

city of
New Haven
CONNECTICUT



Fiscal Year 2016

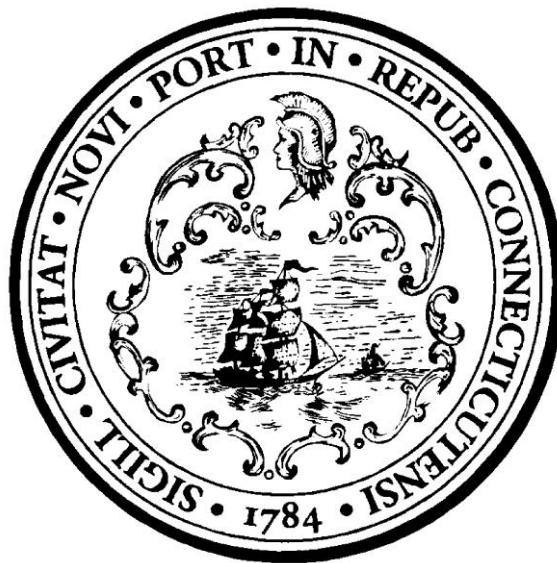
**Comprehensive
Annual
Financial
Report**

July 1, 2015 to June 30, 2016



CITY OF NEW HAVEN, CONNECTICUT

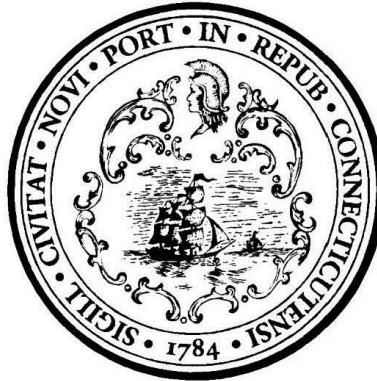
Comprehensive Annual Financial Report



Fiscal Year 2016

July 1, 2015 – June 30, 2016

COMPREHENSIVE ANNUAL FINANCIAL REPORT
OF THE
CITY OF NEW HAVEN, CONNECTICUT
FOR THE FISCAL YEAR ENDED
June 30, 2016



Prepared by the Department of Finance

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Jean Iannuzzi, Financial Analyst

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Robert Mignosa, Account Clerk I

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Introductory Section



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



TONI N. HARP.
Mayor

Daryl H. Jones
Controller

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

February 28, 2017

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

State law requires that every local government publish within six months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended June 30, 2016.

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

RSM, LLP, Certified Public Accountants, have issued an unmodified ("clean") opinion on the City of New Haven's financial statements for the year ended June 30, 2016. The independent auditor's report is located at the front of the financial section of this report.

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

Profile of the Government

New Haven was founded in 1638, and incorporated as a city in 1784. The City is located in the heart of the northeast corridor between New York City (75 miles away) and Boston (140 miles away). It occupies 20 square miles and serves a population of 130,282. The City is empowered to levy a property tax on real property, personal property and motor vehicles located within its boundaries.

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

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

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

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

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

Local Economy

New Haven is the social and economic center of southern Connecticut. It is among the fastest growing cities in New England in terms of both population and economic significance. Economic drivers in education, the life sciences, advanced manufacturing, IT and supporting service industries are supporting new job growth. New Haven's job base grew 2% in 2011 (twice the state average) and there are now 79,314 jobs in the City, with nearly 356,898 in the New Haven MSA.

New Haven is a dynamic and growing city, placing its residents, employees and visitors at the cross-section of arts, culture, education, health care, and business. As the second largest city in Connecticut, with a population of 130,282 (2013 est.), New Haven is the economic center of a broader MSA region of 861,277 people (2014 est.), and is home to an evolving mixed-use urban core, strong and diverse communities and world-class institutions. While already well-established in New Haven, the so called "eds and meds" (medical, bio-science, and research/development) sector continues to grow. Yale University, Yale Medical School, and the Yale-New Haven Hospital give the City a stable and world-class participation in these sectors. With ample spin-offs from these institutions, entrepreneurship and bioscience have grown exponentially, and are growing in New Haven. Already, 39 of Connecticut's 52 biotech firms are located in the Greater New Haven area.

In the City of New Haven proper, the median household income is \$38,482 as compared to \$58,571 in the entire New Haven metro area. Due to the large number of undergraduate and graduate students residing in New Haven, average household income tends to skew low in official reporting. However, the external support and income sources for Yale University students as well as students from Albertus

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

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

Yale University, Southern Connecticut State University, Albertus Magnus College, and Gateway Community College all call New Haven home and are major drivers for the local and regional economy. In the New Haven region, educational services employ 24,000 people. More importantly, however, these schools are expanding. Yale University completed construction of its new School of Management, which enrolled more than 500 students. In addition, Yale is building two new residential colleges, which will cost \$500 million to construct and add 800 additional students, faculty and staff. Gateway Community College with its new Downtown campus was recently completed and has brought 7,328 students and 350 faculty to the heart of the City. New Haven's universities provide a platform from which the City can compete in the global arena. For example, Yale has \$360 million in federal research and development obligations, which ranks 14th nationwide, and its Cooperative Research Technology Transfer program has been instrumental in attracting new biotechnology companies to the region. Additionally, Yale has produced some 48 new start-up companies in Greater New Haven. These companies have attracted over \$3.6 billion in private capital.

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

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

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

Long-Term Financial Planning

As a part of the annual budget process, the Mayor prepares and presents a five-year capital plan. This plan identifies costs and financing methods for those capital projects that the City anticipates funding over the next five years. The current five-year capital plan details projects through fiscal year 2021. The plan provides for the needs not only of the general government but also the Board of Education and addresses such issues as infrastructure, major equipment replacement, educational facilities, public safety, and economic development initiatives. This plan projects total project costs over the five-year period of approximately \$480 million. Financing, net of state and federal project grants, for these projects would

require debt proceeds of approximately \$288 million. The financial impact of these initiatives is reviewed and approved by the Capital Projects Committee and then by the Board of Aldermen.

Relevant Financial Policies

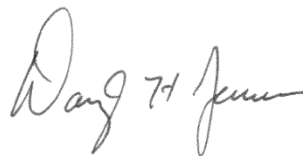
The City and the Board of Education maintain a comprehensive budgetary reporting system to monitor the results of budget operations and to ensure budgetary control and compliance with approved budgets. All annual budgets are recommended by the Mayor to the Board of Aldermen, which approves the final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

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awards Certificate of Achievement for Excellence in Financial Reporting. In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate. The City of New Haven has been awarded this Certificate for the past three fiscal years (fiscal year 13, 14 and 15).

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

Respectfully submitted,

A handwritten signature in cursive script that reads "Daryl H. Jones".

Daryl H. Jones
Controller

City of New Haven, Connecticut
Principal City Officials
June 30, 2016

Mayor

Toni N. Harp

Mayors Cabinet

Tomas Reyes, Chief of Staff
John Rose, Acting Corporation Counsel
Reginald Mayo, Interim Superintendent of Schools
Joe Clerkin, Budget Director
Daryl H. Jones, Controller
Michael Carter, Chief Administrative Officer
Matthew Nemerson, Economic Development Administrator
Martha Okafor, Community Services Administrator

Board of Alders

Tyisha Walker, President
Jeanette L. Morrison, President Pro Tempore
Alphonse Paolillo Jr., Majority Leader
Santiago Berrios-Bones, Deputy Majority Leader

