91,830,055</b>	<b>93,712,676</b>
<b>OTHER FINANCING SOURCES</b>										
Transfers in	-	-	-	-	-	-	-	-	-	499,304
Transfers (out)	-	-	-	-	-	-	-	-	-	(499,304)
<b>Total Other Financing Sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess of Revenues</b>										
Over(Under) Expenditures	\$ (1,545,713)	\$ (171,915)	\$ (13,392,550)	\$ (29,646,175)	\$ (3,697,910)	\$ 1,380,581	\$ 491,923	\$ 844,891	\$ (2,862,962)	\$ 967,497
<b>Debt service as a percentage</b>										
of noncapital expenditures	7.4%	7.6%	6.7%	6.3%	5.2%	5.0%	6.9%	8.8%	8.1%	7.5%

TABLE 7

**TOWN OF NORTH HAVEN**  
**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30,	<u>Real Property</u>		<u>Personal Property</u>		Less: Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property	Motor Vehicles	Other					
2002	\$ 1,042,053,580	\$ 498,950,380	\$ 169,721,018	\$ 315,398,104	\$ 102,327,295	\$ 1,923,795,787	25.89	\$ 2,894,461,545	70.00%
2003	1,044,645,322	500,476,440	174,877,260	277,228,092	84,130,802	1,913,096,312	28.27	2,853,181,591	70.00%
2004	1,051,180,950	494,847,140	178,711,265	248,049,745	70,348,990	1,902,440,110	28.76	2,818,270,143	70.00%
2005	1,064,225,200	494,958,130	172,330,295	235,146,411	55,372,670	1,911,287,366	30.53	2,809,514,337	70.00%
2006	1,084,106,170	510,105,510	186,194,560	218,702,011	53,564,100	1,945,544,151	32.17	2,855,868,930	70.00%
2007	1,947,013,184	570,178,769	197,622,160	212,344,027	675,909,118	2,251,249,022	28.70	4,181,654,485	70.00%
2008	1,963,474,103	571,472,776	199,951,055	220,516,980	377,955,402	2,577,459,512	25.44	4,222,021,306	70.00%
2009	1,971,946,093	561,236,627	201,720,557	245,092,193	92,111,518	2,887,883,952	23.50	4,257,136,386	70.00%
2010	1,924,538,674	621,759,361	187,185,428	245,564,092	91,798,027	2,887,249,528	23.48	4,255,782,222	70.00%
2011	1,812,359,923	682,850,758	184,261,165	263,256,690	107,260,352	2,835,468,184	26.18	4,203,897,909	70.00%

<sup>(1)</sup> Statutory revaluation completed for October 1, 2000 Grand list  
Effective fiscal year beginning July 1, 2001

\* Source: Town records.

TABLE 8

## TOWN OF NORTH HAVEN

PROPERTY TAX RATES-DIRECT AND OVERLAPPING GOVERNMENTS  
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	<u>Town of North Haven</u>			<u>Overlapping Rates</u>
	Operating Millage	Debt Service Millage	Total Town Millage	2011
2002	24.31	1.58	25.89	NONE
2003	26.10	2.17	28.27	
2004	26.87	1.89	28.76	
2005	28.58	1.95	30.53	
2006	30.41	1.76	32.17	
2007	27.16	1.54	28.70	
2008	23.92	1.52	25.44	
2009	21.71	1.80	23.50	
2010	21.21	2.27	23.48	
2011	23.98	2.20	26.18	

Source: Town records.

