

TOWN OF NORTH HAVEN, CONNECTICUT



**COMPREHENSIVE ANNUAL
FINANCIAL REPORT
YEAR ENDED JUNE 30, 2012**

TOWN OF NORTH HAVEN, CONNECTICUT



COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year
July 1, 2011 to June 30, 2012

Prepared By:
FINANCE DEPARTMENT

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Director of Finance/Administration

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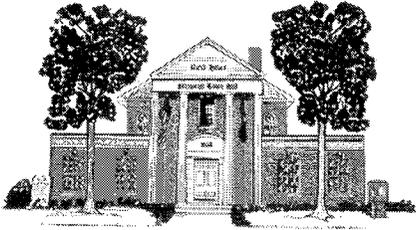
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Introductory Section



TOWN OF NORTH HAVEN

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



REPLY TO:

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December 20, 2012

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, 2012.

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

McGladrey LLP, Certified Public Accountants, have issued an unqualified "clean" opinion on the Town of North Haven, Connecticut's financial statements for the year ended June 30, 2012. 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 24,106. 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 fourteen elective boards and thirteen 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 12,360 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; 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 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. In 1960, there were 4,766 dwellings, as compared with 8,541 in 2011, that include mostly single family, owner occupied homes and condominiums. The average sales price in 2011 of homes in North Haven was \$317,692, with homes ranging between \$140,000 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 ensures 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 holds the most potential for growth of the Grand List. 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 North. The anchor stores are Best Buy, Toys R Us, and other retail stores and restaurants.

An initiative to create a medical epicenter on Devine Street is progressing with the addition of Yale-New Haven Hospital and a new medical office building. Yale has purchased and is retrofitting an existing 121,000 square foot office building which will include an urgent care facility, diagnostic testing and medical offices. A new 18,000 square foot medical building has also been completed on the site for the New Haven Cardiology group. These facilities will join the existing Gaylord Hospital facility which includes a sleep center, physical therapy and Healthtrax Gym and Fitness Center. An additional building is planned for the site which will be for advanced veterinary care of small animals.

In 2012, Sustainable Building Systems LLC (SBS), a joint venture between The Weeks Group of Australia and Diverse Services Group of Arizona, has committed to locate its company headquarters and manufacturing facility to a vacant property located in an industrial/commercial area of the town. SBS is a manufacturer of energy efficient building systems. This facility will include 287,000 square feet and employ over 400 people after it is fully operational in 2014.

Quinnipiac University is creating exciting new opportunities for development by expanding its North Haven Campus. It will include the new Frank H. Netter School of Medicine, recently accredited by the State of Connecticut and the relocation of the law school from their main campus.

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 48 regular police officers, 4 civilian dispatchers, 4 clerks and 1 maintenance person. Major equipment includes the Town's central radio communications and dispatch point E 911 PSAP, 8 unmarked cruisers, 15 marked cruisers, 1 motorcycle, 1 armored vehicle, 1 cargo van and 1 traffic light and sign maintenance truck.

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 and again in 1995 to meet advanced treatment requirements as administered through the State of Connecticut Department of Energy and Environmental Protection (DEEP) 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 of Connecticut 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, and perform inspections of approximately 110 restaurants under the State of Connecticut DEEP General Permit for the Discharge of Wastewater Associated with Food Preparation Establishments.

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

The latest improvements made to the WPCF by the Town, include the complete rehabilitation of one of the three primary clarifier units and the replacement of variable frequency drives for two of the three pumps at the Sackett Point Road pump station. Upgrades are planned for new valves and piping to the Old Broadway Pump Station and the plant Supervisory Control and Data Acquisition (SCADA) system.

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 and the Water Pollution Control Authority. 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 modifications and 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 and/or site 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.

The Streets and Roads Division is also responsible for the management, maintenance and operations of the Town's Leaf Composting Facility located on the surface of the Town's landfill to the rear of the WPCF.

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, 11 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.

Equipment Maintenance Staff are also responsible for the daily management of the underground storage tanks located at the Public Works Garage, including inspections and obtaining receipts of print-outs from the Veeder Root System associated with tank volumes and the associated leakage detection system.

Sanitation: The Sanitation Division is responsible for the weekly collection of municipal solid waste (MSW) and recyclables for the 10,000 homes in Town. 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, tires and mattresses (upholstered items) can be disposed of at the Town's Transfer Station.

The Sanitation Division provides single-stream curbside collection of State mandated recyclable items. These include: clear, green, and brown glass food and beverage containers; plastics (nos. 1-7) metal food and beverage containers, aluminum foil and pie plates; newspaper, paper and corrugated cardboard.

Residential solid wastes are collected once weekly by the Town's staff and disposed of at the Wallingford Resource Recovery Facility (Incineration Plant). Since July 1, 2010, disposal is made at the same location; however, the facility is 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).

The Town has entered into a Municipal Solid Waste Services Delivery and Disposal Contract with the Covanta Energy 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 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.

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; bulky waste defined upholstered items and mattresses/box springs, brush, 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 pick-up 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 transfer station which are valid for unlimited trips within the same day.

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 (November and December) 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. In the fall of 2013, the Town will be implementing its own composting program and residents will be able to pick up composted materials at the recycling center once the program is fully operational.

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.

Inland Wetlands Commission: The Inlands Wetlands Commission consists of seven (7) appointed members and three (3) alternates and is responsible for reviewing all development of land that contains wetlands and/or water courses. The primary job of this Commission is to protect and preserve Inland Wetlands and water courses while maintaining a balance with the development and economic growth of North Haven.

Zoning Board of Appeals: The Zoning Board of Appeals is a five (5) member elected Board with three (3) alternates. The Board is responsible for hearing all applications on variances, exceptions and appeals of the decisions of the Zoning Enforcement Officer. Board members attempt to visit each site prior to rendering a decision. Applications submitted to this Board are subject to a Public Hearing. Legal notices for each application are advertised twice prior to a Public Hearing being held.

Zoning Enforcement: The Zoning Enforcement Officer is a critical supporting entity 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 consistently and fairly.

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.

New permitting software has been implemented to expedite the issuance of permits. Applicants are encouraged to routinely check with the Department on any changes to the Permit Fee Schedule or Code Changes. The Building Code currently adopted by the Town of North Haven is the 2005 Connecticut State Building Code.

Asking questions prior to the start of a project is the most efficient way to ensure that the proper requirements are met. As defined by the State Building Code the following permits for*:

- New homes;
- Additions, renovations or alterations to existing homes;
- Roofing, siding, door and window replacement
- New or repairs to: decks, porches, sheds, pools, garages and carports;
- New Commercial buildings;
- Additions, renovations or alterations to commercial buildings;
- Generators, coolers, outside storage, including pads and retaining walls;
- Installation or removal of gas, propane or oil tanks and or lines;
- Heating, ventilation, hood systems, sprinkler system (new or repairs), air conditioning, plumbing, grease traps, electrical wiring and low voltage;
- Installation of a fire place or wood stove;

- Installation of swimming pools, safety fences for in-ground pools, decks, sheds, etc.; and
- In general the replacement or repair of any existing structure and any new work before it is started.

*The requirement of a permit is not limited to this list.

Blight Enforcement Officer: The Building Office is also responsible for enforcing the newly adopted Blight Ordinance. This envelops any property that is in a blighted condition that may adversely affect the economic well-being of the Town of North Haven, or contribute to the decline of neighborhoods, and jeopardize the health, safety, welfare and/or quality of life of persons within the Town of North Haven. Complaint forms can be found on-line and in the Building Office.

Blight Prevention Board of Appeals: The Blight Prevention Board of Appeals is a five (5) member appointed board with one (1) alternate. The Board is responsible for hearing all appeals of the decisions of the Blight Prevention Officer in response to the Blight Prevention Ordinance adopted by the Town in October 2011. Appeal applications submitted to the Board are subject to a public hearing. Legal notices for each application are advertised twice prior to a public hearing being held.

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 (under a contract with BH Care, Inc.), 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 112,049 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, 2011 was 3,548. The rated capacity of the system facilities is 4,722.

LONG-TERM FINANCIAL PLANNING

Unreserved, undesignated fund balance in the general fund is 10.9% of total general fund revenues. A portion of the fund balance may be used to offset general fund expenditures in the near future.

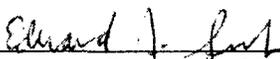
AWARDS AND ACKNOWLEDGEMENTS

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, 2011. This was the twelfth 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, 2012**

PRINCIPAL OFFICIALS

FIRST SELECTMAN

Michael J. Freda

BOARD OF SELECTMEN

Timothy M. Doheny
Alan J. Sturtz

BOARD OF FINANCE

Richard Monico, Chairman
William J. Pieper, Vice Chairman
Michael T. Hallahan, Secretary
Michael J. Freda
James J. Lianos
Patricia A. Brown
Dyann M. Vissicchio

ADMINISTRATION

Director of Finance/Administration	Edward J. Swinkoski, CPA
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	William May
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, CPA
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

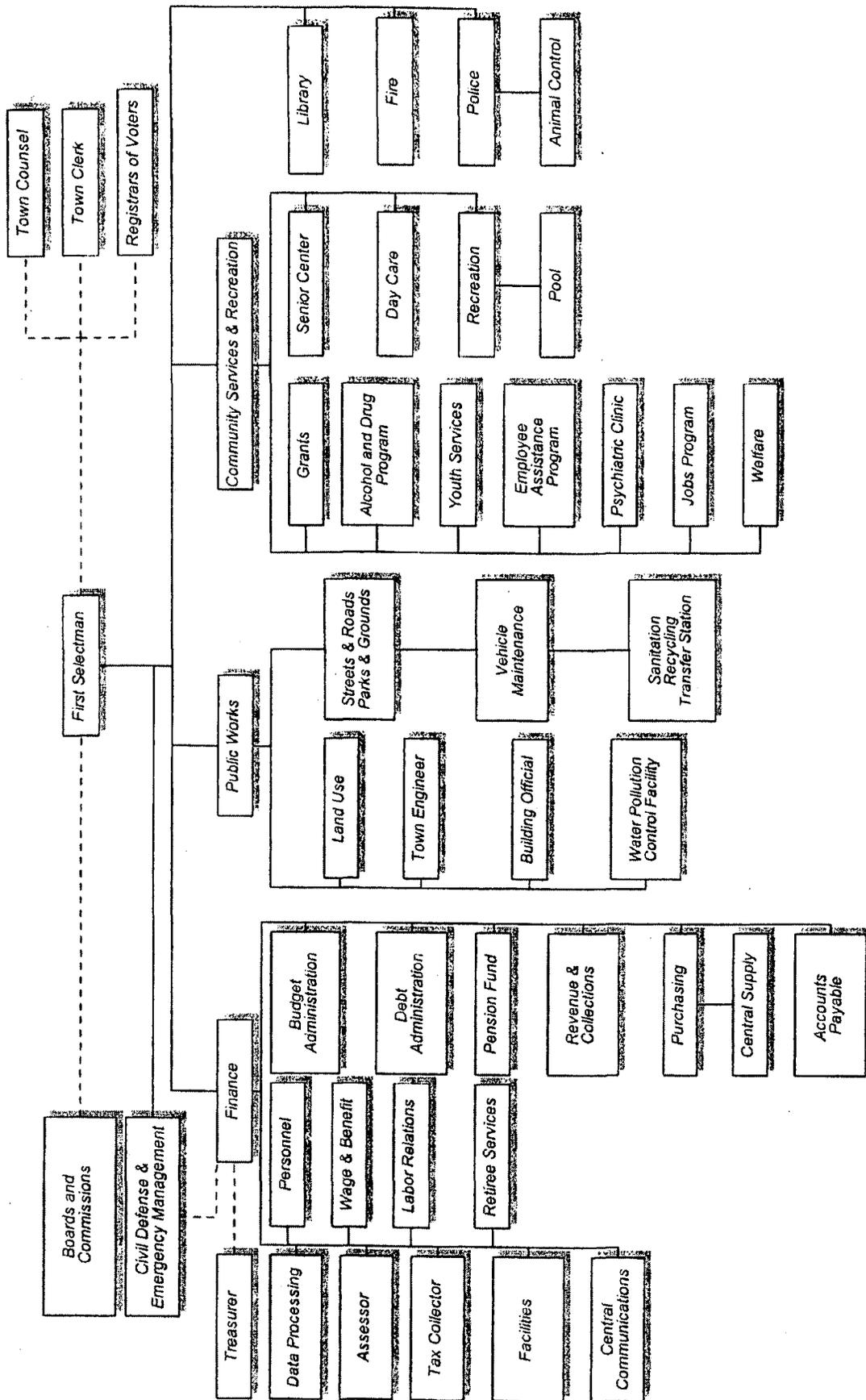
Alicia Clapp
Carole Franceschet
Stephen DiCapua
Jennifer A. Caldwell
Stephen Consiglio
Vacant
Wesley J. O'Brien
Chairman - Anita B. Anderson
Bryan P. Bogen

Superintendent of Schools

Dr. Robert Cronin

Director of Business & Operations

Kristine Carling, CPA



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, 2011

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.



Christopher P. Moynell

President

Jeffrey R. Emer

Executive Director

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 (the "Town"), as of and for the year ended June 30, 2012, 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 of North Haven, Connecticut'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 *Governmental 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to previously 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, 2012, 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.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2012 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.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information

and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of North Haven, Connecticut's basic financial statements. The introductory section, supplemental and combining nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The supplemental and combining nonmajor fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental and combining major fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements 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 do not express an opinion or provide any assurance on them.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the Town of North Haven, Connecticut as of and for the year ended June 30, 2011 (not presented herein), and have issued our report thereon dated December 16, 2011, which contained unqualified opinions on the respective financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information. The accompanying General Fund Balance Sheet for the year ended June 30, 2011 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2011 financial statements. The accompanying General Fund Balance Sheet has been subjected to the auditing procedures applied in the audit of the 2011 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the General Fund Balance Sheet is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2011.

McGladrey LLP

New Haven, Connecticut
December 20, 2012

Town of North Haven, Connecticut Management's Discussion and Analysis June 30, 2012

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, 2012. 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 x, 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 \$72,346,598 (net assets). Of this amount, \$1,559,431 (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 \$3,191,325.
- As of the close of the current fiscal year, the Town of North Haven's governmental funds reported combined ending fund balances of \$17,901,281, a decrease of \$1,592,370, in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$7,478,295, or 8.39% of total general fund expenditures.
- The Town of North Haven's total bonded debt decreased by \$3,690,000, 7.3% 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 54 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 53 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 60 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 70 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 \$72,346,598 at the close of the most recent fiscal year.

By far the largest portion of the Town of North Haven's net assets (93.7%) 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, 2012 and 2011**

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Current and other assets	\$ 28,194,755	\$ 31,837,640	\$ 2,539,099	\$ 1,950,369	\$ 30,733,854	\$ 33,788,009
Capital assets	105,260,762	105,352,939	9,454,411	10,059,919	114,715,173	115,412,858
Total Assets	133,455,517	137,190,579	11,993,510	12,010,288	145,449,027	149,200,867
Long-term liabilities outstanding	67,112,982	67,884,982	-	-	67,112,982	67,884,982
Other liabilities	5,962,187	5,730,810	27,260	47,152	5,989,447	5,777,962
Total Liabilities	73,075,169	73,615,792	27,260	47,152	73,102,429	73,662,944
Net assets:						
Invested in capital assets, net of related debt	58,308,056	53,680,889	9,454,411	10,059,919	67,762,467	63,740,808
Restricted	1,314,327	1,528,064	-	-	1,314,327	1,528,064
Unrestricted	757,965	8,365,834	2,511,839	1,903,217	3,269,804	10,269,051
Total Net Assets	\$ 60,380,348	\$ 63,574,787	\$ 11,966,250	\$ 11,963,136	\$ 72,346,598	\$ 75,537,923

An additional portion of the Town of North Haven's net assets (\$1,314,327) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets \$3,269,804 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 decreased by \$3,191,325 during the current fiscal year.

Governmental activities. Governmental activities decreased the Town of North Haven's net assets by \$3,194,439. Key elements of this increase are as follows:

Town Revenue Departments included \$416,319 in building fees which were in excess of budget.