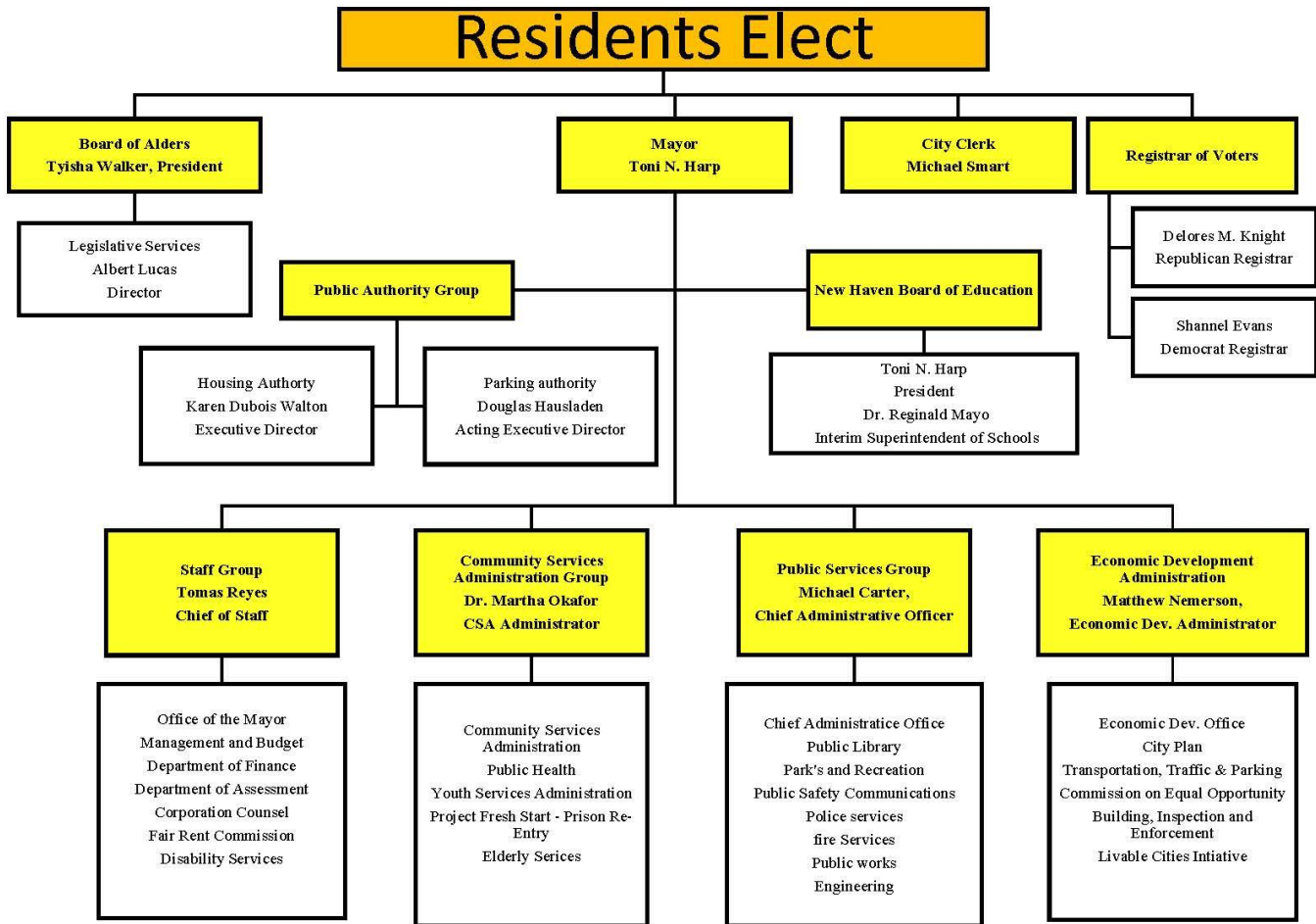
Ward

Ward

Ward

- | | | |
|---------------------------|----------------------------|--------------------------|
| 1. Sarah Eidelson | 11. Barbara Constantinople | 21. Brenda Foskey-Cyrus |
| 2. Frank E. Douglas, Jr. | 12. Gerald M. Antunes | 22. Jeanette L. Morrison |
| 3. Latrice E. James | 13. Rosa Santana | 23. Tyisha Walker |
| 4. Evelyn Rodriguez | 14. Santiago Berrios-Bones | 24. Evette Hamilton |
| 5. Dave Reyes Jr. | 15. Ernie G. Santiago | 25. Adam J. Marchand |
| 6. Dolores Colón | 16. Jose Crespo | 26. Darryl Brackeen, Jr |
| 7. Alberta L. Witherspoon | 17. Alphonse Paolillo, Jr. | 27. Richard Furlow |
| 8. Aaron Greenberg | 18. Salvatore E. DeCola | 28. Jill L. Marks |
| 9. Jessica Holmes | 19. Alfreda Edwards | 29. Brian Wingate |
| 10. Anna Festa | 20. Delphine Clyburn | 30. Carlton Staggers |

City of New Haven Organizational Structure





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of New Haven
Connecticut**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2015

Executive Director/CEO

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Financial Section



Independent Auditor's Report

RSM US LLP

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of New Haven, Connecticut (the City), as of and for the fiscal year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the New Haven Parking Authority, a component unit of the City, which represents 84%, 93% and 78%, respectively, of the assets, net position and revenues of the discretely presented component units. Those statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the New Haven Parking Authority, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of New Haven, Connecticut, as of June 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and other schedules and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and other schedules are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, combining and individual fund financial statements and other schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 28, 2017 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

RSM US LLP

New Haven, Connecticut
February 28, 2017

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**City of New Haven, Connecticut
Management's Discussion and Analysis, Unaudited
June 30, 2016**

As management of the City of New Haven, Connecticut, we offer readers of the City of New Haven's financial statements this narrative overview and analysis of the financial activities of the City of New Haven for the fiscal year ended June 30, 2016. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-iv of this report, as well as the City's basic financial statements that follow this section.

Financial Highlights

- The City finished FY 16 with a General Fund (primary operating fund) budgetary operating surplus of \$297,604 (see exhibit D).
- As of the year-end, the General Fund had a fund surplus of \$2,023,605 (see exhibit C). This was an improvement from a fund balance of \$1,726,001 at the close of FY 15.
- As of the close of the current fiscal year, the City's governmental funds reported a combined ending fund balance of \$63,333,575, an increase of \$10,453,750 in comparison with the prior year (see exhibit C).
- On a government-wide basis, the City's total net position was \$216,082,462 (see Table 1).
- The City's mill rate was 41.55 (per thousand) in FY16 which was equal to the FY 14-15 mill rate of 41.55.
- The City's FY16, total net taxable grand list decreased to \$6,093,436,982 as compared to FY15 total net taxable grand list of \$6,115,399,159
- As of the year-end, the Education Grant Fund reported a fund balance of \$2,772,415. This is an increase of \$1,195,197 from the fund balance of \$1,577,218 at the close of FY 15 (see exhibit D).
- As of the year-end, the Capital Projects Fund reported a fund balance of \$47,491,906 which is an increase of \$4,387,311 from the beginning of the year (see exhibit D). Major impacts were intergovernmental revenues for school construction from state, issuance of bonds and expenditures mainly for school construction.

Overview of Financial Statements

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

Government-Wide Financial Statements

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

The analysis of the City as a whole begins with Exhibits A and B of this Financial Report. The statement of net position presents information on all of the City of New Haven's assets and liabilities, with the difference between the two reported as net position. The statements reflect the accrual basis of accounting, which is similar to accounting used by most private sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

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

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

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

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

Fund Financial Statements

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

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

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

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

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

Government-Wide Financial Analysis

The City of New Haven's combined net position increased from a year ago by \$330,504. The analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the City's governmental and business-type activities. Approximately \$8,400,000 of the government-wide net position are restricted for governmental grants and a permanent fund.

Net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by \$216,082,462 at the close of the fiscal year ended June 30, 2016. The decrease was due to an increase in intergovernmental revenues offset by an increase in expenditures.

By far the largest portion of the City's assets reflects its investment in capital assets (e.g., infrastructure, land, buildings, machinery and equipment, construction in progress); less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of New Haven, Connecticut
Summary Statement of Net Position
June 30, 2016 and 2015

Table 1

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Current and other assets	\$ 230,489,692	\$ 204,197,106	\$ 907,822	\$ 783,119	\$ 231,397,514	\$ 204,980,225
Capital assets	1,536,083,510	1,470,555,042	-	-	1,536,083,510	1,470,555,042
Total assets	1,766,573,202	1,674,752,148	907,822	783,119	1,767,481,024	1,675,535,267
Deferred amounts	99,329,359	75,133,349	-	-	99,329,359	3,787,529
Total deferred outflows of resources	99,329,359	75,133,349	-	-	99,329,359	3,787,529
Other liabilities	224,053,232	161,559,427	307,977	313,760	224,361,209	161,873,187
Long-term liabilities outstanding	1,421,434,356	1,369,154,689	-	-	1,421,434,356	1,369,154,689
Total liabilities	1,645,487,588	1,530,714,116	307,977	313,760	1,645,795,565	1,531,027,876
Unavailable revenues	4,932,356	3,888,782	-	-	4,932,356	3,888,782
Total deferred inflows of resources	4,932,356	3,888,782	-	-	4,932,356	3,888,782
Net position:						
Net investment in capital assets	956,517,425	918,930,231	-	-	956,517,425	918,930,231
Restricted	10,763,525	13,528,982	-	-	10,763,525	13,528,982
Unrestricted	(751,798,333)	(717,176,614)	599,845	469,359	(751,198,488)	(716,707,255)
Total net position	\$ 215,482,617	\$ 215,282,599	\$ 599,845	\$ 469,359	\$ 216,082,462	\$ 215,751,958

The change in governmental net position is illustrated below:

City of New Haven, Connecticut
Summary Statement of Activities
For the Years Ended June 30, 2016 and 2015

Table 2

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues:						
Program Revenues:						
Charges for services	\$ 32,702,396	\$ 40,886,610	\$ 1,106,538	\$ 1,175,155	\$ 33,808,934	\$ 42,061,765
Operating grants and contributions	396,220,688	327,560,388	-	-	396,220,688	327,560,388
Capital grants and contributions	75,476,816	38,134,971	-	-	75,476,816	38,134,971
General Revenues:						
Property taxes	249,774,495	251,874,699	-	-	249,774,495	251,874,699
Grants and contributions not restricted to specific programs	59,929,086	61,506,528	-	-	59,929,086	61,506,528
Investment earnings	(4,392)	(7,977)	577	-	(3,815)	(7,977)
Total revenues	814,099,089	719,955,219	1,107,115	1,175,155	815,206,204	721,130,374
Expenses:						
Program Expenses:						
General government	42,621,112	45,019,352	-	-	42,621,112	45,019,352
Education	551,621,913	471,239,560	-	-	551,621,913	471,239,560
Public Safety	112,584,258	118,802,515	-	-	112,584,258	118,802,515
Public Works	46,241,701	36,357,486	-	-	46,241,701	36,357,486
Public Services	32,628,293	35,959,603	-	-	32,628,293	35,959,603
Economic Development	8,673,822	14,227,659	-	-	8,673,822	14,227,659
Interest on long-term debt	19,597,972	25,948,757	-	-	19,597,972	25,948,757
Business type	-	-	906,629	1,206,943	906,629	1,206,943
Total expenses	813,969,071	747,554,932	906,629	1,206,943	814,875,700	748,761,875
Excess(deficiency) before transfers	130,018	(27,599,713)	200,486	(31,788)	330,504	(27,631,501)
Transfers	70,000	110,000	(70,000)	(110,000)	-	-
Change in net position	200,018	(27,489,713)	130,486	(141,788)	330,504	(27,631,501)
Net Position, beginning	215,282,599	242,772,312	469,359	611,147	215,751,958	243,383,459
Net Position, ending	\$ 215,482,617	\$ 215,282,599	\$ 599,845	\$ 469,359	\$ 216,082,462	\$ 215,751,958

Expenses and Program Revenues – Governmental Activities

Governmental activities' revenues totaled approximately \$814.1 million for fiscal year 2016. Operating grants and contributions are the largest revenue source for the City and represent 48.6 percent of the governmental revenues. Property taxes are the City's second largest revenue and represent 30.7 percent of the governmental revenues. Grants and contributions not restricted to specific programs represent 21.7 percent.