TABLE 9

**TOWN OF NORTH HAVEN  
PRINCIPAL PROPERTY TAXPAYERS**

Name	Type fo Business	2011		2002*	
		Percent of Grand List	Taxable Valuation as of 10/1/10	Percent of Grand List	Taxable Valuation as of 10/1/00
Covidien	Mfg. Surgical Equipment	4.80%	\$ 142,465,690	7.28%	\$ 145,348,910
North Haven Industrial LLC	Distribution Center	0.96%	28,424,480	-	-
Price REIT	Retail/Shopping Center	0.74%	23,317,700	0.69%	13,762,280
North Haven Commons	Retail/Shopping Center	0.74%	21,730,380	-	-
Quinnipiac University	Education	0.67%	19,677,560	-	-
North Haven Holdings	Retail/Shopping Center	0.58%	17,250,310	-	-
Sims Metal Management	Scrap Metal Recycler	0.56%	16,664,160	-	-
Bouwfonds Preston Crossing	Apartments	0.47%	13,890,660	0.49%	9,724,000
Drazen Properties	Retail/Shopping Center	0.40%	11,837,210	0.25%	4,896,990
Quebecor/Northeast Graphics	Printing	0.39%	11,391,240	1.33%	26,624,670
United Illuminating Co.	Public Utility	0.39%	11,501,860	0.26%	5,200,870
Target Corporation	Retail/Shopping Center	0.38%	11,122,020	-	-
Anthem Health Plans	Insurance	0.37%	11,585,410	2.89%	59,329,960
Galileo Combs	Retail/Shopping Center	0.33%	9,740,390	-	-
Brescombe Barton Inc.	Distribution	0.31%	9,105,910	0.25%	5,062,970
Rosewood LLC	Apartments	0.30%	8,881,600	0.31%	6,102,468
Briarwood Connecticut	Apartments	0.30%	8,739,570	0.27%	5,449,010
Marlin Firearms	Manufacturing	0.28%	8,126,870	0.37%	7,297,020
FBC North Haven Partners, LLC	Retail/Shipping	0.25%	7,487,480	-	-
			<u>\$ 392,940,500</u>		<u>\$ 288,799,148</u>

\* Data not available.

TABLE 10

## TOWN OF NORTH HAVEN

PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Tax Rate In Mills		Grand List of October 1,	Total Tax Levy	Current Collections	Percent of Levy Collections	Delinquent Taxes Collected	Total Tax Collections	Collections as a Percent of Current Levy	Outstanding Delinquent Taxes	Delinquent Taxes as a Percent of Current Levy
2002	25.34	(1)	2000	\$ 49,874,568	\$ 48,712,922	97.67%	\$ 1,456,521	\$ 50,169,443	100.59%	\$ 4,420,591	8.86%
2003	25.89		2001	54,362,921	52,803,340	97.13%	1,322,137	54,125,477	99.56%	3,947,878	7.26%
2004	28.27		2002	54,240,488	53,854,651	99.29%	1,400,482	55,255,133	101.87%	3,647,130	6.72%
2005	28.76		2003	58,741,641	56,985,430	97.01%	979,607	57,965,037	98.68%	3,857,782	6.57%
2006	30.53		2004	62,954,772	61,733,322	98.01%	938,657	62,671,979	99.55%	3,823,381	6.07%
2007	28.70		2005	64,775,645	63,418,367	97.90%	833,085	64,251,452	99.19%	4,237,164	6.54%
2008	25.44		2006	65,579,710	64,297,284	98.01%	1,094,415	65,391,699	99.71%	2,338,315	3.57%
2009	23.50		2007	67,749,436	66,453,146	98.09%	831,247	67,284,393	99.31%	1,766,997	2.61%
2010	23.48		2008	67,643,247	66,776,879	98.72%	1,067,884	67,844,763	100.30%	1,478,444	2.19%
2011	26.18		2009	73,974,689	72,552,212	98.07%	1,422,477	73,244,126	99.01%	1,493,204	2.02%

(1) Statutory revaluation completed for Grand List of October 1, 2000  
Effective fiscal year beginning July 1, 2001