Town of North Haven's Changes in Net Assets						
Years Ended June 30, 2012 and 2011						
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	2012	2011	2012	2011	2012	2011
Revenues:						
Program Revenues:						
Charges for services	\$ 3,769,621	\$ 3,370,887	\$ 3,248,384	\$ 2,987,289	\$ 7,018,005	\$ 6,358,176
Operating grants and contributions	12,855,923	11,699,711	-	-	12,855,923	11,699,711
Capital grants and contributions	51,582	157,901	-	-	51,582	157,901
General Revenues:						
Property taxes	74,843,243	73,999,013	-	-	74,843,243	73,999,013
Grants and contributions not restricted to specific programs	2,291,888	1,942,138	-	-	2,291,888	1,942,138
Interest income	44,669	110,356	-	-	44,669	110,356
Other	765,880	3,286,973	-	-	765,880	3,286,973
Total revenues	<u>94,622,806</u>	<u>94,566,979</u>	<u>3,248,384</u>	<u>2,987,289</u>	<u>97,871,190</u>	<u>97,554,268</u>
Expenses:						
General government	9,618,046	9,586,158	-	-	9,618,046	9,586,158
Public safety	15,142,891	15,017,493	-	-	15,142,891	15,017,493
Public works	9,942,568	7,988,896	-	-	9,942,568	7,988,896
Health and welfare	1,571,353	1,526,970	-	-	1,571,353	1,526,970
Culture and recreation	1,305,279	1,353,346	-	-	1,305,279	1,353,346
Education	60,237,108	57,724,425	-	-	60,237,108	57,724,425
WPCA	-	-	3,245,270	2,752,190	3,245,270	2,752,190
Total expenses	<u>97,817,245</u>	<u>93,197,288</u>	<u>3,245,270</u>	<u>2,752,190</u>	<u>101,062,515</u>	<u>95,949,478</u>
Change in net assets	(3,194,439)	1,369,691	3,114	235,099	(3,191,325)	1,604,790
Net assets, beginning	<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>
Net assets, ending	<u>\$ 60,380,348</u>	<u>\$ 63,574,787</u>	<u>\$ 11,966,250</u>	<u>\$ 11,963,136</u>	<u>\$ 72,346,598</u>	<u>\$ 75,537,923</u>

Business-type activities. Business-type activities increased the Town of North Haven's net assets by \$3,114.

The depreciation charge for the year was \$668,008.

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 \$17,901,281, a decrease of \$1,592,370 in comparison with the prior year. \$6,028,404 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 \$508,687, or 2) for a variety of other purposes \$402,074. Additionally, \$3,225,643 is assigned for debt retirement, and \$1,892,000 for the fiscal 2012-2013 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 \$7,478,295, while total fund balance reached \$13,535,428. 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 8.39% of the total general fund expenditures, while total fund balance represents 15.18% of that same amount.

The fund balance of the Town of North Haven's general fund decreased by \$887,502 during the current fiscal year. This was mainly the result of budgeting \$1,641,000 of fund balance to be used in the fiscal year ended June 30, 2012 budget.

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 \$2,511,839. The total increase in net assets of the fund was \$3,114.

General Fund Budgetary Highlights

The difference between the original budget and the final amended budget was a \$259,649 decrease in appropriations, and can be briefly summarized as follows:

General Government	\$ (401,827)
Public Safety	29,642
Public Works	112,536
Total	<u><u>\$ (259,649)</u></u>

Budget variances in the General Fund were attributable to various revenue items. Revenues from Building Permits and Fees were \$546,542 more than budgeted. Actual revenues were \$273,613 before the planned use of fund balance of \$1,641,000.

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, 2012, amounts to \$105,260,762 (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, 2012 amounts to \$9,454,411. 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 2.7%.

Major capital asset events during the current fiscal year included various machinery and equipment purchases in the amount of \$292,102.

	Governmental Activities		Business-Type Activities		Total	
	June 30, 2012	June 30, 2011	June 30, 2012	June 30, 2011	June 30, 2012	June 30, 2011
Land	\$ 2,526,507	\$ 2,526,507	\$ -	\$ -	\$ 2,526,507	\$ 2,526,507
Building and system Improvements other than building	124,105,936	123,920,863	12,922,130	12,922,130	137,028,066	136,842,993
Machinery and equipment Infrastructure	1,281,565	1,281,565	-	-	1,281,565	1,281,565
	15,682,556	15,604,959	4,838,985	4,776,485	20,521,541	20,381,444
	27,266,446	27,220,043	22,424,647	22,424,647	49,691,093	49,644,690
Total	\$ 170,863,010	\$ 170,553,937	\$ 40,185,762	\$ 40,123,262	\$ 211,048,772	\$ 210,677,199

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 \$47,025,000 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, 2012	June 30, 2011
General Obligation Bonds	\$ 47,025,000	\$ 50,715,000

The Town of North Haven's total bonded debt decreased by \$3,690,000 (7.3%) 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 \$525,124,306.

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 7.8 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 2012 fiscal year.

During the current fiscal year, unassigned fund balance in the general fund decreased by \$1,141,617.

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.

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TOWN OF NORTH HAVEN, CONNECTICUT

STATEMENT OF NET ASSETS

June 30, 2012

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and cash equivalents	\$ 19,332,980	\$ 2,202,920	\$ 21,535,900
Investments	275,839	-	275,839
Receivables, net of allowance for collection losses:			
Property taxes	3,631,160	-	3,631,160
Assessments and user charges	196,649	336,179	532,828
Intergovernmental	1,977,920	-	1,977,920
Other	247,360	-	247,360
Prepaid	29,329	-	29,329
Inventories	8,631	-	8,631
Restricted cash	2,488,438	-	2,488,438
Pension asset	6,449	-	6,449
Capital assets not being depreciated	2,526,507	-	2,526,507
Capital assets being depreciated, net of accumulated depreciation	102,734,255	9,454,411	112,188,666
Total assets	133,455,517	11,993,510	145,449,027
Liabilities			
Current liabilities:			
Accounts payable	4,001,463	-	4,001,463
Internal balances	(27,260)	27,260	-
Accrued interest payable	873,232	-	873,232
Unearned revenue	1,114,752	-	1,114,752
Long-term liabilities:			
Due in less than one year	4,044,014	-	4,044,014
Due in more than one year	63,068,968	-	63,068,968
Total liabilities	73,075,169	27,260	73,102,429
Net Assets			
Investment in capital assets, net of related debt	58,308,056	9,454,411	67,762,467
Restricted for:			
Trust purposes:			
Expendable	36,676	-	36,676
Non-expendable	526,548	-	526,548
Education	329,077	-	329,077
Other purposes	422,026	-	422,026
Unrestricted	757,965	2,511,839	3,269,804
Total net assets	\$ 60,380,348	\$ 11,966,250	\$ 72,346,598

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, 2012

Functions/Programs	Program Revenues				Net (Expense) Revenue and Change in Net Assets			
	Expenses	Indirect Expense Allocations	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary government:								
Governmental activities:								
General government	\$ (9,423,818)	\$ (194,228)	\$ 547,044	\$ 21,300	\$ -	\$ (9,049,702)	\$ -	\$ (9,049,702)
Public safety	(15,142,891)	-	621,852	589,713	-	(13,931,326)	-	(13,931,326)
Public works	(9,942,568)	-	778,912	691,588	-	(8,472,068)	-	(8,472,068)
Health and welfare	(1,571,353)	-	95,032	340,261	-	(1,136,060)	-	(1,136,060)
Cultural and recreation	(1,305,279)	-	332,773	36,253	-	(936,253)	-	(936,253)
Education	(58,489,059)	(1,748,049)	1,394,008	11,176,808	51,582	(47,614,710)	-	(47,614,710)
Interest on long-term debt	(1,942,277)	1,942,277	-	-	-	-	-	-
Total governmental activities	(97,817,245)	-	3,769,621	12,855,923	51,582	(81,140,119)	-	(81,140,119)
Business-type activities:								
WPCA	(3,245,270)	-	3,248,384	-	-	-	3,114	3,114
Total primary government	\$ (101,062,515)	\$ -	\$ 7,018,005	\$ 12,855,923	\$ 51,582	(81,140,119)	3,114	(81,137,005)
General revenues:								
Property taxes						74,843,243	-	74,843,243
Grants and contributions not restricted to specific programs						2,291,888	-	2,291,888
Investment income						44,669	-	44,669
Miscellaneous						765,880	-	765,880
Total general revenues						77,945,680	-	77,945,680
Change in net assets						(3,194,439)	3,114	(3,191,325)
Net assets - beginning						63,574,787	11,963,136	75,537,923
Net assets - ending						\$ 60,380,348	\$ 11,966,250	72,346,598

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

TOWN OF NORTH HAVEN, CONNECTICUT

BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2012

	Major Fund		Total Governmental Funds
	General Fund	Nonmajor Governmental Funds	
Assets			
Cash and cash equivalents	\$ 16,495,034	\$ 4,902,069	\$ 21,397,103
Investments		275,839	275,839
Receivables (net of allowances for collection losses):			
Property taxes	3,631,160	-	3,631,160
Assessments and user charges	196,649	-	196,649
Intergovernmental	1,751,581	226,339	1,977,920
Other	60,761	110,000	170,761
Due from other funds	453,116	1,263,135	1,716,251
Prepaid items	28,729	600	29,329
Inventories		8,631	8,631
Total assets	\$ 22,617,030	\$ 6,786,613	\$ 29,403,643
Liabilities			
Accounts payable	\$ 2,818,693	\$ 1,083,283	\$ 3,901,976
Unearned revenues	233,632	881,120	1,114,752
Deferred revenues	4,796,643	-	4,796,643
Due to other funds	1,232,634	456,357	1,688,991
Total liabilities	9,081,602	2,420,760	11,502,362
Fund balances			
Nonspendable	28,729	535,779	564,508
Restricted	-	2,498,152	2,498,152
Committed	-	1,831,130	1,831,130
Assigned	6,028,404	-	6,028,404
Unassigned	7,478,295	(499,208)	6,979,087
Total fund balances	13,535,428	4,365,853	17,901,281
Total liabilities and fund balances	\$ 22,617,030	\$ 6,786,613	

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.	105,260,762
Deferred revenue	4,796,643
Pension asset	6,449
Accrued interest not recorded in funds	(873,232)
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.	333,334
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds	(67,044,889)
Net assets of governmental activities	<u>\$ 60,380,348</u>

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, 2012

	Major Fund		Total Governmental Funds
	General Fund	Nonmajor Governmental Funds	
REVENUES			
Property taxes	\$ 74,561,137	\$ -	\$ 74,561,137
Licenses, permits, fees and fines	1,321,180	-	1,321,180
Intergovernmental	10,631,965	4,445,406	15,077,371
Investment income	39,310	1,490	40,800
Charges for services	914,738	1,498,702	2,413,440
Net increase in fair value of investments	-	3,869	3,869
Contributions	4,138	54,333	58,471
Other	988,216	35,733	1,023,949
Total revenues	88,460,684	6,039,533	94,500,217
EXPENDITURES			
Current:			
General Government	5,217,756	16,300	5,234,056
Public Safety	8,294,846	13,166	8,308,012
Public Works	4,956,380	1,658,843	6,615,223
Health and Welfare	876,561	398,146	1,274,707
Culture and Recreation	852,056	58,632	910,688
Benefits and Insurance	9,809,288	-	9,809,288
Education	49,716,236	4,180,208	53,896,444
Other	1,448,891	-	1,448,891
Principal retirements	4,641,821	-	4,641,821
Interest	2,168,513	-	2,168,513
Capital outlay	1,189,907	653,730	1,843,637
Total expenditures	89,172,255	6,979,025	96,151,280
Revenues under expenditures	(711,571)	(939,492)	(1,651,063)
OTHER FINANCING SOURCES (USES)			
Transfers in	52,288	286,912	339,200
Transfers out	(286,912)	(52,288)	(339,200)
Capital lease proceeds	58,693	-	58,693
Total other financing sources (uses)	(175,931)	234,624	58,693
Net change in fund balances	(887,502)	(704,868)	(1,592,370)
FUND BALANCES, beginning	14,422,930	5,070,721	19,493,651
FUND BALANCES, ending	\$ 13,535,428	\$ 4,365,853	\$ 17,901,281

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, 2012**

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

Net changes in fund balances - total governmental funds (Page 14)	\$ (1,592,370)
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 depreciation exceeds capital outlays in the current period.	(2,618,684)
Change in revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	122,588
Change in pension assets	(697)
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.	4,757,413
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.	(3,930,687)
The net revenue of certain activities of internal service funds is reported with governmental activities.	<u>67,998</u>
Change in net assets of governmental activities (Page 12)	<u>\$ (3,194,439)</u>

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, 2012

	Business-Type Activities <u>Enterprise Fund</u> Water Pollution Control Authority	Governmental Activities <u>Internal Service Funds</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 2,202,920	\$ 424,315
Accounts receivable	336,179	76,599
Total current assets	<u>2,539,099</u>	<u>500,914</u>
Capital Assets, net of accumulated depreciation	<u>9,454,411</u>	<u>-</u>
Total assets	<u>11,993,510</u>	<u>500,914</u>
LIABILITIES		
Current liabilities:		
Accounts payable	-	99,487
Due to other funds	27,260	-
Claims payable	-	68,093
Total current liabilities	<u>27,260</u>	<u>167,580</u>
Total liabilities	<u>27,260</u>	<u>167,580</u>
NET ASSETS		
Invested in capital assets	9,454,411	-
Unrestricted	2,511,839	333,334
Total net assets	<u>\$ 11,966,250</u>	<u>\$ 333,334</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, 2012

	Business-Type Activities Enterprise Fund Water Pollution Control Authority	Governmental Activities Internal Service Funds
OPERATING REVENUES		
Water use fees and charges	\$ 3,248,384	\$ -
Premiums	-	1,997,053
Total operating revenues	<u>3,248,384</u>	<u>1,997,053</u>
OPERATING EXPENSES		
Claims	-	1,867,913
Depreciation	668,008	-
Administration and operations	2,577,262	61,142
Total operating expenses	<u>3,245,270</u>	<u>1,929,055</u>
Change in net assets	3,114	67,998
FUND NET ASSETS, beginning	<u>11,963,136</u>	<u>265,336</u>
FUND NET ASSETS, ending	<u>\$ 11,966,250</u>	<u>\$ 333,334</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, 2012

	Business-Type Activities Enterprise Fund Water Pollution Control Authority	Governmental Activities Internal Service Funds
Cash Flows From Operating Activities		
Cash received from charges for services	\$ 3,248,244	\$ 1,920,454
Cash paid to vendors and beneficiaries	(2,597,154)	(1,924,179)
Net cash provided by (used in) operating activities	<u>651,090</u>	<u>(3,725)</u>
Cash Flows From Capital and Related Financing Activities		
Purchase of property and equipment	(62,500)	-
Net cash used in capital and related financing activities	<u>(62,500)</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	588,590	(3,725)
Cash and Cash Equivalents		
Beginning	1,614,330	428,040
Ending	<u>\$ 2,202,920</u>	<u>\$ 424,315</u>
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities		
Operating income	\$ 3,114	\$ 67,998
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:		
Depreciation	668,008	-
Changes in assets and liabilities:		
Increase in accounts receivable	(140)	(76,599)
Increase (decrease) in accounts payable	(19,892)	2,101
Increase in claims payable	-	2,775
Net cash provided by (used in) operating activities	<u>\$ 651,090</u>	<u>\$ (3,725)</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, 2012

	Pension Trust Funds	Agency Funds
ASSETS		
Cash and cash equivalents	\$ 449,847	\$ 1,607,995
Accounts receivable	548,368	-
Investments, at fair value:		
U.S. government and agency notes and bonds	7,768,703	-
Corporate bonds	18,675,318	-
Money market mutual funds	1,505,044	-
Equity mutual funds	41,062,535	-
Total investments	<u>69,011,600</u>	<u>-</u>
Total assets	<u>70,009,815</u>	<u>1,607,995</u>
LIABILITIES		
Due to student groups and agencies or others	-	1,607,995
Total liabilities	<u>-</u>	<u>1,607,995</u>
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS	<u>\$ 70,009,815</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, 2012

	<u>Pension Trust Funds</u>
ADDITIONS	
Contributions	
Employer	\$ 3,963,697
Plan members	126,331
Total contributions	<u>4,090,028</u>
Investment Income	
Net appreciation in fair value of investments	2,210,417
Interest and dividends	1,050,751
	<u>3,261,168</u>
Less investment expenses:	
Investment management fees	48,002
Net investment income	<u>3,213,166</u>
Total additions	<u>7,303,194</u>
DEDUCTIONS	
Benefits	4,811,388
Administration	200
	<u>4,811,588</u>
Changes in net assets	2,491,606
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS	
Beginning of year	<u>67,518,209</u>
End of year	<u>\$ 70,009,815</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, 2012

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

TOWN OF NORTH HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2012

current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the 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, pensions and other post-employment benefit obligations, 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

TOWN OF NORTH HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2012

public on a continuing basis be financed or recovered primarily through user charges. The WPCA Fund is the Town's only enterprise fund.

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. The Town reported four internal service funds, a dental and prescription self-insurance fund for each the Town and Board of Education.

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.

TOWN OF NORTH HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2012

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 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.

Government-Wide Activities and Governmental Funds:

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

Funding Policy:

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

Other Post-Employment Obligations (OPEB) Accounting

OPEB Trust:

Employer contributions are recognized in the period in which the contributions are due, and the Town has made a formal commitment to provide the contributions.

Government-Wide Activities and Governmental Funds:

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

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.

TOWN OF NORTH HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued **June 30, 2012**

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.

All property tax receivables are shown net of an allowance for uncollectibles. The property tax receivable allowance of \$772 thousand is equal to 17.7% of outstanding property taxes at June 30, 2012.

Cash equivalents

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

Allowance for doubtful accounts

Accounts, property taxes 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 applicable governmental or business-type activities column in the government-wide financial statements and proprietary fund 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.

TOWN OF NORTH HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2012

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.

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.

In the proprietary fund financial statements, capital assets are reported net of accumulated depreciation.

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 and proprietary fund 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.

TOWN OF NORTH HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2012

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 net of unspent bond proceeds that are attributable to the acquisition, construction or improvement of these assets reduce this category.