On an overall basis, revenues increased by \$94.1 million over FY 15. Property taxes decreased by \$2.0 million, operating grants and contributions increased by \$69 million while capital grants and contributions increased by \$37 million.

Expenses

Governmental expenses totaled \$814.0 million for the fiscal year. Of the expenditures, 67.7 percent is related to education; 13.8 percent is related to public safety; 5.2 percent to general government; and 4.0 percent to public services.

Education expenses increased 17.0 percent and economic development decreased by 5.0 percent, mainly due to fewer projects ongoing in the City and overtime.

General Fund: Fund Balance, Ratings and City Debt

The year ending audited General Fund-Fund balance is \$2,023,605 with no additional portion of fund balance being designated as “Nonspendable” (see page 30 for definition). The FY 15 fund balance was \$1,726,001.

The major credit rating agencies look to fund balance as a barometer of fiscal health for the City. These rating agencies rate the risk for investors willing to buy debt issued for the purpose of financing the City's capital projects. During 2016, Standard & Poor's maintained it's a- rating while assuming a positive outlook. Fitch maintained it's a- stable outlook while Moody's downgraded the City to Baa1 stable outlook.

Moody's Investment Services	Baa1 stable
Standard and Poor's	A- positive
Fitch Investors Services	A- stable

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

The City's bonds outstanding, as of June 30, 2016 totaled \$522,993,825 compared to June 30, 2015 total of \$515,645,466.

Bonds Outstanding at Year-End

June 30, 2016	\$ 522,993,825
June 30, 2015	\$ 515,645,466
June 30, 2014	\$ 514,855,326
June 30, 2013	\$ 502,002,907
June 30, 2012	\$ 503,382,312
June 30, 2011	\$ 499,238,340
June 30, 2010	\$ 511,287,768
June 30, 2009	\$ 501,192,130
June 30, 2008	\$ 497,007,908
June 30, 2007	\$ 490,896,510
June 30, 2006	\$ 503,307,879
June 30, 2005	\$ 525,278,746
June 30, 2004	\$ 500,848,442
June 30, 2003	\$ 428,682,276

The City's current debt service requirements attribute 58 percent of its costs to the City's Board of Education (includes both school construction and non-school construction capital costs) and 42 percent of its cost to other City capital expenses.

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

Capital Assets

At June 30, 2016 the City had \$1.5 billion invested in a broad range of capital assets, including land, construction in process, buildings, vehicles and equipment, roads, bridges and storm sewer lines.

City of New Haven, Connecticut Capital Assets (Net of Depreciation)

Table 3

	2016	2015
Land	\$ 44,140,306	\$ 44,140,306
Construction in process	68,426,665	64,826,111
Land improvements	8,061,529	8,015,414
Building and improvements	1,267,526,811	1,211,506,275
Machinery and equipment	27,389,911	25,512,298
Vehicles	12,589,556	9,769,206
Infrastructure	107,948,732	106,785,432
Total	\$ 1,536,083,510	\$ 1,470,555,042

Major projects during FY16 included commitments for Economic Development, Engineering, Parks, Technology and Education.

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

FY16 General Fund Budget

FY16 General Fund Budget

The following table summarizes the General Fund operating results for FY16:

	Original Budget	Final Budget	Actual	Positive (Negative) Variance
Revenues	\$ 507,875,241	\$ 507,875,241	\$ 506,245,899	\$ (1,629,342)
Expenditures	507,875,041	507,875,241	505,948,292	1,926,949
Surplus/(Deficit)	<u>\$ 200</u>	<u>\$ -</u>	<u>\$ 297,607</u>	<u>\$ 297,607</u>

The budget decreased by -0.09% or \$463kn over the previous year, and the mill rate was 41.55 mills which was equal to the mill rate in FY 14-15. Budgeted property tax revenue increased by \$999k. The revenue budget reflected the State approved budget which maintained core Education Cost Sharing funding but eliminated School transportation funding and maintained all other state revenue. The revenue budget contained no one time revenue and it saw several line items adjusted downwards or upwards to reflect actual revenues from the prior year. These included modest decreases in park receipts and NHPA PILOT, while there were increases in parking meter receipts and parking tags.

In terms of expenditures, much of the FY16 budgeted growth was offset by reductions in the Debt Service budget of (\$4.9m), overtime in public safety of (\$3m), and (\$2.5m) reductions in contract reserve for labor negotiations and the Rainy Day replenishment line item. Major increases included an increase of \$3m in Education funding, \$2 million in pensions and FICA/social Security, \$3.3m in salary increase, \$1.7m in rentals and services and a \$900k increase in medical benefits.

The City met its annual required contribution (ARC) to both its pension funds.

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

Expenditures

The expenditure budget experienced several significant variances and ended the year \$1,920,333 under budget.

On December 21, 2015 the Board of Alders approved a budget transfer of \$3,584,025, in savings arising from the Bond Sale Committee's approval on August 19, 2015 of a re-funding of previously issued debt that led to cash flow savings in the FY 15-16 debt service line item. These savings were designated by the Board to be applied to eliminate a projected shortfall in medical benefits.

Many General Fund Departments remained within budget. The most notable exceptions being Corporation Counsel, Parks, Fire, Police, FICA/Medicare and health benefits. Departments or functions which performed significantly under budget included Legislative Services, Assessors, Health, Self Insurance claims and the Workers Compensation program as expenditures were significantly improved from the prior year and under budget.

Revenues

The revenue budget was short of budget by (\$1,629,342) due primarily to property taxes not achieving budget by (\$1,890,594) and State Aid falling short of budget by (\$1,642,514). Categories which helped offset these shortfalls were real estate conveyance tax which exceeded budget by \$996,308, police vehicle extra duty which exceeded budget by \$428,887 and Controllers miscellaneous which exceeded budget by \$612,438.

Taxes

Property Taxes did not achieve budget as the overall collection rate slightly decreased but remained at a very strong 98.30%. Real Estate property taxes, the largest tax roll, achieved a collection rate of 98.83% which was an increase over 98.74% in FY 15. The shortfall to budget was due to under budget collections in delinquent taxes thus coming up (\$363,067) short versus budget. There also was a drop in the motor vehicle tax collection rate from 93.48% to 92.76% thereby being (\$569,125) short of budget. Lastly, the property tax initiative line item was short of budget due by \$822,646 reflecting the fact that the overall collection rate did not increase.

State aid

Actual State aid received was (\$1.6m) less than budget and was attributable to the Municipal Revenue Sharing shortfall of (\$1,002,745) coupled with shortfalls in PILOT: State Property (\$472,068) and PILOT: Colleges & Hospitals (\$208,601).

Internal Service Funds:

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

Self-Insurance Reserve Fund:

The City's Self-Insurance Reserve Fund has a negative net position of \$3.9m which is entirely attributed to case reserves as revenues of \$1,750,762 slightly exceeded expense of \$1,743,945. Additionally the City has maintained many risk control programs to its various City agencies in order to limit its risk. Most importantly, the City has worked steadfastly on work zone safety including street and road construction, driver training and conducts safety meetings with all of its City agencies. Additionally, the City maintains General Liability and Public Officials Liability insurance coverage, paying in excess of \$1 million annually in insurance premiums.

Medical Self-Insurance:

As a self-insured entity, the City covers all associated costs for its employees' health benefits. Anthem Health Care Plans is the third-party administrator and the City uses the Anthem Health Care network. The Medical Self-Insurance Fund ended with a deficit of (\$1,844,808) for the year ending June 30, 2016 which when added to the (\$3,584,031) deficit existing at the close of FY 14-15 brings the total negative fund balance to (\$5,428,842).

Workers Compensation Self Insurance:

The City and its third party Administrator (CT. Interlocal Risk Management Agency) oversee and administer the City's workers compensation and risk management programs. Through aggressive employee training and regular Safety Committee meetings at each of the City's major Department's workers Compensation costs have decreased slightly resulting in an operating surplus of \$71,618 which increases fund balance to \$141,648.

Capital Project Funds:

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

The Controller's Office enforces budgetary controls in its administration of capital projects. All capital expenditures must be appropriate in their use as stated in the capital funds narrative. The City implemented the Capital Funds Borrowing Plan in fiscal year 2003. The plan calls for annual reviews of all outstanding capital appropriations for their importance and priority. It also defines the life of a capital appropriation and establishes procedures so that capital borrowings meet the financial parameters established in the Capital Funds Borrowing Plan. The review of capital appropriations successfully resulted in the closing out of various capital accounts when projects were completed and funds remained unspent and un-obligated. In FY 2016, Capital Project Funds collectively had a net deficit of (\$16,338,519) which was a decrease from the prior year deficit of (\$44,340,625).

Education Grants:

The City's Education Grant Funds reported revenues of \$82.3 million and expenses revenues and other financing sources totaling \$84.6 million for a net positive operating result of \$1,074,343 and an ending fund balance of \$3,163,730.

Tax Collections:

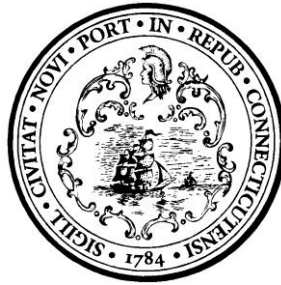
The City's tax collection rate for FY16 was 98.30%, a decrease from the prior year's rate of 98.32%. Total collections on current (Grand List 2014) taxes were as follows:

Real Estate	\$ 205,001,759
Personal Property	26,194,167
Motor Vehicle	14,106,994
Supplemental Motor Vehicle	2,663,997
Total	<u>\$ 247,966,917</u>

Conclusion

The preparation of this report could not have been accomplished if it were not for the dedicated service of the staffs of the Department of Finance, Office of Management and Budget and members of other City departments who assisted in its compilation. I extend my appreciation to each of these individuals, and to Mayor Toni N. Harp Board of Aldermen President Tyisha Walker, Finance Committee Chair Evette Hamilton and the Board of Alders for their interest and support in the conducting of the financial operations of this City in a responsible and progressive manner.