## TOWN OF NORTH HAVEN

**SCHEDULE OF SEWER ASSESSMENT COLLECTIONS**  
**LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30,	Current Assessment Due	Current Assessment Collected	Ratio of Collections To Amount Due	Total Outstanding Current and Deferred Assessments
2002	\$ 296,943	\$ 37,950	12.78%	\$ 258,993
2003	274,965	46,502	16.91%	228,463
2004	298,848	77,089	25.79%	221,759
2005	242,440	42,286	17.44%	200,154
2006	203,558	6,413	3.15%	197,145
2007	197,145	17,372	8.81%	179,772
2008	188,320	10,916	5.80%	177,404
2009	202,638	30,732	15.17%	171,906
2010	173,906	4,722	2.72%	169,185
2011	178,165	16,516	9.27%	161,649

## TOWN OF NORTH HAVEN

**OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS (Unaudited)**

Fiscal Year	Governmental			Total Long-Term Debt	Percentage of Personal Income	Per Capita	Estimated Actual Taxable Value <sup>(2)</sup>	Value <sup>(1)</sup>
	General Obligation Bonds	Notes Payable	Capital Leases					
2002	\$ 28,910,000	\$ 9,111,000	\$ 157,395	\$ 38,178,395	-	\$ 1,651	1.31%	
2003	26,365,000	8,199,900	101,261	34,666,161	5.0%	1,501	1.21%	
2004	24,145,000	7,288,800	64,727	31,498,527	4.5%	1,365	1.12%	
2005	22,290,000	6,377,700	11,277	28,678,977	4.2%	1,245	1.02%	
2006	43,735,000	6,356,372	315,860	50,407,232	7.1%	2,120	1.75%	
2007	63,700,000	5,408,346	288,198	69,396,544	9.7%	2,891	1.65%	
2008	61,815,000	4,459,575	248,173	66,522,748	9.3%	2,782	1.58%	
2009	57,800,000	3,510,045	187,194	61,497,239	8.9%	2,664	1.44%	
2010	54,410,000	2,559,738	548,644	57,518,382	8.2%	2,405	1.35%	
2011	50,715,000	1,608,640	374,641	52,698,281	7.5%	2,199	1.25%	

**Note: Details regarding the Town's outstanding debt may be found in the notes to the basic financial statements.**  
 See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property on page 117 for property value data.  
 Population data can be found in the Schedule of Demographic and Economic Statistics on page 124.

TOWN OF NORTH HAVEN  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF JUNE 30, 2011

NONE

TABLE 14

TOWN OF NORTH HAVEN

SCHEDULE OF DEBT LIMITATION

June 30, 2011

Total Tax Collections (Including Interest and Lien Fees For the Fiscal Year Ended June 30, 2011)	\$ 73,690,312
Reimbursement For Revenue Loss On: Tax Relief For Elderly	<u>236,914</u>
Base	<u><u>\$ 73,927,226</u></u>

	<u>General Purpose</u>	<u>Schools</u>	<u>Sewers</u>	<u>Urban Renewal</u>	<u>Pension Deficit</u>
Debt Limitation:					
2 1/4 Times Base	\$ 166,336,259	\$ -	\$ -	\$ -	\$ -
4 1/2 Times Base	-	332,672,517	-	-	-
3 3/4 Times Base	-	-	277,227,098	-	-
3 1/4 Times Base	-	-	-	240,263,485	-
3 Times Base	-	-	-	-	221,781,678
Total Debt Limitation	<u>166,336,259</u>	<u>332,672,517</u>	<u>277,227,098</u>	<u>240,263,485</u>	<u>221,781,678</u>
Indebtedness:					
Bonds Payable	5,110,568	45,604,432	-	-	-
Loans Payable - Pollution Facility	-	-	1,608,639	-	-
School Grants Receivable	-	(1,328,048)	-	-	-
Bond Anticipation Note	-	-	-	-	-
Bonds Authorized and Unissued	15,000,000	6,156,591	-	-	-
Total Indebtedness	<u>20,110,568</u>	<u>50,432,975</u>	<u>1,608,639</u>	<u>-</u>	<u>-</u>
Debt Limitation In Excess of Outstanding and Authorized Debt	<u><u>\$ 146,225,691</u></u>	<u><u>\$ 282,239,542</u></u>	<u><u>\$ 275,618,459</u></u>	<u><u>\$ 240,263,485</u></u>	<u><u>\$ 221,781,678</u></u>