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

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 the Town using its highest level of decision-making authority (Town of North Haven, Board of Finance). Amounts remain committed until action is taken by the Board of Finance (Resolution) to remove or revise the limitations.
- **Assigned Fund Balance** – Amounts constrained for the intent to be used for a specific purpose by the Director of Finance that has been delegated authority to assign amounts by the Board of Finance.
- **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, 2012

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	\$ 1,663,457
Bonds payable	47,025,000
Capital leases payable	325,965
Net pension obligation	722,226
Landfill costs	130,000
Deferred amounts on refunding	(233,443)
Notes payable	660,165
Claims payable	1,108,000
Compensated absences	4,603,563
OPEB obligation	<u>11,039,956</u>
Net adjustment to reduce fund balance - total governmental funds to arrive at net assets - governmental activities	<u>\$ 67,044,889</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	\$ 523,578
Loss on disposal	(11,688)
Depreciation expense	<u>(3,130,574)</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ (2,618,684)</u>

Another element of that reconciliation states that "the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however,

TOWN OF NORTH HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

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:

Debt issued or incurred:	
Capital lease proceeds	\$ (58,693)
Principal repayments:	
General obligation debt and notes payable	4,638,474
Payment of capital lease	107,370
Amortization of premium	116,952
Amortization of refunding amounts	<u>(46,690)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ 4,757,413</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 the changes in various liability accounts that represent this difference are as follows:

Compensated absences	\$ (248,253)
Claims payable	(300,000)
Accrued interest	51,951
Net pension obligation	(890)
Landfill costs	10,000
OPEB obligation	<u>(3,443,495)</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ (3,930,687)</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, 2012

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, 2012:

Vanguard 500 Index Fund	\$16,905,939
Vanguard Instl Index Fund	23,857,316

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, 2012, \$17,277,000 of the Town's bank balance of \$19,238,000 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, 2012

Cash and investments of the Town consist of the following at June 30, 2012:

Cash and Cash Equivalents

Deposits with financial institutions	\$ 16,883,802
State of Connecticut Short-Term Investment fund	8,124,554
Cutwater Connecticut Class Plus	1,349,663
Total cash and cash equivalents	<u>26,358,019</u>
Less: Certificates of deposits classified as investments	<u>(275,839)</u>
	<u>26,082,180</u>

Investments

Pension Trust Funds:	
U.S. Government Securities	1,800,669 *
Municipal Bonds	5,968,034 *
Corporate Debt	18,675,318 *
Equity Mutual Funds	41,062,535
Money Market Mutual Funds	1,505,044
Total pension investments	<u>69,011,600</u>
 Total cash, cash equivalents and investments	 <u><u>\$ 95,369,619</u></u>

* These investments are uninsured and registered, 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	\$ 24,024,338
Investments	275,839
	<u>24,300,177</u>

Fiduciary Funds:

Cash and cash equivalents	2,057,842
Investments	69,011,600
	<u>71,069,442</u>

Total cash, cash equivalents and investments \$ 95,369,619

TOWN OF NORTH HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

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	\$ 1,800,669	\$ -	\$ 1,800,669	\$ -
Municipal Bonds	5,968,034	1,019,791	4,014,211	934,032
Corporate Debt	18,675,318	7,665,628	10,004,690	1,005,000
Certificates of Deposit	275,839	275,839	-	-
Pooled Fixed Income	9,474,217	9,474,217	-	-
Money Market Mutual Funds	1,505,044	1,505,044	-	-
Total	\$ 37,699,121	\$ 19,940,519	\$ 15,819,570	\$ 1,939,032

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	Municipal Bonds	Corporate Debt	Pooled Fixed Income	Money Market Mutual Funds
AAA	\$ 1,622,200	\$ -	\$ -	\$ -
AAA/M	-	-	9,474,217	-
AA+	406,207	2,275,671	-	-
AA	542,825	747,600	-	-
AA-	2,377,011	266,538	-	-
A+	-	2,161,903	-	-
A	1,019,791	1,071,058	-	-
A-	-	6,215,086	-	-
BBB+	-	2,429,911	-	-
BBB	-	1,838,680	-	-
Unrated	-	1,668,871	-	1,505,044
Total	\$ 5,968,034	\$ 18,675,318	\$ 9,474,217	\$ 1,505,044

Note 4. Deferred, 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

TOWN OF NORTH HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

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
General Fund:		
School building construction receivable	\$ 1,133,531	\$ -
Delinquent property taxes receivable	3,466,463	-
Water and Sewer assessments	196,649	-
Other	-	233,632
	<u>4,796,643</u>	<u>233,632</u>
Nonmajor Governmental Fund:		
Intergovernmental	-	881,120
	<u>-</u>	<u>881,120</u>
Total	<u>\$ 4,796,643</u>	<u>\$ 1,114,752</u>

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	\$ 4,353,347	\$ -	\$ -	\$ 4,353,347
Sewer Use	-	336,179	-	336,179
Intergovernmental	618,050	-	226,339	844,389
School building construction receivable	1,133,531	-	-	1,133,531
Water and sewer assessment	196,649	-	-	196,649
Other	60,761	-	186,599	247,360
Total receivables	<u>6,362,338</u>	<u>336,179</u>	<u>412,938</u>	<u>7,111,455</u>
Less: allowance for doubtful accounts	722,187	-	-	722,187
Receivables, net	<u>\$ 5,640,151</u>	<u>\$ 336,179</u>	<u>\$ 412,938</u>	<u>\$ 6,389,268</u>

TOWN OF NORTH HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

Payables as of June 30, 2012 for the Town's individual major funds and non-major governmental funds were as follows:

	General	Non-Major Governmental Funds	Total Payables
Vendors	\$ 2,818,693	\$ 893,686	\$ 3,712,379
Retainage payable	-	189,597	189,597
Total payables	\$ 2,818,693	\$ 1,083,283	\$ 3,901,976

Note 5. Interfund Receivables, Payables and Transfers

At June 30, 2012, interfund balances that resulted from various interfund transactions were as follows:

	Due From Other Funds	Due To Other Funds
General Fund	\$ 453,116	\$ 1,232,634
Water Pollution Control Authority	-	27,260
Nonmajor Governmental Funds and other	1,263,135	456,357
	\$ 1,716,251	\$ 1,716,251

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, 2012 were as follows:

	Transfers In	Transfers Out
General Fund	\$ 52,288	\$ 286,912
Nonmajor Governmental Funds	286,912	52,288
	\$ 339,200	\$ 339,200

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, 2012

Note 6. Capital Assets

Capital asset activity for the year ended June 30, 2012 was as follows:

	Beginning Balance	Increases	Decreases/ Transfers	Ending Balance
Governmental activities:				
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	1,281,565	-	-	1,281,565
Buildings	123,920,863	185,073	-	124,105,936
Computer equipment	722,300	-	-	722,300
Machinery and equipment	14,882,659	292,102	(214,505)	14,960,256
Infrastructure	27,220,043	46,403	-	27,266,446
Total capital assets being depreciated	<u>168,027,430</u>	<u>523,578</u>	<u>(214,505)</u>	<u>168,336,503</u>
Less accumulated depreciation for:				
Land improvements	820,155	27,330	-	847,485
Buildings	27,838,341	2,275,730	-	30,114,071
Computer equipment	575,886	39,082	-	614,968
Machinery and equipment	10,849,219	413,638	(202,817)	11,060,040
Infrastructure	22,590,890	374,794	-	22,965,684
Total accumulated depreciation	<u>62,674,491</u>	<u>3,130,574</u>	<u>(202,817)</u>	<u>65,602,248</u>
Total capital assets, being depreciated, net	<u>105,352,939</u>	<u>(2,606,996)</u>	<u>(11,688)</u>	<u>102,734,255</u>
Governmental activities capital assets, net	<u>\$ 107,879,446</u>	<u>\$ (2,606,996)</u>	<u>\$ (11,688)</u>	<u>\$ 105,260,762</u>

TOWN OF NORTH HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

	Beginning Balance	Increases	Decreases/ Transfers	Ending Balance
Business-type activities:				
Capital assets, being depreciated:				
Buildings	\$ 12,922,130	\$ -	\$ -	\$ 12,922,130
Computer equipment	7,500	-	-	7,500
Machinery and equipment	4,768,985	62,500	-	4,831,485
Infrastructure	22,424,647	-	-	22,424,647
Total capital assets being depreciated	40,123,262	62,500	-	40,185,762
Less accumulated depreciation for:				
Buildings	6,752,819	440,233	-	7,193,052
Computer equipment	15,298	-	-	15,298
Machinery and equipment	4,758,158	7,767	-	4,765,925
Infrastructure	18,537,068	220,008	-	18,757,076
Total accumulated depreciation	30,063,343	668,008	-	30,731,351
Total capital assets, being depreciated, net	10,059,919	(605,508)	-	9,454,411
Business-type activities capital assets, net	<u>\$ 10,059,919</u>	<u>\$ (605,508)</u>	<u>\$ -</u>	<u>\$ 9,454,411</u>

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

Government Activities:	
General Government	\$ 572,993
Public Safety	234,038
Public Works	251,614
Health and welfare	2,367
Culture and Rec	2,219
Education	2,067,343
Total depreciation expense-governmental activities	<u>\$ 3,130,574</u>
Business-type Activities:	
WPCA	<u>\$ 668,008</u>

TOWN OF NORTH HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

Construction commitments

The Town has the following major active construction projects as of June 30, 2012:

Project	Cumulative Authorization	Cumulative Expenditures	Balance June 30, 2012
North Haven High School	\$ 75,000,000	\$ 74,086,817	\$ 913,183
Total	\$ 75,000,000	\$ 74,086,817	\$ 913,183

Note 7. Long-Term Obligations

A summary of changes in outstanding long-term debt during the year ended June 30, 2012 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General Purpose	\$ 5,110,568	\$ -	\$ 663,334	\$ 4,447,234	\$ 646,591
Schools	45,604,432	-	3,026,666	42,577,766	3,018,409
Add: Bond Issuance Premium	1,780,409	-	116,952	1,663,457	-
Less: Deferred Amounts on Refunding	(280,133)	-	(46,690)	(233,443)	-
Total bonds payable	52,215,276	-	3,760,262	48,455,014	3,665,000
Other long-term liabilities:					
Notes Payable - Pollution Facility Projects	1,608,639	-	948,474	660,165	41,629
Estimated liabilities for landfill closure costs	140,000	-	10,000	130,000	10,000
Accrued compensated absences	4,355,310	265,377	17,124	4,603,563	123,536
Capital Leases	374,642	58,693	107,370	325,965	128,849
Claims payable	808,000	300,000	-	1,108,000	75,000
Net pension obligation	721,336	1,469	579	722,226	-
OPEB obligation	7,596,461	3,443,495	-	11,039,956	-
Governmental activity long-term debt	\$ 15,604,388	\$ 4,069,034	\$ 1,083,547	\$ 18,589,875	\$ 379,014

TOWN OF NORTH HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

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	\$ 3,392,724	\$ 1,136,103	\$ 4,528,827
Board of Education	74,736	-	74,736
Total	\$ 3,467,460	\$ 1,136,103	\$ 4,603,563

Bonds and notes payable at June 30, 2012 are comprised of the following individual issues:

Description	Interest Rate (%)	Issue Date	Maturity Date	Original Amount	Balance Outstanding June 30, 2012
Bonds Payable:					
School Bond - Refunding	1.0%-4.0%	4/29/10	10/15/20	\$ 758,000	\$ 600,000
School Bond - Refunding	3.0%-5.0%	3/15/05	9/1/17	10,970,775	4,887,253
General Imp. - Refunding	1.0%-4.0%	4/29/10	10/15/20	4,702,000	4,065,000
General Imp. - Refunding	3.0%-5.0%	3/15/05	9/1/17	1,914,225	852,747
School Bond	3.875%-5.0%	4/26/06	7/15/25	22,445,000	18,635,000
General Improvement Bond	3.875%-5.0%	4/26/06	7/15/25	935,000	735,000
School Bond	3.875%-4.75%	1/23/07	7/15/26	21,850,000	17,250,000
Total Bonds Payable					\$ 47,025,000
Notes Payable:					
General Improvement Note	2.0%	4/20/06	4/30/26	889,772	\$ 660,165
Total Notes Payables					\$ 660,165

TOWN OF NORTH HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

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

	Bonds		Notes		Total Principal	Total Interest
	Principal	Interest	Principal	Interest		
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	48,338	413	2,688,338	119,601
2027	1,150,000	27,313	-	-	1,150,000	27,313
	<u>\$ 47,025,000</u>	<u>\$ 14,384,236</u>	<u>\$ 660,165</u>	<u>\$ 95,945</u>	<u>\$ 47,685,165</u>	<u>\$ 14,480,181</u>

Bonds Authorized But Unissued

Authorization but unissued bonds during the fiscal year ended June 30, 2012, are summarized below:

	<u>Authorized and Unissued June 30, 2012</u>
General Obligation Bonds	\$ 26,990,000
School Bonds	3,714,762
Total	<u><u>\$ 30,704,762</u></u>

TOWN OF NORTH HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

Operating Leases

Commitments under operating lease agreements for equipment and real estate provide for annual payments for future years as follows:

<u>Fiscal Year Ended June 30,</u>	<u>Amount</u>
2013	\$ 24,225
2014	23,850
2015	19,999
2016	16,104
2017 and thereafter	17,689
Total	\$ 101,867

Rental expense was \$24,225 for the year ended June 30, 2012.

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, 2012.

<u>Fiscal Year Ended June 30,</u>	<u>Amount</u>
2013	\$ 128,849
2014	83,383
2015	83,383
2016	83,383
Total payments	378,998
Less interest	(53,033)
Principal balance	\$ 325,965

The net book value of property under capital leases was approximately \$387,000 and has accumulated depreciation of \$425,000.

TOWN OF NORTH HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2012

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	\$ 168,789,956	\$ 31,448,585	\$ 137,341,371
Unfunded Pension Benefit Obligation	225,053,274	-	225,053,274
Schools	337,579,911	45,147,646	292,432,265
Sewers	281,316,593	660,165	280,656,428
Urban renewal	243,807,714	-	243,807,714

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation, or \$525,124,306.

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, 2012 was \$195,000. Additional payments for principal and interest aggregating \$1,272,000 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 (PERS), excluding public school teachers 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, 2012 was \$4,629,736. The covered payroll for the Police Department Plan was \$3,079,983. The covered payroll for the Fire Department Plan was \$1,995,590. 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.

The Town's total current year payroll for all employees was \$39,961,944. 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 Town's General Fund contributes an amount as recommended by their Actuary to fund the net pension obligations.

TOWN OF NORTH HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

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	46	25	34	4
Terminated employees not yet receiving benefits	16	4	-	1	-
Vested	115	25	20	17	-
Non-vested	89	21	12	71	2
Total number of participating employees	397	96	57	123	6

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 new hires excluded) 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.

TOWN OF NORTH HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

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.

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.

TOWN OF NORTH HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

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 \$170,473. Amounts paid for benefits were \$150,043 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 65).

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.