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**Basic Financial
Statements**

Statement of Net Position
June 30, 2016

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total *	Parking Authority	Solid Waste Authority
Assets					
Cash and cash equivalents	\$ 80,014,973	\$ 821,253	\$ 80,836,226	\$ 25,189,786	\$ 2,082,971
Investments	8,897,229	-	8,897,229	-	-
Receivables (net of allowance for uncollectible)	77,816,001	12,513	77,828,514	1,648,646	619,654
Inventories	51,951	-	51,951	-	-
Prepaid expenses and other assets	-	-	-	61,512	-
Due from component units	4,689,922	-	4,689,922	-	-
Internal balances	(74,056)	74,056	-	-	-
Restricted cash and cash equivalents	37,797,000	-	37,797,000	-	2,794,298
Long-term intergovernmental receivables	21,296,672	-	21,296,672	-	-
Capital assets not being depreciated	112,566,971	-	112,566,971	3,693,042	2,455,000
Capital assets being depreciated, net	1,423,516,539	-	1,423,516,539	32,247,900	4,381,857
Total assets	1,766,573,202	907,822	1,767,481,024	62,840,886	12,333,780
Deferred outflows of resources:					
Deferred pension expense	91,895,034	-	91,895,034	-	-
Deferred charges on refunding	7,434,325	-	7,434,325	-	-
	99,329,359	-	99,329,359	-	-
Liabilities					
Accounts payable and accrued liabilities	81,959,212	307,977	82,267,189	2,109,343	998,761
Accrued interest payable	8,634,178	-	8,634,178	29,254	-
Due to fiduciary funds	469,803	-	469,803	-	-
Due to primary government	-	-	-	4,600,503	89,419
Unearned revenue	1,591,190	-	1,591,190	-	-
Long-term liabilities:					
Due within one year	131,398,849	-	131,398,849	992,000	495,000
Due in more than one year	1,421,434,356	-	1,421,434,356	7,172,000	7,450,000
Total liabilities	1,645,487,588	307,977	1,645,795,565	14,903,100	9,033,180
Deferred inflows of resources:					
Advanced tax collections	4,932,356	-	4,932,356	-	-
Total deferred inflows of resources	4,932,356	-	4,932,356	-	-
Net position:					
Net investment in capital assets	956,517,425	-	956,517,425	27,776,942	1,364,027
Restricted for:					
Expendable:					
Education	2,720,464	-	2,720,464	-	-
Public service	2,248,899	-	2,248,899	13,966,785	-
General government	3,412,842	-	3,412,842	-	-
Public works	-	-	-	-	182,521
Nonexpendable:					
Permanent funds	2,381,320	-	2,381,320	-	-
Unrestricted (deficit)	(751,798,333)	599,845	(751,198,488)	6,194,059	1,754,052
Total net position	\$ 215,482,617	\$ 599,845	\$ 216,082,462	\$ 47,937,786	\$ 3,300,600

See notes to financial statements.

* After internal receivable and payables have been eliminated.

City of New Haven, Connecticut

Statement of Activities
For the Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ (42,621,112)	\$ 18,017,111	\$ 9,200,000	\$ -
Education	(551,621,913)	59,900	350,996,971	72,309,063
Public safety	(112,584,258)	3,089,292	-	-
Public works	(46,241,701)	11,033,514	9,231,371	1,927,682
Public services	(32,628,293)	502,579	26,792,346	1,240,071
Economic development	(8,673,822)	-	-	-
Interest on long-term debt	(19,597,972)	-	-	-
Total governmental activities	(813,969,071)	32,702,396	396,220,688	75,476,816
Business-type activities:				
Golf course	(744,836)	934,309	-	-
Skating rink	(149,320)	161,517	-	-
East Rock communications tower	(12,473)	10,712	-	-
Total business-type activities	(906,629)	1,106,538	-	-
Total primary government	(814,875,700)	33,808,934	396,220,688	75,476,816
Component units:				
Parking Authority	(23,395,036)	25,129,202	-	-
Solid Waste Authority	(6,669,602)	6,943,045	-	-
Total component units	(30,064,638)	32,072,247	-	-

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

Change in net position

Net position, beginning
Net position - ending

See notes to financial statements.

Exhibit B

Primary Government			Component Units	
Governmental Activities	Business-Type Activities	Total	Parking Authority	Solid Waste Authority
\$ (15,404,001)	\$ -	\$ (15,404,001)	\$ -	\$ -
(128,255,979)	-	(128,255,979)	-	-
(109,494,966)	-	(109,494,966)	-	-
(24,049,134)	-	(24,049,134)	-	-
(4,093,297)	-	(4,093,297)	-	-
(8,673,822)	-	(8,673,822)	-	-
(19,597,972)	-	(19,597,972)	-	-
<u>(309,569,171)</u>	<u>-</u>	<u>(309,569,171)</u>	<u>-</u>	<u>-</u>
-	189,473	189,473	-	-
-	12,197	12,197	-	-
-	(1,761)	(1,761)	-	-
<u>-</u>	<u>199,909</u>	<u>199,909</u>	<u>-</u>	<u>-</u>
(309,569,171)	199,909	(309,369,262)	-	-
-	-	-	1,734,166	-
-	-	-	-	273,443
<u>-</u>	<u>-</u>	<u>-</u>	<u>1,734,166</u>	<u>273,443</u>
249,774,495	-	249,774,495	-	-
59,929,086	-	59,929,086	-	-
(4,392)	577	(3,815)	169,526	11,816
70,000	(70,000)	-	-	-
<u>309,769,189</u>	<u>(69,423)</u>	<u>309,699,766</u>	<u>169,526</u>	<u>11,816</u>
200,018	130,486	330,504	1,903,692	285,259
215,282,599	469,359	215,751,958	46,034,094	3,015,341
<u>\$ 215,482,617</u>	<u>\$ 599,845</u>	<u>\$ 216,082,462</u>	<u>\$ 47,937,786</u>	<u>\$ 3,300,600</u>

Balance Sheet - Governmental Funds
June 30, 2016

	General Fund	Education Grant Funds	Capital Project Funds	Other Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Cash and cash equivalents	\$ 29,924,330	\$ 14,441,671	\$ 15,280,245	\$ 19,322,876	\$ 78,969,122
Investments	2,647,269	-	-	6,249,960	8,897,229
Restricted cash	-	-	37,797,000	-	37,797,000
Receivables from other governments	24,117,512	3,948,531	42,223,823	2,290,764	72,580,630
Receivables, net	21,296,672	428,252	447,358	271,573	22,443,855
Due from other funds	6,359,885	1,457,506	9,776,899	-	17,594,290
Inventories	-	51,951	-	-	51,951
Total assets	\$ 84,345,668	\$ 20,327,911	\$ 105,525,325	\$ 28,135,173	\$ 238,334,077
Liabilities					
Accounts payable	\$ 25,783,898	\$ 6,247,828	\$ 15,736,752	\$ 3,620,885	\$ 51,389,363
Accrued liabilities	15,363,999	5,627,991	71,094	220,729	21,283,813
Due to other funds	-	5,678,863	-	10,495,094	16,173,957
Due to other governments	151,137	814	-	439,309	591,260
Unearned revenue	1,410,423	-	-	180,767	1,591,190
Other liabilities	-	-	-	1,802,781	1,802,781
Total liabilities	42,709,457	17,555,496	15,807,846	16,759,565	92,832,364
Deferred inflows of resources:					
Advanced tax collections	4,932,356	-	-	-	4,932,356
Unavailable revenues	34,680,250	-	42,225,573	329,959	77,235,782
Total deferred inflows of resources	39,612,606	-	42,225,573	329,959	82,168,138
Fund balances:					
Nonspendable	-	51,951	-	2,381,320	2,433,271
Restricted	-	2,720,464	47,491,906	8,664,329	58,876,699
Unassigned	2,023,605	-	-	-	2,023,605
Total fund balances	2,023,605	2,772,415	47,491,906	11,045,649	63,333,575
Total liabilities, deferred inflows of resources and fund balances	\$ 84,345,668	\$ 20,327,911	\$ 105,525,325	\$ 28,135,173	

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

Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds.	1,536,083,510
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.	(8,634,177)
Deferred outflows of resources - refunding charges	7,434,325
Deferred inflows of resources - revenues	77,235,782
Deferred outflows of resources - pension items	91,895,034
Internal service funds are used by management to charge the costs of risk management to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	(9,150,877)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(1,542,714,555)

Net position of governmental activities

\$ 215,482,617

See Notes to financial statements.

**Statement of Revenues, Expenditures and Changes in Fund Balances -
Governmental Funds
For the Year Ended June 30, 2016**

	General Fund	Education Grant Funds	Capital Project Funds	Other Nonmajor Governmental Funds	Total Governmental Funds
Revenues:					
Property taxes	\$ 250,993,094	\$ -	\$ -	\$ -	\$ 250,993,094
Licenses and permits	18,835,219	-	-	-	18,835,219
Intergovernmental	245,394,710	141,062,097	64,979,904	55,958,451	507,395,162
Charges for services	5,354,164	8,101	-	2,265,444	7,627,709
Fines	5,534,394	-	-	-	5,534,394
Investment earnings	(6,883)	140	-	2,434	(4,309)
Payment in lieu of taxes	1,427,020	-	-	-	1,427,020
Contributions and other	14,396,834	1,670,382	155,393	3,265,771	19,488,380
Total revenues	541,928,552	142,740,720	65,135,297	61,492,100	811,296,669
Expenditures:					
Current:					
General government	27,383,386	-	192,324	4,365,640	31,941,350
Public safety	72,663,255	-	-	-	72,663,255
Public works	16,778,515	-	542,780	4,261,022	21,582,317
Public services	6,467,175	-	-	21,773,889	28,241,064
Other departments	1,210,771	-	-	-	1,210,771
Employee benefits and insurance	137,510,540	-	-	-	137,510,540
Economic development	7,114,301	-	1,410,386	149,135	8,673,822
Education	214,734,762	142,700,575	-	27,410,000	384,845,337
Debt service:					
Principal	37,750,503	-	-	410,000	38,160,503
Interest	24,318,788	-	-	9,184	24,327,972
Capital outlay	-	-	122,802,205	-	122,802,205
Total expenditures	545,931,996	142,700,575	124,947,695	58,378,870	871,959,136
Revenues over (under) expenditures	(4,003,444)	40,145	(59,812,398)	3,113,230	(60,662,467)
Other financing sources (uses):					
Issuance of bonds	-	-	46,700,000	-	46,700,000
Premium on bond issuances	13,078,096	-	-	-	13,078,096
Issuance of grant anticipation notes	-	-	18,534,143	-	18,534,143
Transfers in	-	1,155,052	217,004	1,460,408	2,832,464
Transfers out	(1,511,026)	-	(1,251,438)	-	(2,762,464)
Payment to escrow agent	(60,666,022)	-	-	-	(60,666,022)
Issuance of refunding bonds	53,400,000	-	-	-	53,400,000
Total other financing sources (uses)	4,301,048	1,155,052	64,199,709	1,460,408	71,116,217
Net change in fund balances	297,604	1,195,197	4,387,311	4,573,638	10,453,750
Fund balances, beginning	1,726,001	1,577,218	43,104,595	6,472,011	52,879,825
Fund balances, ending	\$ 2,023,605	\$ 2,772,415	\$ 47,491,906	\$ 11,045,649	\$ 63,333,575

See notes to financial statements.