## TOWN OF NORTH HAVEN

## DEBT SUMMARY

JUNE 30, 2011

Short-Term General Obligation Debt Outstanding		\$	-	
Long-Term General Obligation Debt Outstanding:				
Payable From The General Fund:				
General Purposes	\$	5,110,568		
Schools		45,604,432		
Sewers		-	\$	50,715,000
Loans Payable - Pollution Control Facility	\$	1,608,640		1,608,640
Total Overall General Obligation Debt			\$	52,323,640
Less:				
State School Building Grants Receivable	\$	1,328,048		
General Fund Reserve For Debt		-		
Total Deductions	\$	1,328,048		1,328,048
Total Overall Net General Obligation Debt			\$	50,995,592
Total Overlapping and Underlying General Obligation Debt				-
Total Overall Net General Obligation Debt (Including Overlapping and Underlying)			\$	<u>50,995,592</u>
Population (1)		23,961		
Net Taxable Grand List 10/1/10	\$	2,835,468,184		
Per Capita Income 1999 (2)		29,919		
			Total Overall Debt	Total Overall Net Debt
Debt Per Capita			\$2,199	\$0
Ratio To Net taxable Grand List 10/1/10			1.80%	0.00%
Debt Per Capita To Income Per Capita			0.00%	0.00%

(1) State of Connecticut Department of Economic and Community Development

(2) Data Core Partners

TABLE 16

**TOWN OF NORTH HAVEN**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN FISCAL YEARS**

<b>Fiscal Year Ended June 30,</b>	<b>Population<sup>(1)</sup></b>	<b>Personal Income</b>	<b>Per Capita Personal Income<sup>(2)</sup></b>	<b>School Enrollment<sup>(3)</sup></b>	<b>Unemployment Rate</b>
2002	23,035	*	*	3,729	3.2%
2003	23,035	689,184,165	29,919	3,730	3.9%
2004	23,460	701,899,740	29,919	3,761	4.0%
2005	23,710	*	*	3,805	4.9%
2006	23,628	*	*	3,927	5.7%
2007	23,908	*	*	4,000	4.3%
2008	23,908	*	*	4,084	4.9%
2009	23,035	*	*	3,932	7.1%
2010	23,916	*	*	3,822	7.8%
2011	23,961	*	*	3,693	8.2%

Source:

<sup>(1)</sup> State of Connecticut, Department of Health Estimate, 7/1/04

<sup>(2)</sup> U.S. Department of Commerce, Bureau of the Census, Census of Population and Housing

<sup>(3)</sup> North Haven Board of Education as of 10/1

<sup>(4)</sup> State of Connecticut, Department of Labor

\* Information not available

TOWN OF NORTH HAVEN

MAJOR EMPLOYERS

Employer	Type of Business	2011		2002*	
		Employees	Percentage of Total Town Employment*	Employees	Percentage of Total of Town Employment
Covidien	Wound Closer Devices	2,700			
Anthem Health Plans, Inc.	Medical Insurance - Blue Cross / Blue Shield	1,450			
Town of North Haven	Municipality	857			
Brescome Barton	Liquor Distributor	340			
Area Cooperative Education Services	Educational	321			
HB Communications	Sale/Service Audio Visual and Video Eqmt	200			
Mossberg, OF & Sons	Firearms	168			
Otis Spunkmeyer	Frozen Bakery Products	136			
Connecticut Container Corporation	Corrugated Shipping Containers and Displays	108			
Quinnipiac University	Education	108			