TOWN OF NORTH HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

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	\$ 1,913,252	\$ 1,143,362	\$ 689,471	\$ 68,415	\$ 153,161
Interest on Net Pension Obligation	4,987	-	-	(500)	45,506
Adjustment to Annual Required Contribution	(5,566)	-	-	1,197	(47,155)
Annual Pension Cost	1,912,673	1,143,362	689,471	69,112	151,512
Contributions Made	1,913,252	1,143,362	689,471	68,415	150,043
Increase (Decrease) in Net Pension Obligation (Asset)	(579)	-	-	697	1,469
Net Pension Obligation (Asset), Beginning of Year	71,248	-	-	(7,146)	650,088
Net Pension Obligation (Asset), End of Year	\$ 70,669	\$ -	\$ -	\$ (6,449)	\$ 651,557

TOWN OF NORTH HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

Fiscal Year Ending	Three Year Trend Information		
	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (Asset)
General Employees			
6/30/12	\$ 1,912,673	100.00%	\$ 70,669
6/30/11	1,837,748	100.00%	71,248
6/30/10	1,442,551	97.50%	71,625
Police Department			
6/30/12	\$ 1,143,362	100.00%	\$ -
6/30/11	809,049	100.00%	-
6/30/10	808,780	100.00%	-
Fire Department			
6/30/12	\$ 689,471	100.00%	\$ -
6/30/11	511,620	100.00%	-
6/30/10	491,673	100.00%	-
Volunteer Fire			
6/30/12	\$ 69,112	98.99%	\$ (6,449)
6/30/11	69,066	99.06%	(7,146)
6/30/10	98,049	97.60%	(7,797)
Elected Officials			
6/30/12	\$ 151,512	99.03%	\$ 651,557
6/30/11	188,250	78.29%	650,088
6/30/10	182,262	80.60%	609,228

TOWN OF NORTH HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	(Over) Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
<u>General Employees:</u>						
7/1/11	\$ 39,535,130	\$ 53,669,768	\$ 14,134,638	73.66%	\$ 8,172,229	172.96%
<u>Police Department:</u>						
7/1/10	\$ 16,614,473	\$ 26,283,327	\$ 9,668,854	63.21%	\$ 3,087,436	313.17%
<u>Fire Department:</u>						
7/1/10	\$ 10,390,955	\$ 15,606,930	\$ 5,215,975	66.58%	\$ 2,099,874	248.39%
<u>Volunteer Fire:</u>						
7/1/11	\$ 705,629	\$ 931,596	\$ 225,967	75.74%	N/A	N/A
<u>Elected Officials:</u>						
7/1/11	\$ -	\$ 1,378,759	\$ 1,378,759	0.00%	\$ 173,558	794.41%

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, 2012

	ACTUARIAL ASSUMPTIONS - PENSIONS				
	General Employees	Police Department	Fire Department	Volunteer Fire	Elected Officials
Valuation Date	July 1, 2011	July 1, 2010	July 1, 2010	July 1, 2011	July 1, 2011
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	18 Years	20 Years	20 Years	8 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%	4.0%	3.5%	N/A	3.0%
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, 2012

SCHEDULE OF PLAN NET ASSETS
June 30, 2012

	Pension Trust Funds				
	Municipal Employees Retirement	Police Department Retirement	Fire Department Retirement	Volunteer Firefighters' Pension Plan	Total Pension Trust Funds
ASSETS					
Cash	\$ 168,748	\$ 159,284	\$ 120,516	\$ 1,299	\$ 449,847
Accounts Receivable	445,806	75,868	26,694	-	548,368
Investments					
U.S. government and agency bonds/notes	4,656,320	1,933,483	1,178,900	-	7,768,703
Corporate bonds	11,325,612	4,476,374	2,873,332	-	18,675,318
Money market mutual funds	612,577	393,725	475,212	23,530	1,505,044
Equity mutual funds	23,857,316	10,262,874	6,226,899	715,446	41,062,535
Total investments	40,451,825	17,066,456	10,754,343	738,976	69,011,600
Total assets	41,066,379	17,301,608	10,901,553	740,275	70,009,815
Net Assets Held in Trust for Pension Benefits	\$ 41,066,379	\$ 17,301,608	\$ 10,901,553	\$ 740,275	\$ 70,009,815

TOWN OF NORTH HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued

June 30, 2012

SCHEDULE OF CHANGES IN PLAN NET ASSETS
Year Ended June 30, 2012

	Pension Trust Funds				Total Pension Trust Funds
	Municipal Employees Retirement	Police Department Retirement	Fire Department Retirement	Volunteer Firefighters' Pension Plan	
Additions:					
Employer contributions	\$ 2,062,449	\$ 1,143,362	\$ 689,471	\$ 68,415	\$ 3,963,697
Employee contributions	126,331	-	-	-	126,331
Total additions	2,188,780	1,143,362	689,471	68,415	4,090,028
Investment Income:					
Net appreciation in fair value of investments	1,284,388	534,355	354,859	36,815	2,210,417
Interest and dividends	631,799	262,449	145,751	10,752	1,050,751
	1,916,187	796,804	500,610	47,567	3,261,168
Less investment expenses:					
Investment management fees	28,101	11,925	7,471	505	48,002
Net investment income	1,888,086	784,879	493,139	47,062	3,213,166
Total additions	4,076,866	1,928,241	1,182,610	115,477	7,303,194
Deductions:					
Benefits	2,564,514	1,395,428	770,615	80,831	4,811,388
Administration	62	16	122	-	200
Total deductions	2,564,576	1,395,444	770,737	80,831	4,811,588
Change in net assets	1,512,290	532,797	411,873	34,646	2,491,606
Net Assets Held in Trust, beginning of year	39,554,089	16,768,811	10,489,680	705,629	67,518,209
Net Assets Held in Trust, end of year	\$ 41,066,379	\$ 17,301,608	\$ 10,901,553	\$ 740,275	\$ 70,009,815

TOWN OF NORTH HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2012

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 \$4,523,000 for the year ended June 30, 2012.

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 performed as of June 30, 2011. 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, 2012

Membership in the plan consisted of the following at June 30, 2011, the date of the last actuarial valuation.

Retirees and beneficiaries receiving benefits	200
Active plan members	594
Total	<u><u>794</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
6/30/10	\$ 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
6/30/12	\$ 5,104,911	\$ 1,661,416	32.5%	\$ 11,039,956

OPEB Obligation

Annual required contribution	\$ 5,042,106
Interest on net pension obligation	303,858
ARC adjustment	(241,053)
Annual OPEB cost	<u>5,104,911</u>
Contributions made	<u>(1,661,416)</u>
Increase in net OPEB liability	3,443,495
Net OPEB obligation, beginning of year	<u>7,596,461</u>
Net OPEB obligation, end of year	<u><u>\$ 11,039,956</u></u>

TOWN OF NORTH HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

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)
6/30/2011	\$ -	\$ 62,589,632	\$ 62,589,632	0%	\$ 39,961,944	157%

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, 2011
Actuarial Cost Method:	Projected Unit Credit
Asset Valuation Method:	Market Value
Amortization Method:	Payments increasing at 4.5%
Remaining Amortization Period:	30 Years Decreasing
Actuarial Assumptions:	
Discount rate	4.00%
Investment rate of return	4.00%
Inflation rate	4.50%
Health Cost Trend Rates:	Annual increases in premium for retired benefits are assumed to be as follows:

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

TOWN OF NORTH HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

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 10% per union bi-weekly for those new hires not eligible for the Town Pension Plans. Employees can elect to contribute up to IRS guidelines. 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 \$173,000 at June 30, 2012 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.

TOWN OF NORTH HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

Note 11. Fund Deficits

The Town has the following fund deficits at June 30, 2012:

	<u>Fund Deficit</u>
<u>Special Revenue Funds</u>	
BH Care	\$ (320)
<u>Capital Projects Funds</u>	
Sackett Point Road Bridge	(120,796)
Streetscapes	(4,481)
Valley Service Road	(37,117)
Todd Drive Drainage	(2,975)
Firehouse Renovations	(5,909)
Road Paving	(1,305)
Public Works Garage	(300,397)

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

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 and employee health, 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 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, 2012, 2011 and 2010.

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
2012	\$ 65,318	\$ 1,867,915	\$ 1,865,140	\$ 68,093
2011	\$ 85,680	\$ 1,718,041	\$ 1,738,403	\$ 65,318

TOWN OF NORTH HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

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 \$130,000 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, 2012, 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, its officers and employees, are defendants in numerous lawsuits. The outcome and eventual liability of the Town, if any, in these cases is not known at this time. Based upon consultation with legal counsel, the Town's management estimates that potential claims against the Town resulting from such litigation would not materially affect the financial position of the Town. The Town has recorded in the government-wide financial statements \$1,108,000 to cover probable claims.

TOWN OF NORTH HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

Note 15. Fund Balances

Below is a table of fund balance categories and classifications at June 30, 2012 for the Town governmental funds:

	General Fund	Nonmajor Governmental Funds
Fund balances:		
Non-spendable:		
Prepays	\$ 28,729	\$ 600
Inventory	-	8,631
Permanent funds	-	526,548
	<u>28,729</u>	<u>535,779</u>
Restricted:		
General government	-	5,000
Public safety	-	53,802
Public works	-	122,937
Health & Welfare	-	123,437
Education	-	414,417
Culture & Recreation	-	68,186
Capital projects	-	1,710,373
	<u>-</u>	<u>2,498,152</u>
Committed:		
Public safety	-	59,870
Education	-	124,452
Capital projects	-	1,581,659
Public works	-	65,149
	<u>-</u>	<u>1,831,130</u>
Assigned:		
General government	5,219,685	-
Culture & Recreation	184,568	-
Public safety	241,770	-
Health & Welfare	5,529	-
Education	204,442	-
Public works	47,343	-
Benefits and insurance	125,067	-
	<u>6,028,404</u>	<u>-</u>
Unassigned:		
General government	7,478,295	-
Fund deficit	-	(499,208)
	<u>7,478,295</u>	<u>(499,208)</u>
Total fund balance	<u>\$ 13,535,428</u>	<u>\$ 4,365,853</u>

TOWN OF NORTH HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

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, 2012 amounted to \$3,225,643 and consisted of the following:

	Amount	Date of Borrowing	Amortization Schedule
Sewer assessment and interest collections	\$ 1,585,578	Various	Unscheduled
Accumulated interest income and grant revenue associated with capital projects:			
Capital project:			
Loan grant	877,942	10/31/92	1992-2012
School renovations	433,214	9/1/97	1997-2018
Public building	72,321	6/15/02	2002-2022
North Haven High School	256,588	4/26/06	2006-2026
	<u>\$ 3,225,643</u>		

Note 17. Governmental Accounting Standards Board (GASB) Statements

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

Management has not currently determined what, if any, impact implementation of the following statements may have on the financial statements:

- 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

TOWN OF NORTH HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued June 30, 2012

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.
- GASB Statement No. 65, Items Previously Reported as Assets and Liabilities, was issued March 2012. This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. The provisions of this Statement will be effective for the Town beginning with its year ending June 30, 2014.
- GASB Statement No. 66, Technical Corrections—2012, was issued in March 2012. The objective of this Statement is to improve accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, and No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements. The provisions of this Statement will be effective for the Town beginning with its year ending June 30, 2014.
- GASB Statement No. 67, Financial Reporting for Pension Plans an amendment of GASB Statement No. 25, was issued in June 2012. The objective of this Statement is to improve financial reporting by state and local governmental pension plans. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency. This

TOWN OF NORTH HAVEN, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2012

Statement replaces the requirements of Statements No. 25, Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans, and No. 50, Pension Disclosures, as they relate to pension plans that are administered through trusts or equivalent arrangements (hereafter jointly referred to as trusts) that meet certain criteria. The requirements of Statements 25 and 50 remain applicable to pension plans that are not administered through trusts covered by the scope of this Statement and to defined contribution plans that provide postemployment benefits other than pensions. The provisions of this Statement will be effective for the Town beginning with its year ending June 30, 2014.

- GASB Statement No. 68, Accounting and Financial Reporting for Pensions, an amendment of GASB Statement No. 27, was issued in June 2012. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency. The provisions of this Statement will be effective for the Town beginning with its year ending June 30, 2015.

Note 18. Subsequent Event

On December 11, 2012, the Town issued \$6,460,000 of general obligation bonds that mature on December 1, 2027 and bear interest with rates of 2.0% to 3.0%.

**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, 2012

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
PROPERTY TAXES, INTEREST AND LIENS				
Current Taxes	\$ 73,067,853	\$ 73,067,853	\$ 72,862,497	\$ (205,356)
Arrears Taxes	675,000	675,000	570,198	(104,802)
Interest and Lines	450,000	450,000	478,512	28,512
Supplemental Auto Tax - Current	450,000	450,000	540,519	90,519
Personal Property Audit Taxes	150,000	150,000	109,411	(40,589)
Total Property Taxes, Interest and Liens	74,792,853	74,792,853	74,561,137	(231,716)
EDUCATION GRANTS				
Education Grant - ECS	3,174,940	3,174,940	3,226,981	52,041
School Transportation	60,358	60,358	46,428	(13,930)
Adult Education	13,665	13,665	13,561	(104)
School Building Grants	194,517	194,517	194,517	-
School Interest Subsidy	51,582	51,582	51,582	-
Total Education Grants	3,495,062	3,495,062	3,533,069	38,007
OTHER GOVERNMENT GRANTS				
Tax Relief-Elderly Disabled Homeowner	236,914	236,914	229,530	(7,384)
Tax Relief-Totally Disabled	4,095	4,095	4,060	(35)
Boat Grant	8,537	8,537	-	(8,537)
Telephone Access Line	114,826	114,826	97,746	(17,080)
PILOT	432,964	432,964	433,004	40
DOT Street Lighting	2,440	2,440	2,327	(113)
Tax Relief for Veterans	27,716	27,716	30,266	2,550
Property Tax Relief	202,250	202,250	188,064	(14,186)
Mashantucket Pequot	155,443	155,443	159,556	4,113
Machinery and Equipment Exemption	1,194,569	1,194,569	1,147,335	(47,234)
FEMA	-	-	197,327	197,327
Fire Safety Grant	86,680	86,680	86,680	-
Total Other Government Grants	2,466,434	2,466,434	2,575,895	109,461
INVESTMENT INCOME				
Interest on Short-Term Investments	125,000	125,000	39,310	(85,690)
Total Investment Income	125,000	125,000	39,310	(85,690)

See Note to Required Supplementary Information.

(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, 2012**

	Budgeted Amounts		Actual	Variance With
	Original	Final		Final Budget Positive (Negative)
TOWN REVENUE-GENERAL				
Sale of Town Property	2,500	2,500	495	(2,005)
In Lieu of Taxes	235,000	235,000	242,991	7,991
Rental Town Property	70,000	70,000	62,916	(7,084)
Parking Violation	4,000	4,000	2,375	(1,625)
Town Miscellaneous Receipts	250,000	250,000	238,606	(11,394)
Rent-Mill Road School	92,647	92,647	92,647	-
Town Revenue-General	654,147	654,147	640,030	(14,117)
LICENSES, PERMITS, FEES AND FINES				
Cemetery	50,000	50,000	53,098	3,098
Assessor's Office	1,000	1,000	810	(190)
Town Clerk Fees	300,000	300,000	319,060	19,060
Registrar of Vital Statistics	12,500	12,500	16,066	3,566
Miscellaneous Licenses/Permits	4,500	4,500	9,875	5,375
Alarm Use Fee	23,000	23,000	18,000	(5,000)
Police Photocopies	3,000	3,000	3,743	743
Dog License Fees	8,000	8,000	8,481	481
Building Fees	278,000	278,000	734,542	456,542
Engineering Fees	1,000	1,000	1,337	337
Road Permit Fees	12,000	12,000	7,705	(4,295)
Public Works Fees	2,000	2,000	1,665	(335)
Sale of Recyclables	300	300	585	285
Application Inspection	6,000	6,000	6,430	430
P&Z Commission Fees	11,000	11,000	8,009	(2,991)
Inland Wetlands Commission Fees	1,500	1,500	1,806	306
Community Service Fees	100,000	100,000	124,702	24,702
Zoning Board of Appeals	3,000	3,000	5,266	2,266
Total Licenses, Permits, Fees and Fines	816,800	816,800	1,321,180	504,380
Total Revenues	82,350,296	82,350,296	82,670,621	320,325

See Note to Required Supplementary Information.

(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, 2012

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
OTHER FINANCING SOURCES				
Transfer From Other Funds:				
Police Outside Duty	100,000	100,000	50,000	(50,000)
Sewer General	-	-	2,288	2,288
Appropriated fund balance	1,641,000	1,641,000	-	(1,641,000)
Total Other Financing Sources	1,741,000	1,741,000	52,288	(1,688,712)
Total Budgetary Revenue	\$ 84,091,296	\$ 84,091,296	82,722,909	\$ (1,368,387)

Budgetary Revenues are different than GAAP Revenues because:

State of Connecticut "on-behalf" contributions to the Connecticut State Teachers Retirement System for Town Teachers are not budgeted. 4,523,000

Revenues and transfers from other funds charged directly to reserve for debt retirement/claims 150,861

Reclassified to General Fund, as funds were previously reported as Special Revenue Fund, and no longer meet the definition in accordance with GASB No. 54 918,877

Capital lease proceeds 58,693

Cancellation of prior year encumbrances 197,325

Total revenues and other financing sources as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds - page 14. \$ 88,571,665

See Note to Required Supplementary Information.

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, 2012

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES				
Current:				
General Government:				
Selectmen	\$ 152,759	\$ 157,249	\$ 157,249	\$ -
Town Clerk	166,429	156,740	156,740	-
Election	99,600	94,928	94,928	-
Legal	199,800	239,076	239,076	-
Probate Court	6,700	6,700	6,700	-
Economic Development	2,900	23,511	23,511	-
Land Use Administration	192,943	189,145	189,145	-
Planning and Zoning	15,900	8,921	8,921	-
Inland Wetlands Commission	9,250	2,977	2,977	-
Zoning Board of Appeals	6,300	6,805	6,805	-
Building Inspection/Permit	202,296	233,522	233,522	-
Public Libraries	921,715	863,938	863,938	-
Cemetery Commission	58,600	55,144	55,144	-
Treasurer Finance	492,409	496,902	496,902	-
Board of Finance	9,250	4,568	4,568	-
Contingent Fund	300,000	-	-	-
Annual/special Audit	72,000	56,180	56,180	-
Personnel Policy Expenses	400,547	311,807	311,807	-
Central Supply Services	309,825	369,132	369,132	-
Central Facilities	335,000	345,042	345,042	-
Information Technology	392,618	372,000	372,000	-
Assessor	229,925	245,158	245,158	-
Board of Assessment Appeals	2,350	477	477	-
Tax Collector	155,371	137,089	137,089	-
Insurance-General	898,319	853,968	853,968	-
Total General Government	5,632,806	5,230,979	5,230,979	-
Public Safety:				
Police	4,839,852	4,832,851	4,832,851	-
Animal Control/Dog Warden	85,884	88,266	88,266	-
Fire	3,339,795	3,374,056	3,374,056	-
Total Public Safety	8,265,531	8,295,173	8,295,173	-

See Note to Required Supplementary Information.