**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, 2016**

Reconciliation of the balance sheet - governmental funds
to the statement of net position:

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

Net change in fund balances-total governmental funds (Exhibit D)	\$ 10,453,750
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.	65,528,468
Changes in some revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	2,872,421
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(29,605,050)
Changes in some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	(47,283,200)
Internal service funds are used by management to charge the costs of liability and medical insurance to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities.	<u>(1,766,371)</u>
Change in net position of governmental activities (Exhibit B)	<u>\$ 200,018</u>

See notes to financial statements.

**Statement of Net Position (Deficit) - Proprietary Funds
June 30, 2016**

	Business-Type Activities - Enterprise Funds	Governmental Activities Internal Service Funds
	Other Enterprise Funds	Funds
Assets		
Current assets:		
Cash and cash equivalents	\$ 821,253	\$ 1,045,851
Accounts receivable (net allowance for uncollectible)	12,513	4,090,060
Due from other funds	87,553	-
Total assets	<u>921,319</u>	<u>5,135,911</u>
Liabilities		
Current liabilities:		
Accounts payable and accrued liabilities	307,977	2,203,946
Due to other funds	13,497	1,964,192
Accrued estimated healthcare claims	-	6,295,650
Claims and judgments payable	-	2,035,500
Total current liabilities	<u>321,474</u>	<u>12,499,288</u>
Noncurrent liabilities:		
Claims and judgments payable	-	1,787,500
Total noncurrent liabilities	<u>-</u>	<u>1,787,500</u>
Total liabilities	<u>321,474</u>	<u>14,286,788</u>
Net position (deficit):		
Unrestricted	599,845	(9,150,877)
Total net position (deficit)	<u>\$ 599,845</u>	<u>\$ (9,150,877)</u>

See notes to financial statements.

**Statement of Activities - Proprietary Funds
For the Year Ended June 30, 2016**

	Business-Type Activities - Enterprise Funds	Governmental Activities Internal Service Funds
	Other Enterprise Funds	Funds
Operating revenues:		
Charges for sales and services:		
Employer's contribution	\$ -	\$ 92,562,740
Charges for services	-	18,135,107
Other revenue	1,106,538	4,338,125
Total operating revenues	1,106,538	115,035,972
Operating expenses:		
Costs of sales and services	906,629	-
Insurance claims and other expenses	-	116,332,550
Total operating expenses	906,629	116,332,550
Operating income (loss)	199,909	(1,296,578)
Nonoperating revenues:		
Interest income	577	-
Total non-operating revenues	577	-
Net income (loss) before transfers	200,486	(1,296,578)
Transfers:		
Transfers out	(70,000)	(469,793)
Total transfers	(70,000)	(469,793)
Change in net position	130,486	(1,766,371)
Fund net position (deficit), beginning	469,359	(7,384,506)
Fund net position (deficit), ending	\$ 599,845	\$ (9,150,877)

See notes to financial statements.

**Statement of Cash Flows - Proprietary Funds
For the Year Ended June 30, 2016**

	Business-Type	
	Activities - Enterprise Fund	Governmental Activities
	Other Enterprise Funds	Internal Service Funds
Cash flows from operating activities:		
Charges for services	\$ -	\$ 96,017,714
Charges for services from users	1,061,860	18,144,329
Payments to suppliers	(957,820)	-
Cash payment to other funds	-	(410,982)
Claims and other expenses paid	-	(113,947,904)
Net cash provided by (used in) operating activities	104,040	(196,843)
Cash flows from non-capital activities:		
Transfers to other funds	(70,000)	(469,793)
Increase (decrease) in cash and cash equivalents	34,617	(666,636)
Cash and cash equivalents:		
Beginning	786,636	1,712,487
Ending	\$ 821,253	\$ 1,045,851
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:		
Operating income (loss)	199,909	\$ (1,296,578)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Change in assets and liabilities:		
Decrease (increase) in accounts receivable, net	42,875	(883,151)
Increase (decrease) in accounts payable	(5,783)	825,386
Increase in due from other funds	(87,553)	9,222
Increase in claims and judgments payable	-	421,785
Increase (decrease) in due to other funds	(45,408)	726,493
Net cash provided by (used in) operating activities	\$ 104,040	\$ (196,843)

See notes to financial statements.

**Statement of Fiduciary Net Position - Fiduciary Funds
June 30, 2016**

	Trust Funds	Agency Funds
Assets		
Cash and short-term investments	\$ 52,953,192	\$ 1,312,324
Interest and dividends receivable	543,999	-
Accounts receivable - investment sales	2,756,823	-
Accounts receivable - other	806,714	-
Due from other funds	469,803	-
	<u>57,530,531</u>	<u>1,312,324</u>
Investments:		
Government agencies	2,295,310	-
Government securities	13,199,576	-
Common stock	190,106,046	-
Fixed income funds	15,731,507	-
Corporate bonds	32,092,980	-
Equity mutual funds	30,977,216	-
Hedge funds	41,579,261	-
Asset-backed securities	5,624,380	-
Venture capital partnerships	51,670,096	-
Private equity - real estate funds	20,232,000	-
Total investments	<u>403,508,372</u>	<u>-</u>
Total assets	<u>461,038,903</u>	<u>1,312,324</u>
Liabilities		
Accounts payable - vendors	-	642,761
Accounts payable - investment purchases	2,791,074	-
Amounts held for others	-	669,563
Total liabilities	<u>2,791,074</u>	<u>1,312,324</u>
Net position - restricted for pension and OPEB benefits	<u>\$ 458,247,829</u>	<u>\$ -</u>

See notes to financial statements.

**Statement of Changes in Fiduciary Net Position - Fiduciary Funds
For the Year Ended June 30, 2016**

	Trust Funds
<hr/>	
Additions:	
Contributions:	
Employer contributions	\$ 71,255,264
Plan members	14,863,947
Total contributions	<u>86,119,211</u>
Investment loss:	
Net depreciation in fair value of investments	(16,181,750)
Interest and dividends	7,400,959
Miscellaneous income	855
Total investment (loss)	<u>(8,779,936)</u>
Less investment expenses	<u>1,430,793</u>
Net investment (loss)	<u>(10,210,729)</u>
Total additions	<u>75,908,482</u>
Deductions:	
Benefits	<u>109,940,887</u>
Total deductions	<u>109,940,887</u>
Changes in net position before transfers	(34,032,405)
Transfers:	
Transfers in	<u>469,793</u>
Changes in net position	(33,562,612)
Net position - restricted for pension and OPEB benefits:	
Beginning of year	<u>491,810,441</u>
End of year	<u><u>\$ 458,247,829</u></u>

See notes to financial statements.

City of New Haven, Connecticut

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies

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

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

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

New Haven Parking Authority: The New Haven Parking Authority (the Parking Authority) was created and established in 1951 by a special act of the General Assembly of the State for the purpose of developing, maintaining, and operating parking facilities for the City. One of the individuals who serves on the Board of Commissioners of the Authority is also an employee of the City. This individual monitors the functioning of the Authority on behalf of the City and provides input from the City on various matters. All members of the Authority's Board of Commissioners are appointed by the Mayor of New Haven. Separately issued financial statements are available.

New Haven Solid Waste and Recycling Authority: The New Haven Solid Waste Authority is a public body politic and corporate of the state and is a political subdivision of the State established and created for the performance of the essential public and governmental function of furthering health, safety and welfare of the residents of the City. The City appoints a voting majority of the Board. Separately issued financial statements are available.

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

The City adopted the following accounting standards in the current year:

GASB Statement No. 72, *Fair Value Measurement and Application*. This statement addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This statement provides guidance for determining a fair value measurement for financial reporting purposes. This statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The implementation of this statement added additional disclosures to Note 3.

City of New Haven, Connecticut

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets that are not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statement Nos. 67 and 68*. This statement completes the suite of pension standards. Statement No. 73 establishes requirements for those pensions and pension plans that are not administered through a trust meeting specified criteria (in other words, those not covered by Statement Nos. 67 and 68). The requirements in Statement No. 73 for reporting pensions generally are the same as in Statement No. 68. However, the lack of a pension plan that is administered through a trust that meets specified criteria is reflected in the measurements. The implementation of this statement had no impact on the City's financial statements.

GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. This statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. The implementation of this statement had no impact on the City's financial statements.

GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*. This standard establishes new criteria to continue amortization cost accounting for certain external investment pools in light of recent changes to money market fund criteria. The requirements of this statement are effective for financial statements for periods beginning after June 15, 2015. Portfolio quality and monthly shadow pricing are effective for periods beginning after December 15, 2015. The implementation of this statement had no impact on the City's financial statements.