(\*) Data Not Available

TABLE 18

## TOWN OF NORTH HAVEN

TOWN GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<u>Town:</u>										
General Government	25	25	24	25	24	23	23	23	23	21
Public Services & Recreation	34	35	34	34	33	31	33	33	32	34
Public Safety	85	87	86	89	85	87	89	89	91	93
Public Works	51	50	53	49	50	47	49	48	49	43
Total Full-Time	195	197	197	197	192	188	194	193	195	191
Part-Time	169	160	158	155	148	141	141	147	152	160
<u>Total Town</u>	<u>364</u>	<u>357</u>	<u>355</u>	<u>352</u>	<u>340</u>	<u>329</u>	<u>335</u>	<u>340</u>	<u>347</u>	<u>351</u>
<u>Education:</u>										
Teachers	303	305	299	301	294	304	310	315	315	309
Administration	17	17	16	16	14	16	17	17	17	17
Custodial Maintenance	24	24	23	23	22	23	23	23	23	23
Other	92	92	87	84	82	81	84	86	83	88
Total Full-Time	436	438	425	424	412	424	434	441	438	437
Part-Time	63	66	68	78	81	86	76	71	71	69
<u>Total Education</u>	<u>499</u>	<u>504</u>	<u>493</u>	<u>502</u>	<u>493</u>	<u>510</u>	<u>510</u>	<u>512</u>	<u>509</u>	<u>506</u>
Grand Total	<u>863</u>	<u>861</u>	<u>848</u>	<u>854</u>	<u>833</u>	<u>839</u>	<u>845</u>	<u>852</u>	<u>856</u>	<u>857</u>

Source: Town Records

TOWN OF NORTH HAVEN

SUPPLEMENTAL DATA

JUNE 30, 2011

Settled		1670	
Date of Incorporation		1786	
Form of Government		Board of Selectmen / Town Meeting	
Current Charter Adopted		January 1, 1981	
Area of Town		21.0 Square Miles	
<u>Miles of Streets</u>			<u>Education</u>
Town	146.5	Number of Teachers	309
State	58.9	Number of Other Employees	128
		Total enrollment (10/1/2008)	3,693
<u>Miles of Sidewalks</u>			<u>Elections</u>
<u>Recreation</u>			Registered Voters
Acres	210	Number Votes Cast-Last Election	1,746
Baseball Fields Lighted	1	Percentage of Registered Voters	11%
Basketball Courts(Outdoor)	7	Voting	
Little League Fields	4		
Parks	18	<u>Police Protection</u>	
Picnic groves	8	Stations	1
Playground and Ball fields	11	Employees-Uniformed	48
Senior Citizens Center	1	-Civilian	9
Skating Rink	1	Vehicles(Includes Support Vehicles)	20
Softball Diamonds	11		
Softball Diamonds(Lighted)	2	<u>Fire Protection</u>	
Swimming Pool(Indoor)	1	Stations-Full Time	1
Tennis Courts(Lighted)	4	-Volunteer	3
Tennis Courts	14	Career Fire Fighters	34
		Volunteer Fire Fighters	105
<u>Library</u>			
Main Building	1		
Volumes-Collection	106,789		
Annual Circulation(est)	179,924		
<u>Employees</u>			
Town-Full Time	191		
-Part Time	160		
Education-Full Time	437		
-Part Time	69		
Total Employees	<u>857</u>		