(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, 2012

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES, Continued				
Current, Continued:				
Public Works:				
Department of Public Works	234,837	268,646	268,646	-
Transfer Station/Recycling	436,168	526,339	526,339	-
Sanitation	1,491,636	1,447,226	1,447,226	-
Streets and Roads	2,102,131	2,102,972	2,102,972	-
Maintenance	260,193	250,473	250,473	-
Parks	262,700	296,701	296,701	-
Engineering	94,618	102,462	102,462	-
Total Public Works	4,882,283	4,994,819	4,994,819	-
Public Services				
Regional Health District	124,244	124,244	124,244	-
Regional Visiting Nurse Association	34,800	31,965	31,965	-
Community Services	411,654	452,318	452,318	-
Welfare	3,000	1,253	1,253	-
Senior Center	256,056	271,927	271,927	-
Total Public Services	829,754	881,707	881,707	-
Recreation	601,662	570,340	570,340	-
Total Recreation	601,662	570,340	570,340	-
Employee Benefits				
Pension and Social Security	4,806,419	4,974,888	4,974,888	-
Insurance Employees	5,053,310	4,945,967	4,945,967	-
Total Employee Benefits	9,859,729	9,920,855	9,920,855	-
Education	44,279,014	44,242,880	44,242,880	-
Total Education	44,279,014	44,242,880	44,242,880	-
Miscellaneous				
Miscellaneous	415,582	353,235	353,235	-
Utilities	1,105,000	1,095,655	1,095,655	-
Total Miscellaneous	1,520,582	1,448,890	1,448,890	-

See Note to Required Supplementary Information.

(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, 2012

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES, Continued				
Current, Continued:				
Capital	1,122,691	1,134,622	1,134,622	-
Total Capital	1,122,691	1,134,622	1,134,622	-
Debt Service				
Principal	4,641,906	4,641,821	4,641,821	-
Interest	2,168,426	2,168,513	2,168,513	-
Total Debt Service	6,810,332	6,810,334	6,810,334	-
Total Expenditures	83,804,384	83,530,599	83,530,599	-
OTHER FINANCING USES				
Operating Transfers Out:				
Capital Improvement	176,912	176,912	176,912	-
State/ Federal Grants	110,000	110,000	110,000	-
Total Other Financing Uses	286,912	286,912	286,912	-
Total Budgetary Expenditures	<u>\$ 84,091,296</u>	<u>\$ 83,817,511</u>	83,817,511	<u>\$ -</u>

Budgetary Expenditures are different than GAAP Expenditures because:

State of Connecticut "on-behalf" payments to the Connecticut State Teachers Retirement System for Town Teachers are not budgeted. 4,523,000

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. (508,687)

Reclassified to General Fund, as funds were previously reported as Special Revenue Fund, and no longer meet the definition in accordance with GASB No. 54 1,105,340

Capital outlay 58,693

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. 463,310

Total expenditures and other financing uses as reported in the statement of revenues, expenditures and changes in fund balances - governmental funds - Page 14. \$ 89,459,167

See Note to Required Supplementary Information.

THE TOWN OF NORTH HAVEN, CONNECTICUT

REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF FUNDING PROGRESS - PENSIONS
 June 30, 2012

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)
General Employees:						
7/1/11	\$ 39,535,130	\$ 53,669,768	\$ 14,134,638	73.66%	\$ 8,172,229	172.96%
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
Police Department:						
7/1/11	N/A	N/A	N/A	N/A	N/A	N/A
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%
Fire Department:						
7/1/11	N/A	N/A	N/A	N/A	N/A	N/A
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%
Volunteer Fire:						
7/1/11	\$ 705,629	\$ 931,596	\$ 225,967	75.74%	N/A	N/A
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
Elected Officials:						
7/1/11	\$ -	\$ 1,378,759	\$ 1,378,759	0.0%	\$ 173,558	794.41%
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

THE TOWN OF NORTH HAVEN, CONNECTICUT

REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF EMPLOYER CONTRIBUTIONS - PENSIONS
 June 30, 2012

SCHEDULE OF EMPLOYER CONTRIBUTIONS - PENSIONS

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
2012	\$ 1,913,252	100.0%	\$ 1,143,362	100.0%	\$ 689,471	100.0%
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%

Year Ended June 30,	Volunteer Firefighters		Elected Officials	
	Annual Required Contribution	Percentage Contributed	Annual Required Contribution	Percentage Contributed
2012	\$ 68,415	100.0%	\$ 153,161	98.0%
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%

THE TOWN OF NORTH HAVEN, CONNECTICUT

REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULES OF FUNDING PROGRESS AND EMPLOYER CONTRIBUTIONS - OPEB
 June 30, 2012

SCHEDULE OF FUNDING PROGRESS - OPEB

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	(Over) Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
6/30/2011	\$ -	\$ 62,589,632	\$ 62,589,632	0.00%	\$ 39,961,944	157%
6/30/2009	-	53,767,756	53,767,756	0.00%	40,108,760	134%

SCHEDULE OF EMPLOYER CONTRIBUTIONS - OPEB

Year Ended June 30,	Annual Required Contribution	Percentage Contributed
2012	\$ 5,042,106	33.0%
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, 2012

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, 2012 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 SHEETS
June 30, 2012 and 2011**

	<u>2012</u>	<u>2011</u>
ASSETS		
Cash and cash equivalents	\$ 16,495,034	\$ 16,941,649
Receivables (net of allowances for collection losses):		
State and federal grants	1,751,581	1,330,048
Sewer assessments receivable	196,649	161,649
Property taxes	3,631,160	3,572,594
Other	60,761	40,534
Due from other funds	453,116	744,018
Prepayments	28,729	46,092
Total assets	\$ 22,617,030	\$ 22,836,584
LIABILITIES AND FUND EQUITY		
Accounts payable	\$ 2,818,693	\$ 2,357,353
Unearned revenues	233,632	563,629
Deferred revenue	4,796,643	4,674,055
Due to other funds	1,232,634	818,617
Total liabilities	9,081,602	8,413,654
Fund Equity:		
Nonspendable	28,729	46,092
Assigned	6,028,404	5,756,926
Unassigned	7,478,295	8,619,912
Total fund equity	13,535,428	14,422,930
Total liabilities and fund equity	\$ 22,617,030	\$ 22,836,584

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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.

BH Care

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 Connecticut grant and State Library grant received from the State.

Retired Teachers Health Insurance

To account for medical premium expenditures for retired teachers reimbursed by the State.

Special Revenue Funds, Continued

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.

ADA Grant

To account for Town expenditures related to Town Hall compliance with the American With Disabilities Act.

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.

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

Valley Service Road

To account for expenditures on Valley Service Road.

Town Improvements

To account for expenditures of DEFCO 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.

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.

Road Paving

To account for the expenditures associated with the paving and milling of approximately 20 miles of town roadways. This project is being financed through a bonding package.

Public Works Garage

To account for the expenditures associated with the design and construction of a public works garage. This project is being financed through a bonding package.

Firehouse Renovations

To account for the expenditures associated with the design and renovation of four firehouses. This project is being financed through a bonding package.

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.

Permanent Funds, Continued

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.

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.

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.

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.

TOWN OF NORTH HAVEN, CONNECTICUT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2012

	Special Revenue Funds										
	State Grant P.A. 701	Community Services	School Cafeteria	DCYS Grant	Crime Control Seizure	Education Grants	Substance Abuse Prevention Council Grant	Day Care	Equipment Replacement		
ASSETS											
Cash and cash equivalents	\$ -	\$ 46,275	\$ 62,342	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-	-	-	-	-	-	-
Receivables:											
Intergovernmental	-	-	38,741	-	-	136,925	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-
Prepays	-	-	-	-	11,203	-	-	-	-	-	-
Due from other funds	122,937	-	-	-	-	772,518	3,064	52,971	-	65,149	-
Inventories	-	-	8,631	-	-	-	-	-	-	-	-
Total assets	\$ 122,937	\$ 46,275	\$ 109,714	\$ -	\$ 11,203	\$ 909,443	\$ 3,064	\$ 52,971	\$ -	\$ 65,149	\$ -
LIABILITIES AND FUND BALANCES (DEFICITS)											
LIABILITIES											
Accounts payable	\$ -	\$ -	\$ 75,255	\$ -	\$ -	\$ 87,735	\$ -	\$ -	\$ -	\$ -	\$ -
Unearned revenue	-	-	-	-	-	736,248	-	-	-	-	-
Due to other funds	-	-	-	-	-	44,818	-	-	-	-	-
Total liabilities	-	-	75,255	-	-	868,801	-	-	-	-	-
FUND BALANCES (DEFICITS)											
Nonspendable	-	-	8,631	-	-	-	-	-	-	-	-
Restricted	122,937	46,275	25,828	-	11,203	40,642	3,064	52,971	-	65,149	-
Committed	-	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-	-
Total fund balances (deficits)	122,937	46,275	34,459	-	11,203	40,642	3,064	52,971	-	65,149	-
Total liabilities and fund balances (deficits)	\$ 122,937	\$ 46,275	\$ 109,714	\$ -	\$ 11,203	\$ 909,443	\$ 3,064	\$ 52,971	\$ -	\$ 65,149	\$ -

TOWN OF NORTH HAVEN, CONNECTICUT

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS, Continued
June 30, 2012

	Special Revenue Funds									
	BH Care	Police Outside Duty	Fire Outside Duty	Library Grant	Retired Teachers Health Insurance	Board of Education Scholarship Funds	Emergency Fund	Show and Sell		
ASSETS										
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ 13,628	\$ 262,607	\$ 56,199	\$ -		
Investments	-	-	-	-	-	-	-	-		
Receivables:										
Intergovernmental	5,119	-	-	-	-	-	-	-		
Other	-	-	-	-	-	-	-	-		
Prepays	-	-	-	-	-	-	600	-		
Due from other funds	-	45,965	13,905	21,175	-	-	-	-		736
Inventories	-	-	-	-	-	-	-	-		-
Total assets	\$ 5,119	\$ 45,965	\$ 13,905	\$ 21,175	\$ 13,628	\$ 262,607	\$ 56,799	\$ -		\$ 736
LIABILITIES AND FUND BALANCES (DEFICITS)										
LIABILITIES										
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 8,654	\$ -	\$ -	\$ -		
Unearned revenue	-	-	-	-	-	-	-	-		-
Due to other funds	5,439	-	-	-	-	-	-	-		-
Total liabilities	5,439	-	-	-	8,654	-	-	-		-
FUND BALANCES (DEFICITS)										
Nonspendable	-	-	-	-	-	-	600	-		-
Restricted	-	-	-	21,175	4,974	262,607	56,199	-		736
Committed	-	45,965	13,905	-	-	-	-	-		-
Unassigned	(320)	-	-	-	-	-	-	-		-
Total fund balances (deficits)	(320)	45,965	13,905	21,175	4,974	262,607	56,799	-		736
Total liabilities and fund balances (deficits)	\$ 5,119	\$ 45,965	\$ 13,905	\$ 21,175	\$ 13,628	\$ 262,607	\$ 56,799	\$ -		\$ 736

(Continued)

TOWN OF NORTH HAVEN, CONNECTICUT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS, Continued
 June 30, 2012

	Special Revenue Funds				Capital Projects Funds				
	Firemen's Benevolent	State/Federal Grants	Workforce Alliance	ADA Grant	North Haven High School	Capital Improvement	Sackett Point Road Bridge	Streetscapes	Valley Service Road
ASSETS									
Cash and cash equivalents	\$ 53,802	\$ -	\$ -	\$ 5,000	\$ 2,488,438	\$ 1,624,426	\$ -	\$ -	\$ -
Investments	-	-	-	-	-	-	-	-	-
Receivables:									
Intergovernmental	-	7,497	-	-	-	-	-	38,057	-
Other	-	-	-	-	-	-	-	-	-
Prepays	-	-	-	-	-	-	-	-	-
Due from other funds	-	119,981	19,079	-	-	-	-	-	-
Inventories	-	-	-	-	-	-	-	-	-
Total assets	\$ 53,802	\$ 127,478	\$ 19,079	\$ 5,000	\$ 2,488,438	\$ 1,624,426	\$ -	\$ 38,057	\$ -
LIABILITIES AND FUND BALANCES (DEFICITS)									
LIABILITIES									
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 731,524	\$ -	\$ 6,058	\$ -	\$ -
Unearned revenue	-	102,867	-	-	-	42,005	-	-	-
Due to other funds	-	-	-	-	46,541	762	114,738	42,538	37,117
Total liabilities	-	102,867	-	-	778,065	42,767	120,796	42,538	37,117
FUND BALANCES (DEFICITS)									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	53,802	24,611	19,079	5,000	1,710,373	-	-	-	-
Committed	-	-	-	-	-	1,581,659	-	-	-
Unassigned	-	-	-	-	-	-	(120,796)	(4,481)	(37,117)
Total fund balances (deficits)	53,802	24,611	19,079	5,000	1,710,373	1,581,659	(120,796)	(4,481)	(37,117)
Total liabilities and fund balances (deficits)	\$ 53,802	\$ 127,478	\$ 19,079	\$ 5,000	\$ 2,488,438	\$ 1,624,426	\$ -	\$ 38,057	\$ -

(Continued)

TOWN OF NORTH HAVEN, CONNECTICUT

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS, Continued
June 30, 2012

		Capital Projects						
		Town Improvements	BOE Capital Improvement	Todd Drive Drainage	Local Capital Improvement Program	Road Paving	Public Works Garage	Firehouse Renovations
ASSETS								
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-	-	-	-
Receivables:								
Intergovernmental	-	-	-	-	-	-	-	-
Other	-	110,000	-	-	-	-	-	-
Prepays	-	-	-	-	-	-	-	-
Due from other funds	-	14,452	-	-	-	-	-	-
Inventories	-	-	-	-	-	-	-	-
Total assets	\$ -	\$ 124,452	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
LIABILITIES AND FUND BALANCES (DEFICITS)								
LIABILITIES								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 174,057	\$ -
Unearned revenue	-	-	-	-	-	-	-	-
Due to other funds	-	-	2,975	-	-	1,305	126,340	5,909
Total liabilities	-	-	2,975	-	-	1,305	300,397	5,909
FUND BALANCES (DEFICITS)								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-
Committed	-	124,452	-	-	-	-	-	-
Unassigned	-	-	(2,975)	-	(1,305)	-	(300,397)	(5,909)
Total fund balances (deficits)	-	124,452	(2,975)	-	(1,305)	-	(300,397)	(5,909)
Total liabilities and fund balances (deficits)	\$ -	\$ 124,452	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

TOWN OF NORTH HAVEN, CONNECTICUT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS, Continued
 June 30, 2012

		Permanent Funds							
		Bradley Trust	Stiles Library Maintenance	Banton Civic Association Scholarship	Walter Kraemer Memorial	William E. Dickerman Memorial	Walter T. Berniere Scholarship	Roger Blood Memorial	
ASSETS									
Cash and cash equivalents	\$	3,884	\$ 25,167	\$ 3,252	\$ 1,755	\$ 78,747	\$ 13,637	\$ 15,230	
Investments		-	-	-	-	-	-	-	
Receivables:									
Intergovernmental		-	-	-	-	-	-	-	
Other		-	-	-	-	-	-	-	
Prepays		-	-	-	-	-	-	-	
Due from other funds		-	-	-	-	-	-	-	
Inventories		-	-	-	-	-	-	-	
Total assets	\$	3,884	\$ 25,167	\$ 3,252	\$ 1,755	\$ 78,747	\$ 13,637	\$ 15,230	
LIABILITIES AND FUND BALANCES (DEFICITS)									
LIABILITIES									
Accounts payable	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Unearned revenue		-	-	-	-	-	-	-	
Due to other funds		-	-	-	-	-	-	-	
Total liabilities		-	-	-	-	-	-	-	
FUND BALANCES (DEFICITS)									
Nonspendable		2,500	10,000	3,250	1,675	68,297	10,000	10,000	
Restricted		1,384	15,167	2	80	10,450	3,637	5,230	
Committed		-	-	-	-	-	-	-	
Unassigned		-	-	-	-	-	-	-	
Total fund balances (deficits)		3,884	25,167	3,252	1,755	78,747	13,637	15,230	
Total liabilities and fund balances (deficits)	\$	3,884	\$ 25,167	\$ 3,252	\$ 1,755	\$ 78,747	\$ 13,637	\$ 15,230	

(Continued)

TOWN OF NORTH HAVEN, CONNECTICUT

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS, Continued
June 30, 2012

	Permanent Funds						Totals
	Louis & Mary Tagliatella Foundation Scholarship	Louis Mastroianni Endowment Fund	Lester W. Gott Scholarship	Abercrombie Scholarship	Carol E. White Endowment Fund	Cemetery Perpetual Care	
ASSETS							
Cash and cash equivalents	\$ 65,083	\$ 5,353	\$ 30,553	\$ 11,433	\$ 10,217	\$ 25,041	\$ 4,902,069
Investments	-	-	-	-	-	275,839	275,839
Receivables:							
Intergovernmental	-	-	-	-	-	-	226,339
Other	-	-	-	-	-	-	110,000
Prepays	-	-	-	-	-	-	600
Due from other funds	-	-	-	-	-	-	1,263,135
Inventories	-	-	-	-	-	-	8,631
Total assets	\$ 65,083	\$ 5,353	\$ 30,553	\$ 11,433	\$ 10,217	\$ 300,880	\$ 6,786,613
LIABILITIES AND FUND BALANCES (DEFICITS)							
LIABILITIES							
Accounts payable	-	-	-	-	-	-	\$ 1,083,283
Unearned revenue	-	-	-	-	-	-	881,120
Due to other funds	-	-	-	-	-	27,875	456,357
Total liabilities	-	-	-	-	-	27,875	2,420,760
FUND BALANCES (DEFICITS)							
Nonspendable	65,000	5,000	30,503	11,410	10,000	298,913	535,779
Restricted	83	353	50	23	217	-	2,498,152
Committed	-	-	-	-	-	-	1,831,130
Unassigned	-	-	-	-	-	(25,908)	(499,208)
Total fund balances (deficits)	65,083	5,353	30,553	11,433	10,217	273,005	4,365,853
Total liabilities and fund balances (deficits)	\$ 65,083	\$ 5,353	\$ 30,553	\$ 11,433	\$ 10,217	\$ 300,880	\$ 6,786,613