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

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

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

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

City of New Haven, Connecticut

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

All internal service fund balances, whether positive or negative, have been eliminated against the expenses and program revenues reported in governmental activities statement of activities.

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

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period (60 days). Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, expenditures related to long-term liabilities, such as debt service payments and expenditures related to compensated absences, pension obligations and other post-employment obligations and claims and judgments, are recorded only when payment is due (matured).

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

The City reports the following major governmental funds:

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

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

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

Additionally, the City reports the following fund types:

Governmental Funds:

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

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

City of New Haven, Connecticut

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Proprietary Funds:

Enterprise Funds: Used to account for operations as follows:

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

The City's enterprise funds are its commercial and intergovernmental transactions associated with its golf course, the skating rink, and the East Rock communication tower.

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

Fiduciary Funds:

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

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

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between certain City functions because the elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include property taxes.

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

Accounting estimates: The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported and disclosures in the financial statements. Actual results could differ from those estimates.

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

City of New Haven, Connecticut

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Investments: Investments are stated at fair value,

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

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

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

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

The three categories within the hierarchy are as follows:

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

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

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

See Note 3 for additional information regarding fair value.

City of New Haven, Connecticut

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

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

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

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

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

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

Restricted assets: At June 30, 2016, the City had approximately \$37,797,000 in restricted assets. This amount relates to unspent note and bond proceeds which are to be used for the acquisition of capital assets.

At June 30, 2016, the Parking Authority had approximately \$18,175,000 in restricted assets. In accordance with the resolutions of each bond issue, certain assets of their Union Station Facility are restricted and held by a trustee for the protection of the bondholders. Additionally, certain assets of the Union Station Facility are restricted in accordance with the Lease and Funding Agreement.

At June 30, 2016 the Solid Waste Authority also had approximately \$2,794,000 in restricted assets. The restricted assets were held in deposits and maintained to meet legal obligations of debt service and other repairs and maintenance reserve funds.

Capital assets: Capital assets, which include land, buildings, equipment, and infrastructure assets (e.g. roads, bridges, curbs and gutters, streets and sidewalks, and drainage systems), are reported in the governmental activities column in the government-wide financial statements. The City defines capital assets, not including infrastructure assets, as assets with an individual cost exceeding the capitalization thresholds as listed below, and an estimated useful life of one year or more. Such assets are recorded at historical cost or estimated historical cost if actual historical cost is unavailable.

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

City of New Haven, Connecticut

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

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

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

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

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

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

Long-term obligations: In the government-wide financial statements and proprietary fund types financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the unamortized bond premium or discount. Bond issuance costs are expensed.

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

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

Note 1. Summary of Significant Accounting Policies (Continued)

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

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The City reports a deferred inflow of resources related to advanced tax collections in the government-wide statement of net position. Advance property tax collections represent taxes inherently associated with a future period. This amount is recognized during the period in which the revenue is associated.

The governmental funds report unavailable revenues from property taxes, interest on property taxes, and charges for services. These amounts are deferred and recognized as an inflow of resources (revenue) in the period during which the amounts become available, in accordance with the modified accrual basis of accounting.

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

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

Restricted net position: These amounts are restricted to specific purposes when constraints placed on the use of resources are either (a) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislations.

Unrestricted net position (deficit): This category represents the net position of the City which is not restricted and which is not reported in the other two categories. A deficit will require future funding.

City of New Haven, Connecticut

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

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

Nonspendable fund balance: Amounts which cannot be spent either because they are not in spendable form, or because they are legally or contractually required to be maintained intact.

Restricted fund balance: These amounts are restricted to specific purposes when constraints placed on the use of resources are either (a) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislations.

Committed fund balance: This represents amounts constrained, prior to year-end, for a specific purpose by a government using its highest level of decision-making authority (City of New Haven Board of Aldermen) in the form of a resolution. Once adopted, amounts remain committed until a similar action (resolution) is taken by the Board of Aldermen to remove or revise the limitations.

Assigned fund balance: Amounts constrained for the intent to be used for a specific purpose by a governing board or a body or official that has been delegated authority to assign amounts. Under the City's fund balance policy, the City Council has by resolution authorized the Controller or Chief Accountant to assign fund balance.

Unassigned fund balance: The residual amount not allocated to any other fund balance category in the General Fund and any residual deficit balance of any other governmental funds.

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

Other post-employment obligations (OPEB) accounting:

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

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

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

City of New Haven, Connecticut

Notes to Financial Statements

Note 2. Reconciliation of Government-Wide and Fund Financial Statements

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

The details of this difference are as follows:

Bonds payable	\$ 522,993,825
Premium on bond issuance	33,283,194
Notes payable	410,000
GANs	68,825,028
Capital leases payable	4,534,683
Contractual obligation	8,482,625
Compensated absences	19,349,407
Accrued workers compensation	27,393,373
Retainage payable	5,734,489
Net pension liability	704,400,931
Net OPEB obligation	146,707,000
Landfill post-closure costs	600,000
Net adjustment to reduce fund balance - total governmental funds to arrive at net position - governmental activities	<u>\$ 1,542,714,555</u>

Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities:

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

Capital outlay	\$ 111,070,077
Depreciation expense	(45,519,275)
Loss on disposal of capital assets	(22,334)
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 65,528,468</u>

City of New Haven, Connecticut

Notes to Financial Statements

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

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

Debt issued or incurred:	
Issuance of general obligation bonds	\$ (46,700,000)
Issuance of general obligation refunding bonds	(53,400,000)
Deferred loss on refunding	4,816,022
Issuance of grant anticipation notes	(18,534,143)
Premium on bond issuance	(13,078,096)
Principal repayments:	
Bond principal payment	32,085,619
Payment to escrow	60,666,022
Amortization of bond premium	3,597,425
Capital lease payments	897,464
Notes payable	365,000
GNHWPCA clean water fund notes	848,863
Amortization of deferred items	(1,169,226)
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ (29,605,050)</u>

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

Compensated absences	\$ 738,537
Accrued workers' compensation	270,248
Retainage	(3,431,594)
Net pension liability	(57,761,708)
OPEB obligation	(7,707,700)
Landfill closure and post-closure	150,000
Pollution remediation	460,316
Deferred outflows of resources - pension items	20,549,214
Accrued interest	(550,513)
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ (47,283,200)</u>

City of New Haven, Connecticut

Notes to Financial Statements

Note 3. Cash, Cash Equivalents and Investments

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

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

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

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

Custodial credit risk:

Deposits: This is the risk that, in the event of failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The bank balances of the Primary Government's cash accounts at June 30, 2016 were approximately \$176,578,000. The amount of the bank balances covered under federal depository insurance was \$4,284,000. The remaining \$172,294,000 of deposits was uninsured. Provisions of the Connecticut General Statutes provide for protection against loss in excess of deposit insurance by requiring all qualified public depositories to maintain segregated collateral for public deposits. As of June 30, 2016, approximately \$17,200,000 of uninsured deposits was collateralized under the provision.

The New Haven Parking Authority's bank balance totaled approximately \$25,200,000, of which approximately \$750,000 was covered by FDIC protection and the remaining \$24,450,000 is uninsured. As of June 30, 2016, approximately \$15,608,000 of the uninsured deposits was collateralized.

The New Haven Solid Waste Authority's bank balance totaled approximately \$635,000, of which approximately \$250,000 was insured and collateralized and \$38,000 was uninsured and uncollateralized.

City of New Haven, Connecticut

Notes to Financial Statements

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

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

The City's Primary Government cash, cash equivalents and investments consist of the following at June 30, 2016:

Cash and cash equivalents:	
Deposits with financial institutions	\$ 171,240,356
State of Connecticut Short-Term Investment fund	1,658,387
Total cash and cash equivalents	<u>172,898,743</u>
Investments:	
General Fund:	
Corporate bonds	976,105
Municipal bonds	23,706
Other bond fund	190,848
Common stock	1,456,609
Total General Fund	<u>2,647,268</u>
Other nonmajor funds:	
Fixed income funds	995,263
Corporate bonds	1,177,738
Municipal bonds	28,604
Common stock	4,048,355
Total other nonmajor funds	<u>6,249,960</u>
Pension trust funds:	
Fixed income funds	15,731,507
Government agency	2,295,310
Government securities	13,199,576
Common stock	190,106,046
Corporate bonds	32,092,980
Mutual funds	30,977,216
Hedge funds	41,579,261
Asset-backed securities	5,624,380
Venture capital partnerships	51,670,096
Private Equity - Real estate funds	20,232,000
Total pension trust funds	<u>403,508,372</u>
Total investments	<u>412,405,600</u>
Total cash, cash equivalents and investments	<u><u>\$ 585,304,343</u></u>

City of New Haven, Connecticut

Notes to Financial Statements

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

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

Statement of net position:	
Cash and cash equivalents	\$ 80,836,226
Investments	8,897,229
Restricted cash	37,797,000
	<u>127,530,455</u>
Fiduciary funds:	
Cash and cash equivalents	54,265,516
Investments	403,508,372
	<u>457,773,888</u>
Total cash, cash equivalents and investments	<u>\$ 585,304,343</u>

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

Cash and cash equivalents:	
New Haven Parking Authority	\$ 25,189,786
New Haven Solid Waste Authority	4,877,269
Total deposits	<u>\$ 30,067,055</u>

At June 30, 2016, the New Haven Parking Authority cash and cash equivalents included \$18,200,000 of restricted cash and cash equivalents.

At June 30, 2016, the Solid Waste Authority's cash and cash equivalents included \$2,794,928 of restricted short-term investments classified as cash equivalents.