**This page intentionally left blank.**

**TOWN OF NORTH HAVEN, CONNECTICUT**

**Operating Indicators By Function/Program  
Last Ten Fiscal Years  
(Unaudited)**

Function/Program	Calendar Year			
	2002	2003	2004	2005
<b>Police:</b>				
Calls for service	25,778	24,184	27,100	27,328
Adult arrest	713	643	662	607
Juvenile arrest	-	-	-	-
Citations	3,213	2,216	2,831	2,625
<b>Fire:</b>				
Total fire runs	3,619	3,719	4,198	4,224
Total rescue runs	2,622	2,719	3,039	3,055
Property loss	1,998,360	660,100	3,777,100	934,800
<b>Building safety:</b>				
Total building permits	454	464	542	525
Total value all permits	\$ 14,408,700	\$ 27,434,649	\$ 56,754,443	\$ 29,172,946
Total mechanical permits	602	767	973	959
Total value all permits	\$ 18,588,404	\$ 32,481,501	\$ 14,738,785	\$ 11,711,177
Library, volumes in collection	95,265	97,215	93,949	11,524
<b>Public service:</b>				
Garbage collected (ton)	-	-	-	-
Recycle collected (ton)	-	-	-	-
<b>Parks and Recreation:</b>				
Recreation program attendance	-	-	-	-
Aquatics program attendance	-	-	-	-
Street trees maintained - miles	125	125	146.5	146.5

**Source:** Town Records

**Note:** \* Indicator not available

TABLE 20

Calendar Year						
2006	2007	2008	2009	2010	2011	
25,658	24,330	25,500	23,403	24,501		*
611	677	693	652	677		*
-	-	-	-	-		*
2,590	2,398	2,429	2,088	1,763		*
4,308	4,367	4,243	4,271	4,617		*
3,156	3,151	3,065	2,978	3,225		*
551,000	1,294,330	2,409,673	532,800	815,400		*
617	579	537	427	2,149		*
\$ 23,892,383	\$ 22,842,701	\$ 29,887,926	\$ 25,636,659	\$ 29,643,079		*
949	861	711	846	1,268		*
\$ 12,616,121	\$ 11,229,003	\$ 61,166,521	\$ 29,919,892	\$ 8,974,312		*
11,524	109,841	112,387	111,908	106,789		*
-	-	-	-	*		*
-	-	-	-	*		*
-	-	-	-	*		*
-	-	-	-	*		*
146.5	146.5	146.5	146.5	*		*

TOWN OF NORTH HAVEN, CONNECTICUT

Capital Asset Statistics By Function/Program  
 Last Ten Fiscal Years  
 (Unaudited)

Function/Program	2002	2003	2004	2005
Police:				
Stations	1	1	1	1
Fire, Fire Stations Full time	1	1	1	1
Fire, Fire Stations Volunteer	3	3	3	3
Refuse Collection:				
Collection Trucks	4	4	4	4
Streets (Miles)	125	125	146.5	146.5
Traffic Signals - Town Owned	*	*	*	*
Parks & Recreation:				
Acreage	*	*	*	*
Parks	*	*	*	*
Baseball/Softball Diamonds	12	12	12	12
Soccer/Football Fields	*	*	*	*
Basketball Courts	*	*	*	*
Tennis Courts	*	*	*	*
Swimming pools	*	*	*	*
Parks with Playground Equipment	5	5	5	5
Picnic Shelters	8	8	8	8
Community Centers	1	1	1	1
Library:				
Facilities	1	1	1	1
Volumes	95,265	97,215	93,949	111,524
Wastewater:				
Sanitary Sewers (miles)	*	*	*	*
Storm Sewers (miles)	*	*	*	*
Combination Sanitary and Storm (miles)	*	*	*	*

Source: Town Records

Note: \* Data not available.

TABLE 21

2006	2007	2008	2009	2010	2011
1	1	1	1	1	1
1	1	1	1	1	1
3	3	3	3	3	3
4	4	4	4	4	4
146.5	146.5	146.5	146.5	146.5	146.5
*	*	*	*	*	*
*	210	210	210	210	210
*	18	18	18	18	18
12	12	12	12	12	12
*	*	*	*	*	*
*	7	7	7	7	7
*	14	14	14	14	14
*	1	1	1	1	1
5	5	5	5	5	5
8	8	8	8	8	8
1	1	1	1	1	1
1	1	1	1	1	1
111,524	109,841	112,387	111,908	112,558	106,789
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*

**This page intentionally left blank.**