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, 2012

	Special Revenue Funds									
	Slate Grant P.A. 701	Community Services	School Cafeteria	DCYS Grant	Crime Control Seizure	Education Grants	Substance Abuse Prevention Council Grant	Day Care	Equipment Replacement	
REVENUES										
Charges for services		\$ -	\$ 830,672	\$ -	\$ -	\$ -	\$ -	\$ 95,032	\$ -	
Intergovernmental	181,685	-	211,506	23,593	9,320	2,795,535	8,490	249,536	-	
Investment income	-	-	-	-	-	-	-	-	-	
Net increase in fair value	-	-	-	-	-	-	-	-	-	
of investments	-	16,330	-	-	-	-	-	-	-	
Contributions	-	-	-	-	-	-	-	-	-	
Other	-	-	-	-	-	-	-	-	-	15,078
Total revenues	181,685	16,330	1,042,178	23,593	9,320	2,795,535	8,490	344,568	15,078	
EXPENDITURES										
Current:										
General government	-	-	-	-	-	-	-	-	-	
Public safety	-	-	-	-	2,827	-	-	-	-	
Public works	448,005	-	-	-	-	-	-	-	29,675	
Health and welfare	-	-	-	23,593	-	-	5,426	302,693	-	
Culture and recreation	-	14,793	-	-	-	-	-	-	-	
Education	-	-	1,022,605	-	-	2,795,535	-	-	-	
Capital outlay	-	-	-	-	-	-	-	-	-	
Total expenditures	448,005	14,793	1,022,605	23,593	2,827	2,795,535	5,426	302,693	29,675	
Revenues over (under)	(266,320)	1,537	19,573	-	6,493	-	3,064	41,875	(14,597)	
OTHER FINANCING SOURCES (USES)										
Transfers in	-	-	-	-	-	-	-	-	-	
Transfers out	-	-	-	-	-	-	-	-	-	
Net other financing sources (uses)	-	-	-	-	-	-	-	-	-	
Net change in fund balances (deficits)	(266,320)	1,537	19,573	-	6,493	-	3,064	41,875	(14,597)	
FUND BALANCES (DEFICITS), beginning of year	389,257	44,738	14,886	-	4,710	40,642	-	11,096	79,746	
FUND BALANCES (DEFICITS), end of year	\$ 122,937	\$ 46,275	\$ 34,459	\$ -	\$ 11,203	\$ 40,642	\$ 3,064	\$ 52,971	\$ 65,149	

(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, 2012

	Special Revenue							Show and Sell
	BH Care	Police Outside Duty	Fire Outside Duty	Library Grant	Retired Teachers Health Insurance	Board of Education Scholarship Fund	Emergency Fund	
REVENUES								
Charges for services	\$ -	\$ 554,592	\$ 18,406	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	20,475	-	-	7,115	96,140	-	-	-
Investment income	-	-	-	-	-	42	-	-
Net increase in fair value of investments	-	-	-	-	-	-	-	-
Contributions	-	-	-	-	-	20,666	8,667	3,800
Other	-	-	-	-	-	-	-	-
Total revenues	20,475	554,592	18,406	7,115	96,140	20,708	8,667	3,800
EXPENDITURES								
Current:								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Public works	-	486,313	15,028	-	-	-	-	-
Health and welfare	20,795	-	-	-	-	-	11,212	-
Culture and recreation	-	-	-	4,722	100,724	21,340	-	4,879
Education	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	20,795	486,313	15,028	4,722	100,724	21,340	11,212	4,879
Revenues over (under) expenditures	(320)	69,279	3,378	2,393	(4,584)	(632)	(2,545)	(1,079)
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	(50,000)	-	-	-	-	-	-
Net other financing sources (uses)	-	(50,000)	-	-	-	-	-	-
Net change in fund balances (deficits)	(320)	18,279	3,378	2,393	(4,584)	(632)	(2,545)	(1,079)
FUND BALANCES (DEFICITS), beginning of year	-	27,686	10,527	18,782	9,558	263,239	59,344	1,815
FUND BALANCES (DEFICITS), end of year	\$ (320)	\$ 45,965	\$ 13,905	\$ 21,175	\$ 4,974	\$ 262,607	\$ 56,799	\$ 736

(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, 2012

	Special Revenue Funds				Capital Projects Funds				
	Firemen's Benevolent	State/Federal Grants	Workforce Alliance	ADA Grant	North Haven High School	Capital Improvement	Sackett Point Road Bridge	Streetscapes	Valley Service Road
REVENUES									
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	296,386	29,500	21,300	-	-	-	-	357
Investment income	27	-	-	-	-	-	-	-	-
Net increase in fair value of investments	-	-	-	-	3,869	-	-	-	-
Contributions	-	100	-	-	-	-	-	-	-
Other	-	15,655	-	-	-	-	-	-	-
Total revenues	27	312,141	29,500	21,300	3,869	-	-	-	357
EXPENDITURES									
Current:									
General government	-	-	-	16,300	-	-	-	-	-
Public safety	-	4,430	-	-	-	-	-	-	-
Public works	-	69,188	-	-	-	159,329	-	-	-
Health and welfare	-	34,427	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-
Education	-	183,505	54,499	-	2,000	-	53,796	-	10,176
Capital outlay	-	-	-	-	10,260	-	-	-	-
Total expenditures	-	291,550	54,499	16,300	12,260	159,329	53,796	-	10,176
Revenues over (under) expenditures	27	20,591	(24,999)	5,000	(8,391)	(159,329)	(53,796)	-	(9,819)
OTHER FINANCING SOURCES (USES)									
Transfers in	-	-	-	-	-	176,912	-	-	-
Transfers out	-	(2,288)	-	-	-	-	-	-	-
Net other financing sources (uses)	-	(2,288)	-	-	-	176,912	-	-	-
Net change in fund balances (deficits)	27	18,303	(24,999)	5,000	(8,391)	17,583	(53,796)	-	(9,819)
FUND BALANCES (DEFICITS), beginning of year	53,775	6,308	44,078	-	1,718,764	1,564,076	(67,000)	(4,481)	(27,298)
FUND BALANCES (DEFICITS), end of year	\$ 53,802	\$ 24,611	\$ 19,079	\$ 5,000	\$ 1,710,373	\$ 1,581,659	\$ (120,796)	\$ (4,481)	\$ (37,117)

(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, 2012

	Capital Project Funds						
	Town Improvements	BOE Capital Improvement	Todd Drive Drainage	Local Capital Improvement Program	Road Paving	Public Works Garage	Firehouse Renovations
REVENUES							
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	44,468	450,000	-	-	-
Investment income	-	-	-	-	-	-	-
Net increase in fair value of investments	-	-	-	-	-	-	-
Contributions	-	-	-	-	-	-	-
Other	5,000	-	-	-	-	-	-
Total revenues	5,000	-	44,468	450,000	-	-	-
EXPENDITURES							
Current:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	5,909
Public works	-	-	-	450,000	1,305	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-
Capital outlay	-	236,968	42,133	-	-	300,397	-
Total expenditures	-	236,968	42,133	450,000	1,305	300,397	5,909
Revenues over (under) expenditures	5,000	(236,968)	2,335	-	(1,305)	(300,397)	(5,909)
OTHER FINANCING SOURCES (USES)							
Transfers in	-	110,000	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Net other financing sources (uses)	-	110,000	-	-	-	-	-
Net change in fund balances (deficits)	5,000	(126,968)	2,335	-	(1,305)	(300,397)	(5,909)
FUND BALANCES (DEFICITS), beginning of year	(5,000)	251,420	(5,310)	-	-	-	-
FUND BALANCES (DEFICITS), end of year	\$ -	\$ 124,452	\$ (2,975)	\$ -	\$ (1,305)	\$ (300,397)	\$ (5,909)

(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, 2012

	Permanent Funds						
	Bradley Trust	Stiles Library Maintenance	Bantou Civic Association Scholarship	Walter Kraemer Memorial	William E. Dickerman Memorial	Walter T. Berniere Scholarship	Roger Blood Memorial
REVENUES							
Charges for services	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Investment income	9	17	7	4	167	31	32
Net increase in fair value of investments	-	-	-	-	-	-	-
Contributions	-	-	-	-	-	4,770	-
Other	-	-	-	-	-	-	-
Total revenues	9	17	7	4	167	4,801	32
EXPENDITURES							
Current:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	194	50	139	-	5,750	31
Education	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Total expenditures	-	194	50	139	-	5,750	31
Revenues over (under) expenditures	9	(177)	(43)	(135)	167	(949)	1
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Net other financing sources (uses)	-	-	-	-	-	-	-
Net change in fund balances (deficits)	9	(177)	(43)	(135)	167	(949)	1
FUND BALANCES (DEFICITS), beginning of year	3,875	25,344	3,295	1,890	78,580	14,586	15,229
FUND BALANCES (DEFICITS), end of year	\$ 3,884	\$ 25,167	\$ 3,252	\$ 1,755	\$ 78,747	\$ 13,637	\$ 15,230

(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, 2012

	Permanent Funds						Totals
	Louis & Mary Tagliatella Foundation Scholarship	Louis Mastroianni Endowment Fund	Lester W. Gott Scholarship	Abercrombie Scholarship	Carol E. White Endowment Fund	Cemetery Perpetual Funds	
REVENUES							
Charges for services	-	-	-	-	-	-	\$ 1,498,702
Intergovernmental	-	-	-	-	-	-	4,445,406
Investment income	139	12	65	24	22	892	1,490
Net increase in fair value of investments	-	-	-	-	-	-	3,869
Contributions	-	-	-	-	-	-	54,333
Other	-	-	-	-	-	-	35,733
Total revenues	139	12	65	24	22	892	6,039,533
EXPENDITURES							
Current:							
General government	-	-	-	-	-	-	16,300
Public safety	-	-	-	-	-	-	13,166
Public works	-	-	-	-	-	-	1,658,843
Health and welfare	-	-	-	-	-	-	398,146
Culture and recreation	100	-	50	49	-	27,875	58,632
Education	-	-	-	-	-	-	4,180,208
Capital outlay	-	-	-	-	-	-	653,730
Total expenditures	100	-	50	49	-	27,875	6,079,025
Revenues over (under) expenditures	39	12	15	(25)	22	(26,983)	(939,492)
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	-	-	-	-	286,912
Transfers out	-	-	-	-	-	-	(52,288)
Net other financing sources (uses)	-	-	-	-	-	-	234,624
Net change in fund balances (deficits)	39	12	15	(25)	22	(26,983)	(704,868)
FUND BALANCES (DEFICITS), beginning of year	65,044	5,341	30,538	11,458	10,195	299,988	5,070,721
FUND BALANCES (DEFICITS), end of year	\$ 65,083	\$ 5,353	\$ 30,553	\$ 11,433	\$ 10,217	\$ 273,005	\$ 4,365,853

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, 2012

	Town		Board of Education		Total
	Dental Self-Insurance Fund	Prescription Self-Insurance Fund	Dental Self-Insurance Fund	Prescription Self-Insurance Fund	
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 143,885	\$ 124,490	\$ 23,511	\$ 132,429	\$ 424,315
Accounts receivable	-	-	10,936	65,663	76,599
Total current assets	<u>143,885</u>	<u>124,490</u>	<u>34,447</u>	<u>198,092</u>	<u>500,914</u>
Total assets	<u>143,885</u>	<u>124,490</u>	<u>34,447</u>	<u>198,092</u>	<u>500,914</u>
LIABILITIES					
Current liabilities:					
Accounts payable	15,632	-	17,228	66,627	99,487
Claims payable	9,118	22,601	11,721	24,653	68,093
Total current liabilities	<u>24,750</u>	<u>22,601</u>	<u>28,949</u>	<u>91,280</u>	<u>167,580</u>
Total liabilities	<u>24,750</u>	<u>22,601</u>	<u>28,949</u>	<u>91,280</u>	<u>167,580</u>
NET ASSETS					
Unrestricted	<u>\$ 119,135</u>	<u>\$ 101,889</u>	<u>\$ 5,498</u>	<u>\$ 106,812</u>	<u>\$ 333,334</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, 2012

	Town		Board of Education		Total
	Dental Self-Insurance Fund	Prescription Self-Insurance Fund	Dental Self-Insurance Fund	Prescription Self-Insurance Fund	
OPERATING REVENUES					
Premiums and other	\$ 279,074	\$ 658,331	\$ 292,848	\$ 766,800	\$ 1,997,053
Total operating revenues	<u>279,074</u>	<u>658,331</u>	<u>292,848</u>	<u>766,800</u>	<u>1,997,053</u>
OPERATING EXPENSES					
Claims	207,339	667,293	269,039	724,242	1,867,913
Administration and operations	19,639	5,052	26,403	10,048	61,142
Total operating expenses	<u>226,978</u>	<u>672,345</u>	<u>295,442</u>	<u>734,290</u>	<u>1,929,055</u>
Operating income (loss)	52,096	(14,014)	(2,594)	32,510	67,998
FUND NET ASSETS, beginning	<u>67,039</u>	<u>115,903</u>	<u>8,092</u>	<u>74,302</u>	<u>265,336</u>
FUND NET ASSETS, ending	<u>\$ 119,135</u>	<u>\$ 101,889</u>	<u>\$ 5,498</u>	<u>\$ 106,812</u>	<u>\$ 333,334</u>

TOWN OF NORTH HAVEN, CONNECTICUT

COMBINING STATEMENT OF CASH FLOWS - INTERNAL SERVICE FUNDS
For the Year Ended June 30, 2012

	Town		Board of Education		Total
	Dental Self-Insurance Fund	Prescription Self-Insurance Fund	Dental Self-Insurance Fund	Prescription Self-Insurance Fund	
Cash Flows From Operating Activities					
Cash received from charges for services	\$ 279,074	\$ 658,331	\$ 281,912	\$ 701,137	\$ 1,920,454
Cash paid to vendors and beneficiaries	(235,232)	(668,759)	(304,025)	(716,163)	(1,924,179)
Net cash provided by (used in) operating activities	<u>43,842</u>	<u>(10,428)</u>	<u>(22,113)</u>	<u>(15,026)</u>	<u>(3,725)</u>
Net increase (decrease) in cash and cash equivalents	43,842	(10,428)	(22,113)	(15,026)	(3,725)
Cash and Cash Equivalents					
Beginning	<u>100,043</u>	<u>134,918</u>	<u>45,624</u>	<u>147,455</u>	<u>428,040</u>
Ending	<u>\$ 143,885</u>	<u>\$ 124,490</u>	<u>\$ 23,511</u>	<u>\$ 132,429</u>	<u>\$ 424,315</u>
Reconciliation of Operating Income (Loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	\$ 52,096	\$ (14,014)	\$ (2,594)	\$ 32,510	\$ 67,998
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Changes in assets and liabilities:					
Increase in accounts receivable	-	-	(10,936)	(65,663)	(76,599)
Increase (Decrease) in accounts payable	(6,726)	(1,428)	(5,932)	16,187	2,101
Increase (Decrease) in claims payable	(1,528)	5,014	(2,651)	1,940	2,775
Net cash provided by (used in) operating activities	<u>\$ 43,842</u>	<u>\$ (10,428)</u>	<u>\$ (22,113)</u>	<u>\$ (15,026)</u>	<u>\$ (3,725)</u>

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Fiduciary Funds

TOWN OF NORTH HAVEN, CONNECTICUT

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUNDS
For the Year Ended June 30, 2012

	Balance July 1, 2011	Additions	Deductions	Balance June 30, 2012
SCHOOL ACTIVITY FUND				
Assets:				
Cash and cash equivalents	\$ 77,393	\$ 164,829	\$ 159,758	\$ 82,464
Total assets	\$ 77,393	\$ 164,829	\$ 159,758	\$ 82,464
Liabilities:				
Accounts payable	\$ 77,393	\$ 164,829	\$ 159,758	\$ 82,464
Total liabilities	\$ 77,393	\$ 164,829	\$ 159,758	\$ 82,464
PERFORMANCE BONDS				
Assets:				
Cash and cash equivalents	\$ 1,838,661	\$ 59,751	\$ 372,881	\$ 1,525,531
Total assets	\$ 1,838,661	\$ 59,751	\$ 372,881	\$ 1,525,531
Liabilities:				
Accounts payable	\$ 1,838,661	\$ 59,751	\$ 372,881	\$ 1,525,531
Total liabilities	\$ 1,838,661	\$ 59,751	\$ 372,881	\$ 1,525,531
TOTAL				
Assets:				
Cash and cash equivalents	\$ 1,916,054	\$ 224,580	\$ 532,639	\$ 1,607,995
Total assets	\$ 1,916,054	\$ 224,580	\$ 532,639	\$ 1,607,995
Liabilities:				
Accounts payable	\$ 1,916,054	\$ 224,580	\$ 532,639	\$ 1,607,995
Total liabilities	\$ 1,916,054	\$ 224,580	\$ 532,639	\$ 1,607,995