Investments:

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

	Investment Maturities (In Years)				
	Fair Value	Less than 1	1-5	6-10	More Than 10
Asset backed securities	\$ 5,624,380	\$ -	\$ -	\$ -	\$ 5,624,380
Corporate bonds	34,246,822	827,407	6,214,683	21,377,606	5,827,126
Fixed income funds	16,726,771	-	-	-	16,726,771
Government agencies	2,295,310	-	1,491,121	527,188	277,001
Government securities	13,199,576	782,465	5,989,848	2,690,608	3,736,655
Municipal bonds	52,310	-	52,310	-	-
Other bond funds	190,848	-	-	-	190,848
Total	<u>\$ 72,336,017</u>	<u>\$ 1,609,872</u>	<u>\$ 13,747,962</u>	<u>\$ 24,595,402</u>	<u>\$ 32,382,781</u>

City of New Haven, Connecticut

Notes to Financial Statements

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

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

Actual Rating	Corporate Bonds	Government Agencies	Government Securities	Asset Backed Securities	Fixed Income	Municipal Bonds
AAA	\$ -	\$ -	\$ -	\$ -	\$ 2,504,010	\$ -
AA	2,951,486	2,295,310	7,782,245	5,085,247	673,784	-
A	8,951,394	-	-	-	1,417,678	52,310
BBB	10,358,553	-	-	-	5,022,054	-
BB	6,346,284	-	-	-	2,754,185	-
B	3,933,155	-	-	-	1,624,738	-
CCC	181,755	-	-	-	1,022,204	-
CC	23,800	-	-	-	125,943	-
D	-	-	-	-	115,035	-
Unrated	1,500,395	-	5,417,331	539,133	1,467,140	-
	<u>\$ 34,246,822</u>	<u>\$ 2,295,310</u>	<u>\$ 13,199,576</u>	<u>\$ 5,624,380</u>	<u>\$ 16,726,771</u>	<u>\$ 52,310</u>

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

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

Investment	Currency	Maturity	Fair Value
Cash & cash equivalents, government/municipal bonds, corporate bonds	Mexican Peso	2/1/2022 - 9/21/2047	\$ 217,561
Cash & cash equivalents, government/municipal bonds, corporate bonds	Indonesian Rupiah	1/8/2022 - 1/8/2047	334,384
Cash & cash equivalents, government/municipal bonds, corporate bonds	South African Rand	10/12/2028 - 1/31/2044	109,203
Cash & cash equivalents, government/municipal bonds, corporate bonds	Argentine Peso	3/5/2018 - 12/31/2038	179,466
Cash & cash equivalents, government/municipal bonds, corporate bonds	Hungarian Forint	10/27/2021 - 6/24/2025	165,075
Cash & cash equivalents, government/municipal bonds, corporate bonds	Euro	11/5/2019 - 1/26/2024	210,788
Cash & cash equivalents, government/municipal bonds, corporate bonds	Brazilian Real	1/1/2018 - 2/21/2047	464,751
Cash & cash equivalents	Russian Ruble		308,987
Cash & cash equivalents	British Sterling Pound	N/A	226,873
Cash & cash equivalents	Colombian Peso	N/A	167,615
Cash & cash equivalents	Indian Rupee	N/A	135,446
Cash & cash equivalents	Malaysian Ringgit	N/A	9,311
			<u>\$ 2,529,460</u>

The Pension Trust Funds have additional commitments to invest in certain alternative investments of approximately \$7,600,000 at June 30, 2016.

City of New Haven, Connecticut

Notes to Financial Statements

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

As of June 30, 2016, the Solid Waste Authority had restricted investments of \$2,794,000 in Money Market Mutual Funds.

Fair value: The Plans categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The Plans has the following recurring fair value measurements as of June 30, 2016:

	Fair Value Measurements Using			
	June 30, 2016	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Observable Inputs (Level 3)
Investments by fair value level:				
Stocks	\$ 194,647,755	\$ 194,251,050	\$ 100,072	\$ 296,633
Mutual funds	46,708,723	27,114,837	3,753,776	15,840,110
Debt securities:				
Government agency	2,295,310	-	2,295,310	-
Corporate bonds	34,980,572	1,351,434	33,468,099	161,039
Asset and mortgage backed	5,624,380	5,624,380	-	-
Municipal bonds	52,310	-	52,310	-
U.S. Treasury bonds	13,199,576	9,221,024	3,978,552	-
Total debt securities	56,152,148	16,196,838	39,794,271	161,039
Exchange traded funds	54,630	54,630	-	-
Real estate funds	1,505,781	1,505,781	-	-
Total investments by fair value level	299,069,037	239,123,136	43,648,119	16,297,782
Investments measured at the net asset level (NAV):				
*Private equity funds	19,689,933			
*Hedge Funds	41,579,261			
*Venture capital investments	39,076,338			
*Partnerships	12,593,759			
*Equity hedge funds	397,272			
Total investments measured at the NAV	113,336,563			
Total investments measured at fair value	\$ 412,405,600			

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

City of New Haven, Connecticut

Notes to Financial Statements

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

	Fair Value	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Investments Measured at the NAV:				
*Private equity funds	\$ 19,689,933	\$ 6,657,555	N/A	N/A
*Partnerships	12,593,759	1,090,579	N/A	N/A
*Hedge Funds	41,579,261	-	N/A	N/A
*Venture capital investments	39,076,338	-	N/A	N/A
*Equity hedge funds	397,272	-	N/A	N/A
Total Investments Measured at the NAV	<u>\$ 113,336,563</u>			

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

Private Equity, Partnerships and Venture Capital Funds: These limited partnerships provide for the portfolio exposure to private companies through equity and/or debt investments. Fund managers invest in private companies with the goal of enhancing value over the long-term.

Note 4. Receivables

Receivables at June 30, 2016 were as follows:

	General	Education Grants	Capital Projects	Other Nonmajor Funds	Total Governmental Funds
Property taxes and interest	\$ 25,120,834	\$ -	\$ -	\$ -	\$ 25,120,834
Amount due from component unit, Yale University and other receivables	13,205,980	428,252	447,358	271,573	14,353,163
Intergovernmental	24,117,512	3,948,531	42,223,823	2,290,764	72,580,630
Gross receivables	62,444,326	4,376,783	42,671,181	2,562,337	112,054,627
Allowance for doubtful accounts	(17,030,142)	-	-	-	(17,030,142)
Total receivables, net	<u>\$ 45,414,184</u>	<u>\$ 4,376,783</u>	<u>\$ 42,671,181</u>	<u>\$ 2,562,337</u>	<u>\$ 95,024,485</u>

The New Haven Parking Authority, a component unit, has accounts receivable of \$1,648,646 which includes amounts due from customers for monthly parking and from tenants under lease agreements. These receivables are net of an allowance for doubtful accounts of \$628,658. The reserve method is used by the Authority based on historical experience and review of existing receivables.

The New Haven Solid Waste Authority, a component unit, has accounts receivable of \$619,654 which includes amounts due from customers for disposal of solid waste at the Authority's Transfer Station. These receivables are net of an allowance for doubtful accounts of \$100,000. The reserve method is based on historical experience and review of existing receivables.

City of New Haven, Connecticut

Notes to Financial Statements

Note 5. Unearned Revenue/Deferred Inflows of Resources

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

	<u>Deferred Inflows</u>	<u>Unearned</u>
General Fund:		
Taxes and accrued interest on delinquent property taxes	\$ 7,975,200	\$ -
School construction receivable	24,107,000	-
Miscellaneous receivable	2,598,050	1,410,423
Advance tax collection	4,932,356	-
Capital Projects Fund:		
Intergovernmental grants receivable	42,225,573	-
Nonmajor Governmental Funds:		
Miscellaneous receivable	142,945	-
Intergovernmental grants receivable	187,014	180,767
Total	<u>\$ 82,168,138</u>	<u>\$ 1,591,190</u>

City of New Haven, Connecticut

Notes to Financial Statements

Note 6. Loans Receivable

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

Note 7. Interfund Balances and Interfund Transfers

Interfund balances: As of June 30, 2016, interfund balances were as follows:

	<u>Due From</u>	<u>Due To</u>
Primary Government:		
General Fund	\$ 6,359,885	\$ -
Major Funds:		
Education grants	1,457,506	5,678,863
Capital Projects Funds	9,776,899	-
	<u>11,234,405</u>	<u>5,678,863</u>
Other Nonmajor Funds:		
Community Development	-	1,856,007
Improvement	-	3,342,662
Human Resources	-	175,271
Other	-	5,120,658
Other ETF	-	496
	<u>-</u>	<u>10,495,094</u>
Internal Service Funds	<u>-</u>	<u>1,964,192</u>
Pension Trust Funds	<u>469,803</u>	<u>-</u>
Enterprise Funds	<u>87,553</u>	<u>13,497</u>
Total primary government	<u>\$ 18,151,646</u>	<u>\$ 18,151,646</u>

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

City of New Haven, Connecticut

Notes to Financial Statements

Note 7. Interfund Balances and Interfund Transfers (Continued)

Interfund transfers: For the year ended June 30, 2016, amounts transferred between funds were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ -	\$ 1,511,026
Education Grant Funds	1,155,052	-
Capital Projects Funds	217,004	1,251,438
Enterprise Funds	-	70,000
Other nonmajor governmental funds	1,460,408	-
	<u>\$ 2,832,464</u>	<u>\$ 2,832,464</u>

Transfers from Enterprise Funds were to reimburse Capital Projects Funds for capital expenditures on behalf of Enterprise Funds. Transfers from the General Fund to the Education Grant Funds were for various education programs including a transfer to the Cafeteria Program. Transfers from the Capital Projects Fund to Other Nonmajor Funds was for various small improvement projects.