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



TOWN OF NORTH HAVEN, CONNECTICUT

SCHEDULE BY CATEGORY AND SOURCE

June 30, 2012

CAPITAL ASSETS

Land	\$ 2,526,507
Land improvements	1,281,565
Buildings	124,105,936
Computer equipment	722,300
Machinery and equipment	14,960,256
Infrastructure	27,266,446
Total capital assets	<u>\$ 170,863,010</u>

Investments in governmental funds capital assets:

Assets put into service prior to July 1, 2012	<u>\$ 170,863,010</u>
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Other Schedules



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TOWN OF NORTH HAVEN, CONNECTICUT

BALANCE SHEET - BY ACCOUNT - GENERAL FUND
June 30, 2012

	General Fund	Economic Development	Board of Education	Community Services Recreation
ASSETS				
Cash and cash equivalents	\$ 16,316,311	\$ -	\$ 178,723	\$ -
Receivables:				
Property taxes	3,631,160	-	-	-
Assessments and user charges	196,649	-	-	-
Intergovernmental	1,751,581	-	-	-
Other	60,761	-	-	-
Prepays	13,589	-	-	15,140
Due from other funds	453,116	10,000	-	301,990
Total assets	\$ 22,423,167	\$ 10,000	\$ 178,723	\$ 317,130
LIABILITIES AND FUND BALANCES (DEFICITS)				
LIABILITIES				
Accounts payable	2,818,693	-	-	-
Deferred revenue	4,796,643	-	-	-
Unearned revenue	75,361	-	-	158,271
Due to other funds	1,614,255	-	-	-
Total liabilities	9,304,952	-	-	158,271
FUND BALANCES (DEFICITS)				
Nonspendable	13,589	-	-	15,140
Assigned	5,626,331	10,000	178,723	143,719
Unassigned	7,478,295	-	-	-
Total fund balances (deficits)	13,118,215	10,000	178,723	158,859
Total liabilities and fund balances	\$ 22,423,167	\$ 10,000	\$ 178,723	\$ 317,130

Library Reimbursable	Fire EMS	Center Block Beautification Fund	Claims Fund	Eliminate Interfund Receivables	Totals
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,495,034
-	-	-	-	-	3,631,160
-	-	-	-	-	196,649
-	-	-	-	-	1,751,581
-	-	-	-	-	60,761
-	-	-	-	-	28,729
17,021	44,071	8,539	-	(381,621)	453,116
<u>\$ 17,021</u>	<u>\$ 44,071</u>	<u>\$ 8,539</u>	<u>\$ -</u>	<u>\$ (381,621)</u>	<u>\$ 22,617,030</u>
-	-	-	-	-	2,818,693
-	-	-	-	-	4,796,643
-	-	-	-	-	233,632
-	-	-	-	(381,621)	1,232,634
-	-	-	-	(381,621)	9,081,602
-	-	-	-	-	28,729
17,021	44,071	8,539	-	-	6,028,404
-	-	-	-	-	7,478,295
<u>17,021</u>	<u>44,071</u>	<u>8,539</u>	<u>-</u>	<u>-</u>	<u>13,535,428</u>
<u>\$ 17,021</u>	<u>\$ 44,071</u>	<u>\$ 8,539</u>	<u>\$ -</u>	<u>\$ (381,621)</u>	<u>\$ 22,617,030</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, 2012

	General Fund	Economic Development	Board of Education	Community Services Recreation
REVENUES				
Charges for services	\$ 1,321,180	\$ -	\$ 563,336	\$ 320,099
Property taxes	74,561,137	-	-	-
Intergovernmental	10,631,964	-	-	-
Investment income	39,310	-	-	-
Contributions	-	-	-	-
Other	988,216	-	-	-
Total revenues	87,541,807	-	563,336	320,099
EXPENDITURES				
Current:				
General government	5,217,756	-	-	-
Public safety	8,105,252	-	-	-
Public works	4,956,380	-	-	-
Health and welfare	876,561	-	-	-
Culture and recreation	564,735	-	-	267,962
Benefit and insurance	9,809,288	-	-	-
Education	49,087,811	-	628,425	-
Other	1,448,891	-	-	-
Principal Retirements	4,641,821	-	-	-
Interest	2,168,513	-	-	-
Capital outlay	1,189,907	-	-	-
Total expenditures	88,066,915	-	628,425	267,962
Revenues over (under) expenditures	(525,108)	-	(65,089)	52,137
OTHER FINANCING SOURCES (USES)				
Transfers in	52,288	-	-	-
Transfers out	(286,912)	-	-	-
Capital lease proceeds	58,693	-	-	-
Net other financing sources (uses)	(175,931)	-	-	-
Net change in fund balances (deficits)	(701,039)	-	(65,089)	52,137
FUND BALANCES, beginning of year	13,819,254	10,000	243,812	106,722
FUND BALANCES, end of year	\$ 13,118,215	\$ 10,000	\$ 178,723	\$ 158,859

Library Reimbursable	Fire EMS	Center Block Beautification Fund	Claims Fund	Totals
\$ 12,674	\$ 18,630	\$ -	\$ -	\$ 2,235,919
-	-	-	-	74,561,137
-	-	-	-	10,631,964
-	-	-	-	39,310
4,138	-	-	-	4,138
-	-	-	-	988,216
<u>16,812</u>	<u>18,630</u>	<u>-</u>	<u>-</u>	<u>88,460,684</u>
-	-	-	-	5,217,756
-	-	-	189,594	8,294,846
-	-	-	-	4,956,380
-	-	-	-	876,561
19,359	-	-	-	852,056
-	-	-	-	9,809,288
-	-	-	-	49,716,236
-	-	-	-	1,448,891
-	-	-	-	4,641,821
-	-	-	-	2,168,513
-	-	-	-	1,189,907
<u>19,359</u>	<u>-</u>	<u>-</u>	<u>189,594</u>	<u>89,172,255</u>
(2,547)	18,630	-	(189,594)	(711,571)
-	-	-	-	52,288
-	-	-	-	(286,912)
-	-	-	-	58,693
-	-	-	-	(175,931)
(2,547)	18,630	-	(189,594)	(887,502)
<u>19,568</u>	<u>25,441</u>	<u>8,539</u>	<u>189,594</u>	<u>14,422,930</u>
<u>\$ 17,021</u>	<u>\$ 44,071</u>	<u>\$ 8,539</u>	<u>\$ -</u>	<u>\$ 13,535,428</u>

TOWN OF NORTH HAVEN, CONNECTICUT

SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED AND OUTSTANDING
For the Year Ended June 30, 2012

Grand List Year	Balance Uncollected July 1, 2011	Current Levy	Lawful Corrections		Transfers to Suspense	Balance to be Collected
			Additions	Deletions		
1996	\$ 56,864	\$ -	\$ -	\$ -	\$ 56,708	\$ 156
1997	59,996	-	-	-	(247)	60,243
1998	59,998	-	-	-	(78)	60,076
1999	63,084	-	-	-	(131)	63,215
2000	50,491	-	53	53	(319)	50,810
2001	55,134	-	-	-	(848)	55,982
2002	58,002	-	-	-	(815)	58,817
2003	62,480	-	-	-	(1,653)	64,133
2004	67,664	-	-	-	(2,124)	69,788
2005	85,779	-	-	-	(2,369)	88,148
2006	201,415	-	-	626	1,122	199,667
2007	247,468	-	299	1,212	70,520	176,035
2008	424,829	-	21,988	2,324	63,426	381,067
2009	1,218,657	-	154,547	228,371	(860)	1,145,693
2010	-	74,878,914	79,283	326,612	8,561	74,623,024
	<u>\$ 2,711,861</u>	<u>\$ 74,878,914</u>	<u>\$ 256,170</u>	<u>\$ 559,198</u>	<u>\$ 190,893</u>	<u>\$ 77,096,854</u>

Collections			Balance
Taxes	Interest and Lien Fees	Total	Uncollected June 30, 2012
156	161	\$ 161	\$ 156
247	540	540	60,243
78	172	172	60,076
131	265	265	63,215
319	607	607	50,810
848	1,358	1,358	55,982
2,527	3,602	3,602	58,817
3,470	4,220	4,220	64,133
4,269	4,226	4,226	69,788
13,978	8,772	8,772	88,148
20,557	13,424	13,424	199,667
47,913	29,834	29,834	176,035
208,425	59,078	59,078	381,067
598,265	127,794	127,794	1,145,693
73,406,669	224,322	73,630,991	1,216,355
<u>\$ 74,307,852</u>	<u>\$ 478,375</u>	<u>\$ 74,786,227</u>	<u>\$ 2,789,002</u>

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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.

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TOWN OF NORTH HAVEN

**NET ASSETS BY COMPONENT
LAST TEN YEARS**

	FISCAL YEAR ENDED			
	2012	2011	2010	2009
GOVERNMENTAL ACTIVITIES:				
Invested in Capital Assets, Net of Related Debt	\$ 58,308,056	\$ 53,680,889	\$ 50,307,262	\$ 51,184,225
Restricted for:				
Permanently restricted	892,301	526,548	-	-
Debt Retirement	-	-	-	-
Other Purposes	422,026	1,001,516	227,635	227,635
Unrestricted	757,965	8,365,834	11,670,199	13,370,513
TOTAL GOVERNMENTAL ACTIVITIES	60,380,348	63,574,787	62,205,096	64,782,373
BUSINESS-TYPE ACTIVITIES:				
Invested in Capital Assets, Net of Related Debt	9,454,411	10,059,919	10,735,590	12,744,564
Unrestricted	2,511,839	1,903,217	992,447	432,604
TOTAL BUSINESS-TYPE ACTIVITIES NET ASSETS	11,966,250	11,963,136	11,728,037	13,177,168
PRIMARY GOVERNMENT:				
Invested in Capital Assets, Net of Related Debt	67,762,467	63,740,808	61,042,852	63,928,789
Restricted	1,314,327	1,528,064	227,635	227,635
Unrestricted	3,269,804	10,269,051	12,662,646	13,803,117
TOTAL PRIMARY GOVERNMENT NET ASSETS	\$ 72,346,598	\$ 75,537,923	\$ 73,933,133	\$ 77,959,541

2009 was the first year for Business-Type Activities.

TABLE 1

FISCAL YEAR ENDED						
2008	2007	2006	2005	2004	2003	
\$ 61,596,577	\$ 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	
219,635	-	3,642	211,274	17,839	205,892	
17,405,540	19,023,633	9,605,058	8,022,093	10,048,545	10,711,741	
79,221,752	81,624,263	70,058,528	56,581,513	37,479,609	33,688,584	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
61,596,577	62,384,288	58,366,141	46,656,917	25,539,104	20,559,530	
219,635	216,342	2,087,329	1,902,503	1,891,960	2,417,313	
17,405,540	19,023,633	9,605,058	8,022,093	10,048,545	10,711,741	
\$ 79,221,752	\$ 81,624,263	\$ 70,058,528	\$ 56,581,513	\$ 37,479,609	\$ 33,688,584	

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

	FISCAL YEAR ENDED			
	2012	2011	2010	2009
EXPENSES:				
Governmental Activities:				
General Government	\$ 9,423,818	\$ 9,384,068	\$ 9,236,513	\$ 9,037,911
Public Safety	15,142,891	15,017,493	13,907,039	13,436,844
Public Works	9,942,568	7,988,896	7,563,157	8,563,617
Health and Welfare	1,571,353	1,526,970	1,681,907	1,394,590
Cultural and Recreation	1,305,279	1,353,346	1,283,582	1,314,152
Education	58,489,059	55,905,612	54,134,369	53,626,915
Benefits and Insurance	-	-	-	-
Other	-	-	-	-
Interest Expense	1,942,277	2,020,903	3,123,637	2,731,227
TOTAL GOVERNMENTAL EXPENSES	\$ 97,817,245	\$ 93,197,288	\$ 90,930,204	\$ 90,105,256
BUSINESS-TYPE ACTIVITIES:				
WPCA	\$ 3,245,270	\$ 2,752,190	\$ 2,921,684	\$ 2,871,604
TOTAL PRIMARY GOVERNMENT EXPENSES	\$ 101,062,515	\$ 95,949,478	\$ 93,851,888	\$ 92,976,860
PROGRAM REVENUES:				
Governmental Activities:				
Charges for Services:				
General Government	\$ 547,044	\$ 528,711	\$ 592,311	\$ 432,740
Public Safety	621,852	660,888	448,051	578,624
Public Works	778,912	305,169	255,098	646,200
Health and Welfare	95,032	99,532	94,927	102,367
Culture and Recreation	332,773	354,734	345,572	417,581
Education	1,394,008	1,421,853	1,445,742	1,490,603
Operating Grants & Contributions	12,855,923	11,699,711	11,427,537	9,847,702
Capital Grants & Contributions	51,582	157,901	839,675	379,113
TOTAL GOVERNMENTAL PROGRAM REVENUES	\$ 16,677,126	\$ 15,228,499	\$ 15,448,913	\$ 13,894,930
BUSINESS-TYPE ACTIVITIES:				
WPCA	\$ 3,248,384	\$ 2,987,289	\$ 2,909,703	\$ 2,419,323
TOTAL PRIMARY GOVERNMENT REVENUES	\$ 19,925,510	\$ 18,215,788	\$ 18,358,616	\$ 16,314,253
NET EXPENSES:				
Governmental Activities	\$ (81,140,119)	\$ (77,968,789)	\$ (75,481,291)	\$ (76,210,326)
BUSINESS-TYPE	\$ 3,114	\$ 235,099	\$ (11,981)	\$ (452,281)
TOTAL PRIMARY GOVERNMENT NET EXPENSES	\$ (81,137,005)	\$ (77,733,690)	\$ (75,493,272)	\$ (76,662,607)

TABLE 2

FISCAL YEAR ENDED					
2008	2007	2006	2005	2004	2003
\$ 9,679,197	\$ 10,251,737	\$ 8,149,683	\$ 7,748,675	\$ 7,121,727	\$ 6,501,451
12,440,770	11,701,179	7,219,526	7,329,239	6,506,380	6,864,711
9,186,468	8,369,826	7,884,891	7,258,319	6,802,809	7,291,095
1,185,275	1,309,582	1,147,312	1,214,935	1,138,933	1,089,866
1,095,331	1,112,982	1,021,054	1,019,127	1,120,844	986,060
50,932,151	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
2,812,470	1,674,608	1,328,443	1,256,564	1,390,797	1,537,128
<u>\$ 87,331,662</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>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>\$ 87,331,662</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>
\$ 630,163	\$ 1,543,937	\$ 1,100,596	\$ 1,107,761	\$ 1,267,780	\$ 817,548
1,093,901	434,354	621,714	423,695	411,340	304,877
3,351,681	2,136,725	2,228,266	2,095,611	2,136,841	1,975,243
111,039	93,694	95,937	80,191	159,998	221,827
489,580	419,957	490,800	512,956	520,383	462,729
1,531,868	1,669,080	1,571,934	1,429,389	1,403,790	1,450,936
9,596,836	7,189,649	7,745,445	5,572,450	4,207,628	4,635,685
233,083	2,353,179	7,798,610	16,611,207	2,681,729	910,671
<u>\$ 17,038,151</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>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>\$ 17,038,151</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>
<u>\$ (70,293,511)</u>	<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>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>\$ (70,293,511)</u>	<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 TEN YEARS**

	FISCAL YEAR ENDED			
	2012	2011	2010	2009
GENERAL REVENUES AND OTHER CHANGES IN NET ASSETS:				
Governmental Activities:				
Property Taxes	\$ 74,843,243	\$ 73,999,013	\$ 67,316,651	\$ 67,237,887
Grants & Contributions Not Restricted to Specific Programs	2,291,888	1,942,138	2,153,040	2,142,670
Investment Earnings	44,669	110,356	163,639	446,301
Settlement	-	-	-	-
Miscellaneous	765,880	3,286,973	1,833,534	5,573,538
Total General Revenues	\$ 77,945,680	\$ 79,338,480	\$ 71,466,864	\$ 75,400,396
CHANGE IN NET ASSETS	\$ (3,191,325)	\$ 1,604,790	\$ (4,026,408)	\$ (1,262,211)

2009 was the first year with Business-Type Activities.

TABLE 2

FISCAL YEAR ENDED					
2008	2007	2006	2005	2004	2003
\$ 64,446,265	\$ 65,341,125	\$ 63,123,592	\$ 58,637,252	\$ 53,894,546	\$ 56,280,620
1,848,601	1,787,885	1,793,225	1,869,621	1,929,457	2,635,302
1,064,896	1,538,461	1,588,505	846,061	361,013	356,030
-	-	1,000,000	750,000	750,000	750,000
531,238	1,925,262	2,844,594	2,351,615	817,209	1,043,617
\$ 67,891,000	\$ 70,592,733	\$ 70,349,916	\$ 64,454,549	\$ 57,752,225	\$ 61,065,569
\$ (2,402,511)	\$ 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
2012	\$ 74,561,137	\$ 8,056,070	\$ 2,575,995	914,738	\$ 39,310	\$ 992,354	\$ 1,321,180	\$ 110,981	\$ 88,571,665
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

⁽¹⁾ Includes interest and lien fees.

TABLE 4

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
2012	\$49,716,236	\$ 5,217,756	\$ 8,294,846	\$ 4,956,380	\$ 876,561	\$ 852,056	\$ 9,809,288	\$ -	1,448,891	\$1,189,907	\$ 6,810,334	\$ 286,912	\$ 89,459,167
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	562,369	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

*Part of Debt Service

TABLE 5

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

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Fund										
Reserved	\$ 2,614,822	\$ 2,661,581	\$ 2,256,304	\$ 2,507,665	\$ 697,435	\$ 391,112	\$ 182,710	\$ 1,025,989	\$ -	\$ -
Nonspendable	-	-	-	-	-	-	-	-	46,092	28,729
Assigned	-	-	-	-	-	-	-	-	5,756,926	6,028,404
Unassigned	-	-	-	-	-	-	-	-	8,619,912	7,478,295
Unreserved	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	\$ 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	\$ 13,535,428
All Other Governmental Funds										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 542,507	\$ 535,779
Restricted	-	-	-	-	-	-	-	-	4,268,397	2,498,152
Committed	-	-	-	-	-	-	-	-	369,379	1,831,130
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	(109,562)	(499,208)
Reserved	200,968	-	201,577	201,577	243,580	267,089	240,440	251,469	-	-
Unreserved, Reported In:										
Special Revenue Funds	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	1,142,478	(8,186,200)	(36,905,183)	(16,475,224)	4,276,668	4,776,683	3,983,951	3,753,351	-	-
Permanent Funds	-	213,568	33,382	31,565	47,248	62,046	40,594	41,274	-	-
Total All Other Government Funds	\$ 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	\$ 4,365,853

TABLE 6

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

	FISCAL YEAR									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
REVENUES										
Property Taxes	\$ 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	\$ 74,561,137
Licenses and Permits	817,548	1,267,780	1,107,761	1,100,596	1,148,521	1,253,936	1,114,246	881,725	881,729	1,321,180
Intergovernmental	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	15,077,371
Charges for Services	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	2,413,440
Investment Earnings	356,030	361,013	846,061	1,588,505	1,521,124	1,064,896	445,855	152,304	110,356	44,669
Miscellaneous	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	1,082,420
Total Revenues	70,803,264	72,231,002	91,782,060	90,955,346	86,157,317	88,220,350	91,790,959	88,967,093	94,680,173	94,500,217
EXPENDITURES										
General Government	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	5,234,056
Public Safety	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	8,308,012
Public Works	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	6,615,223
Health & Welfare	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	1,274,707
Benefits & Insurance	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	9,809,288
Education	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	53,896,444
Other	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	1,448,891
Culture & Recreation	975,119	1,117,417	1,015,942	1,018,407	922,974	915,114	1,000,952	957,844	962,668	910,688
Capital Outlay	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	1,843,637
Debt Service:										
Principal	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	4,641,821
Interest	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	2,168,513
Total Expenditures	70,975,179	85,623,552	121,428,235	94,653,256	84,776,736	87,728,427	90,946,068	91,830,055	93,712,676	96,151,280
OTHER FINANCING SOURCES										
Transfers in	-	-	-	-	-	-	-	-	498,304	339,200
Transfers (out)	-	-	-	-	-	-	-	-	(499,304)	(339,200)
Total Other Financing Sources	-	-	-	-	-	-	-	-	-	-
Excess of Revenues	\$ (171,915)	\$ (13,392,550)	\$ (29,646,175)	\$ (3,697,910)	\$ 1,380,581	\$ 491,923	\$ 844,891	\$ (2,862,962)	\$ 967,497	\$ (1,651,063)
Debt service as a percentage of noncapital expenditures	7.6%	6.7%	6.3%	5.2%	5.0%	6.9%	8.8%	8.1%	7.5%	7.1%

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

Fiscal Year Ended June 30,	Real Property		Personal Property		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					
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%
2012	1,811,728,635	681,094,625	195,541,450	264,236,458	125,476,286	2,827,124,882	26.54	4,218,001,669	70.00%

(1) Statutory revaluation completed for October 1, 2000 Grand list Effective fiscal year beginning July 1, 2001
 * Source: Town records.

TOWN OF NORTH HAVEN
 PROPERTY TAX RATES-DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Operating Millage	Debt Service Millage	Town of North Haven		Overlapping Rates 2012
			Total Town Millage		
2003	26.10	2.17	28.27		NONE
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		
2012	24.39	2.15	26.54		

Source: Town records.

TABLE 9

TOWN OF NORTH HAVEN
PRINCIPAL PROPERTY TAXPAYERS

Name	Type fo Business	2012		2003*	
		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	4.83%	\$ 142,465,690	6.71%	\$ 133,966,340
North Haven Industrial LLC	Distribution Center	0.96%	28,424,480	1.24%	24,798,490
Price REIT	Retail/Shopping Center	0.79%	23,317,700	0.69%	13,762,280
August America	Retail/Shopping Center	0.74%	21,730,380	-	-
Quinnipiac University (Anthem)	Insurance	0.58%	19,677,560	-	-
North Haven Holdings	Retail/Shopping Center	0.58%	17,250,310	0.30%	6,028,330
Sims Metal Management	Scrap Metal Recycler	0.56%	16,664,160	0.15%	2,979,750
Bouwfonds Preston Crossing	Apartments	0.47%	13,890,660	0.49%	9,800,450
Drazen Properties	Retail/Shopping Center	0.38%	11,837,210	0.25%	4,896,990
Anthem Health Plans (personal property only)	Insurance	0.39%	11,585,410	3.02%	60,314,310
United Illuminating Co.	Public Utility	0.39%	11,501,860	0.26%	5,200,870
Quebecor/Northeast Graphics	Printing	0.39%	11,391,240	1.33%	26,631,480
Target Corporation	Retail/Shopping Center	0.38%	11,122,020	-	-
Gaileo Combs	Retail/Shopping Center	0.37%	11,059,930	0.24%	4,790,170
Marlin Firearms	Mfg. Firearms	0.33%	9,740,390	0.37%	7,314,240
Rosewood LLC	Apartments	0.31%	9,105,910	0.31%	6,110,510
Brianwood Connecticut	Apartments	0.30%	8,881,600	0.27%	5,455,385
325 Lafayette St. Associates LLC	Retail/Shopping Center	0.30%	8,739,570	0.07%	1,449,840
Brescombe Barton Inc.	Distribution	0.28%	8,126,870	0.48%	9,681,190
FBC North Haven Partners, LLC	Distribution	0.23%	7,487,480	0.23%	4,602,780
United Technologies	Mfg Jet Engine Parts			1.17%	23,269,420
415 Washington Ave Partners, LLC	Holding Company			0.79%	15,728,930
Crossroads Development Associates	Office Building			0.39%	7,775,110
			<u>\$ 404,000,430</u>		<u>\$ 374,556,865</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	Collected in Subsequent Years	Total Tax Collections	Collections as a Percent of Current Levy
2003	25.89	2001	\$ 54,362,921	\$ 52,803,340	97.13%	\$ 1,503,599	\$ 54,306,939	99.90%
2004	28.27	2002	54,240,488	53,854,651	99.29%	327,020	54,181,671	99.89%
2005	28.76	2003	58,741,641	56,985,430	97.01%	1,692,078	58,677,508	99.89%
2006	30.53	2004	62,954,772	61,733,322	98.06%	1,151,662	62,884,984	99.89%
2007	28.70	2005	64,775,645	63,418,367	97.90%	1,269,130	64,687,497	99.86%
2008	25.44	2006	65,579,710	64,297,284	98.04%	1,082,759	65,380,043	99.70%
2009	23.50	2007	67,749,436	66,453,146	98.09%	1,120,255	67,573,401	99.74%
2010	23.48	2008	67,643,247	66,776,879	98.72%	485,301	67,262,180	99.44%
2011	26.18	2009	73,974,689	72,552,212	98.08%	276,784	72,828,996	98.45%
2012	26.54	2010	74,878,914	73,406,669	98.03%	255,890	73,662,559	98.38%

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
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
2012	207,649	11,000	5.30%	196,649

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 ⁽²⁾	Value ⁽¹⁾
	General Obligation Bonds	Notes Payable	Capital Leases					
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%	
2012	47,025,000	660,165	325,965	48,011,130	6.8%	1,990	1.14%	

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 for property value data.

Population data can be found in the Schedule of Demographic and Economic Statistics.

All amounts above are direct governmental activities debt.

TOWN OF NORTH HAVEN

TABLE 13

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2012**

NONE

TOWN OF NORTH HAVEN

SCHEDULE OF DEBT LIMITATION
June 30, 2012

Total Tax Collections (Including Interest
and Lien Fees For the Fiscal Year
Ended June 30, 2012

\$ 74,786,228

Reimbursement For Revenue Loss On:
Tax Relief For Elderly

231,530

Base

\$ 75,017,758

	General Purpose	Schools	Sewers	Urban Renewal	Pension Deficit
Debt Limitation:					
2 1/4 Times Base	\$ 168,789,956	\$ -	\$ -	\$ -	\$ -
4 1/2 Times Base	-	337,579,911	-	-	-
3 3/4 Times Base	-	-	281,316,593	-	-
3 1/4 Times Base	-	-	-	243,807,714	-
3 Times Base	-	-	-	-	225,053,274
Total Debt Limitation	168,789,956	337,579,911	281,316,593	243,807,714	225,053,274
Indebtedness:					
Bonds Payable	4,458,585	42,566,415	-	-	-
Loans Payable - Pollution Facility	-	-	660,165	-	-
School Grants Receivable	-	(1,133,531)	-	-	-
Bond Anticipation Note	-	-	-	-	-
Bonds Authorized and Unissued	26,990,000	3,714,762	-	-	-
Total Indebtedness	31,448,585	45,147,646	660,165	-	-
Debt Limitation In Excess of Outstanding and Authorized Debt	\$ 137,341,371	\$ 292,432,265	\$ 280,656,428	\$ 243,807,714	\$ 225,053,274

TOWN OF NORTH HAVEN

DEBT SUMMARY

June 30, 2012

Short-Term General Obligation Debt Outstanding		\$	-	
Long-Term General Obligation Debt Outstanding:				
Payable From The General Fund:				
General Purposes	\$	4,447,234		
Schools		42,577,766		
Capital lease		325,965		
Sewers		-	\$	47,350,965
Loans Payable - Pollution Control Facility	\$	656,818		656,818
Total Overall General Obligation Debt			\$	48,007,783
Less:				
State School Building Grants Receivable	\$	1,133,531		
General Fund Reserve For Debt		-		
Total Deductions	\$	1,133,531		1,133,531
Total Overall Net General Obligation Debt			\$	46,874,252
Total Overlapping and Underlying General Obligation Debt				-
Total Overall Net General Obligation Debt (Including Overlapping and Underlying)			\$	<u>46,874,252</u>
Population ⁽¹⁾		23,961		
Net Taxable Grand List 10/1/11	\$	2,827,124,882		
Per Capita Income 1999 ⁽²⁾		29,919		
			Total Overall Debt	Total Overall Net Debt
Debt Per Capita			\$1,990	\$0
Ratio To Net taxable Grand List 10/1/11			1.69%	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

TOWN OF NORTH HAVEN

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Population ⁽¹⁾	Personal Income	Per Capita Personal Income ⁽²⁾	School Enrollment ⁽³⁾	Unemployment Rate
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%
2012	23,961	*	*	3,548	7.8%

Source:

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

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

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

(4) State of Connecticut, Department of Labor

* Information not available

TABLE 17

TOWN OF NORTH HAVEN

MAJOR EMPLOYERS

Employer	Type of Business	2012		2003*	
		Employees	Percentage of Total Town Employment*	Employees	Percentage of Total of Town Employment
Covidien	Wound Closer Devices	2,700		1,869	
Town of North Haven	Municipality	827		635	
Brescome Barton	Liquor Distributor	345			
Area Cooperative Education Services	Educational	342		321	
HB Communications	Sale/Service Audio Visual and Video Eqmt	352		150	
New Breed Logistics	Freight Traffic Managers	209			
Mosberg, OF & Sons	Firarms	225		166	
Connecticut Container Corporation	Corrugated Shipping Containers and Displays	114		145	
Quinnipiac University	Education	159			
United Aluminum	Manufacturer	160			

(*) Data Not Available

TABLE 18

TOWN OF NORTH HAVEN

TOWN GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<u>Town:</u>										
General Government	25	24	25	24	23	23	23	23	21	20
Public Services & Recreation	35	34	34	33	31	33	33	32	34	41
Public Safety	87	86	89	85	87	89	89	91	93	92
Public Works	50	53	49	50	47	49	48	49	43	43
Total Full-Time	197	197	197	192	188	194	193	195	191	196
Part-Time	160	158	155	148	141	141	147	152	160	156
Total Town	357	355	352	340	329	335	340	347	351	352
<u>Education:</u>										
Teachers	305	299	301	294	304	310	315	315	309	303
Administration	17	16	16	14	16	17	17	17	17	17
Custodial Maintenance	24	23	23	22	23	23	23	23	23	23
Other	92	87	84	82	81	84	86	83	88	83
Total Full-Time	438	425	424	412	424	434	441	438	437	426
Part-Time	66	68	78	81	86	76	71	71	69	49
Total Education	504	493	502	493	510	510	512	509	506	475
Grand Total	861	848	854	833	839	845	852	856	857	827

Source: Town Records

TOWN OF NORTH HAVEN

SUPPLEMENTAL DATA

June 30, 2012

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	303
State	58.9	Number of Other Employees	123
		Total enrollment (10/1/2011)	3,548
<u>Miles of Sidewalks</u>			<u>Elections</u>
<u>Recreation</u>			Registered Voters
Acres	210	Number Votes Cast-Last Election	15,110
Baseball Fields Lighted	1	Percentage of Registered Voters	1,746
Basketball Courts(Outdoor)	7	Voting	11%
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	0	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	12	Career Fire Fighters	34
		Volunteer Fire Fighters	105
<u>Library</u>			
Main Building	1		
Volumes-Collection	112,049		
Annual Circulation(est)	179,002		
<u>Employees</u>			
Town-Full Time	196		
-Part Time	156		
Education-Full Time	426		
-Part Time	49		
Total Employees	827		

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TOWN OF NORTH HAVEN, CONNECTICUT

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

Function/Program	Calendar Year			
	2003	2004	2005	2006
Police:				
Calls for service	24,184	27,100	27,328	25,658
Adult arrest	643	662	607	611
Juvenile arrest	-	-	-	-
Citations	2,216	2,831	2,625	2,590
Fire:				
Total fire runs	3,719	4,198	4,224	4,308
Total rescue runs	2,719	3,039	3,055	3,156
Property loss	660,100	3,777,100	934,800	551,000
Building safety:				
Total building permits	464	542	525	617
Total value all permits	\$ 27,434,649	\$ 56,754,443	\$ 29,172,946	\$ 23,892,383
Total mechanical permits	767	973	959	949
Total value all permits	\$ 32,481,501	\$ 14,738,785	\$ 11,711,177	\$ 12,616,121
Library, volumes in collection	97,215	93,949	11,524	11,524
Public service:				
Garbage collected (ton)	-	-	-	-
Recycle collected (ton)	-	-	-	-
Parks and Recreation:				
Recreation program attendance	-	-	-	-
Aquatics program attendance	-	-	-	-
Street trees maintained - miles	125	146.5	146.5	146.5

Source: Town Records

Note: * Indicator not available

TABLE 20

Calendar Year						
2007	2008	2009	2010	2011	2012	
24,330	25,500	23,403	24,501	25,382		*
677	693	652	677	700		*
-	-	-	-	-		*
2,398	2,429	2,088	1,763	1,964		*
4,367	4,243	4,271	4,617	4,590		*
3,151	3,065	2,978	3,225	3,059		*
1,294,330	2,409,673	532,800	815,400	846,200		*
579	537	427	2,149	485		*
\$ 22,842,701	\$ 29,887,926	\$ 25,636,659	\$ 29,643,079	\$ 17,110,653		*
861	711	846	1,268	719		*
\$ 11,229,003	\$ 61,166,521	\$ 29,919,892	\$ 8,974,312	\$ 5,310,484		*
109,841	112,387	111,908	106,789	112,049		*
-	-	-	*	20,800		*
-	-	-	*	*		*
-	-	-	*	*		*
-	-	-	*	*		*
146.5	146.5	146.5	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	2003	2004	2005	2006
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	146.5	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	97,215	93,949	111,524	111,524
Wastewater:				
Sanitary Sewers (miles)	*	*	*	*
Storm Sewers (miles)	*	*	*	*
Combination Sanitary and Storm (miles)	*	*	*	*

Source: Town Records

Note: * Data not available.

TABLE 21

2007	2008	2009	2010	2011	2012
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	210
18	18	18	18	18	18
12	12	12	12	12	12
*	*	*	*	*	*
7	7	7	7	7	7
14	14	14	14	14	12
1	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
109,841	112,387	111,908	112,558	106,789	112,049
*	*	*	*	*	110
*	*	*	*	*	*
*	*	*	*	*	*

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