City of New Haven, Connecticut

Notes to Financial Statements

Note 8. Capital Assets

Capital asset activity for the year ended June 30, 2016 is as follows:

	Beginning Balance	Increases	Decreases	Transfers In/Out	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 44,140,306	\$ -	\$ -	\$ -	\$ 44,140,306
Construction in progress	64,826,111	87,325,231	-	(83,724,677)	68,426,665
Total capital assets, not being depreciated	108,966,417	87,325,231	-	(83,724,677)	112,566,971
Capital assets, being depreciated:					
Buildings and improvements	1,595,551,480	6,733,588	-	83,724,677	1,686,009,745
Land improvements	22,255,977	660,576	-	-	22,916,553
Vehicles	47,145,532	4,501,492	(13,872,037)	-	37,774,987
Machinery, equipment, furniture, fixtures and other related assets	45,039,926	5,114,119	(230,550)	-	49,923,495
Infrastructure	251,256,950	6,735,071	-	-	257,992,021
Total capital assets being depreciated	1,961,249,865	23,744,846	(14,102,587)	83,724,677	2,054,616,801
Less accumulated depreciation for:					
Buildings and improvements	384,045,205	34,437,729	-	-	418,482,934
Land improvements	14,240,563	614,461	-	-	14,855,024
Vehicles	37,376,326	1,658,808	(13,849,703)	-	25,185,431
Machinery, equipment, furniture, fixtures and other related assets	19,527,628	3,236,506	(230,550)	-	22,533,584
Infrastructure	144,471,518	5,571,771	-	-	150,043,289
Total accumulated depreciation	599,661,240	45,519,275	(14,080,253)	-	631,100,262
Total capital assets, being depreciated, net	1,361,588,625	(21,774,429)	(22,334)	83,724,677	1,423,516,539
Governmental activities capital assets, net	\$ 1,470,555,042	\$ 65,550,802	\$ (22,334)	\$ -	\$ 1,536,083,510

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

Governmental activities:	
Education	\$ 32,238,495
General government	4,379,146
Public safety	1,908,816
Public works	6,108,855
Culture and recreation	883,963
Total depreciation expense - governmental activities	<u>\$ 45,519,275</u>

City of New Haven, Connecticut

Notes to Financial Statements

Note 8. Capital Assets (Continued)

Component units:	Beginning Balance	Increase	Decreases	Transfers	Ending Balance
Capital assets, not being depreciated:					
Land	\$ 2,561,000	\$ -	\$ -	\$ -	\$ 2,561,000
Construction in progress	4,961,296	4,764,211	(6,428)	(6,132,037)	3,587,042
Total capital assets, not being depreciated	7,522,296	4,764,211	(6,428)	(6,132,037)	12,280,079
Capital assets, being depreciated:					
Buildings and improvements	100,409,409	16,047	-	6,022,226	106,447,682
Equipment and motor vehicles	9,078,251	460,527	(884,029)	109,811	8,764,560
Total capital assets being depreciated	109,487,660	476,574	(884,029)	6,132,037	109,080,205
Less accumulated depreciation for:					
Buildings and improvements	69,627,414	3,941,728	-		73,569,142
Equipment and motor vehicles	4,759,922	1,137,450	(884,029)		5,013,343
Total accumulated depreciation	74,387,336	5,079,178	(884,029)	-	78,582,485
Total capital assets, being depreciated, net	35,100,324	(4,602,604)	-		30,497,720
Capital assets, net	\$ 42,622,620	\$ 161,607	\$ (6,428)	\$ (6,132,037)	\$ 42,777,799

Construction commitments: The City has the following major active construction projects as of June 30, 2016, the primary source of funding these projects will come from grants and bond proceeds:

Capital Project	Cumulative Authorization	Cumulative Expenditures	Remaining Construction Commitment Balance June 30, 2016	Expected Date of Completion
Bowen Field	\$ 11,600,000	\$ 11,261,603	\$ 338,397	05/01/17
New Haven Academy	44,840,000	35,701,504	9,138,496	09/01/17
Dr. Reginald Mayo School	53,825,000	36,761,570	17,063,430	09/01/17
ESUMS	85,500,000	52,561,224	32,938,776	04/01/18
	<u>\$ 195,765,000</u>	<u>\$ 136,285,901</u>	<u>\$ 59,479,099</u>	

City of New Haven, Connecticut

Notes to Financial Statements

Note 9. Long-Term Liabilities

A summary of changes in long-term liabilities during the year ended June 30, 2016 is as follows:

	Balance July 1, 2015,	Issued/ Additions	Reductions	Balance June 30, 2016	Due Within One Year
Government activities:					
Long-term debt:					
General obligation bonds payable	\$ 515,645,466	\$ 100,100,000	\$ 92,751,641	\$ 522,993,825	\$ 43,685,694
Premiums/discounts on bonding, net	23,802,523	13,078,096	3,597,425	33,283,194	-
Notes payable	775,000	-	365,000	410,000	410,000
GANs	50,290,885	18,534,143	-	68,825,028	68,825,028
Capital leases	5,432,147	-	897,464	4,534,683	1,085,047
Other long-term liabilities:					
Clean water fund notes-GNHWPCA	9,331,488	-	848,863	8,482,625	758,591
Compensated absences	20,087,944	19,200,000	19,938,537	19,349,407	750,000
Accrued workers' compensation	27,663,621	7,499,186	7,769,434	27,393,373	7,500,000
Accrued claims and other	9,696,865	108,984,901	108,563,116	10,118,650	2,500,000
Retainage	2,302,895	3,894,216	462,622	5,734,489	5,734,489
Net pension liability	646,639,223	57,761,708	-	704,400,931	-
Unfunded OPEB obligations	138,999,300	7,707,700	-	146,707,000	-
Landfill closure and post-closure	750,000	-	150,000	600,000	150,000
Pollution remediation	460,316	-	460,316	-	-
Total long-term liabilities	<u>\$ 1,451,877,673</u>	<u>\$ 336,759,950</u>	<u>\$ 235,804,418</u>	<u>\$ 1,552,833,205</u>	<u>\$ 131,398,849</u>
Component unit activities:					
Long-term debt:					
Revenue bonds	\$ 20,431,409	\$ -	\$ 4,322,409	\$ 16,109,000	\$ 1,487,000
Total component unit	<u>\$ 20,431,409</u>	<u>\$ -</u>	<u>\$ 4,322,409</u>	<u>\$ 16,109,000</u>	<u>\$ 1,487,000</u>

2015 general obligation refunding bond in-substance defeasance: On December 22, 2015, the City issued \$53,400,000 of general obligation refunding bonds with interest rates of 3% to 5%, of which the proceeds were used to advance refund the outstanding principal amounts of the general obligation bonds of the City (the Refunding Bonds). Net proceeds of \$60,666,021 was placed in an irrevocable trust under an Escrow Agreement dated December 2015 between the City and the Escrow Holder. The Escrow Holder used the proceeds to purchase a portfolio of primarily non-callable direct obligations of the United States of America (Government Obligations). The Government Obligations will have maturities and interest rates sufficient to pay principal and interest payments and redemption premiums on the Refunding Bonds on the date the payments are due.

The City advance refunded the above bonds to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$2,490,121, and a cash savings of \$2,495,630 between the old debt payments and the new debt payments.

The balance of the defeased bonds was approximately \$ 50 million at June 30, 2016. As a result, the refunded bonds are considered defeased and the liability has been removed from the basic financial statements.

City of New Haven, Connecticut

Notes to Financial Statements

Note 9. Long-Term Liabilities (Continued)

General obligation bonds: The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for governmental activities. During the year, general obligation bonds totaling \$100,100,000 were issued, \$46,700,000 of which is for various capital projects and \$53,400,000 of which is refunding bonds.

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

Purpose/Maturity	Interest Rate	Governmental Activities
General Purpose Bonds: Maturity Dates Ranging From August 2017 to August 2031	2.00-5.7%	\$ 227,763,208
School Bonds: Maturity Dates Ranging From August 2017 to August 2031	.34-5.7%	271,974,936
Urban Renewal Bonds: Maturity Dates Ranging From August 2017 to August 2031	2.00-5.7%	23,255,681
		<u>522,993,825</u>
Less current portion		43,685,694
Long-term portion		<u><u>\$ 479,308,131</u></u>

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

	Principal	Interest
Year ending June 30:		
2017	\$ 43,685,694	\$ 24,114,339
2018	43,767,527	21,836,822
2019	43,732,000	19,713,054
2020	43,115,840	17,740,167
2021	42,912,765	15,679,213
2022 through 2026	176,245,000	49,981,337
2027 through 2031	90,629,999	19,560,817
2032 through 2036	38,905,000	3,803,484
	<u><u>\$ 522,993,825</u></u>	<u><u>\$ 172,429,233</u></u>

City of New Haven, Connecticut

Notes to Financial Statements

Note 9. Long-Term Liabilities (Continued)

Qualified Zone Academy Bonds (QZAB) were issued pursuant to Section 1397E of the Internal Revenue Code. As such, a tax credit will be offered to the security provider and the City receives a reduction in interest payments. The QZAB's are general obligation bonds and require that annual payments be made to an escrow account where the City is guaranteed a fixed interest rate. On the termination date, these payments, together with the interest earnings, will be used to satisfy the Bonds. These bonds are included in general obligation bonds and the related debt service requirements. The City is guaranteed to earn \$120,000 in interest over the next year to be used to relinquish the principal portion of the debt during the current year; the escrow account earned \$11,000.

School bond reimbursements: The State of Connecticut reimburses the City for eligible principal and interest costs of the capital improvement bond issues used for school reconstruction. The amount of such reimbursements for the year ended June 30, 2016 was approximately \$5,200,000. The City expects to receive approximately \$24,107,000 in principal payments and approximately \$2,512,000 in interest payments over the next 16 years.

Bonds authorized/unissued: At June 30, 2016, the City had approximately \$216,000,000 in bonds authorized but unissued. This amount has been authorized solely for school construction bonds as of June 30, 2016.

In-substance defeasance – prior years: In prior years, the City has defeased various bond issues by creating separate irrevocable trust funds. New debt has been issued and the proceeds have been used to purchase U.S. government securities that were placed in the trust funds. The investments and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the debt has been considered defeased and therefore removed as a liability from the City's government-wide financial statements. As of June 30, 2016, the amount of defeased debt outstanding, but removed from the City's government-wide financial statements, is approximately \$176,835,000.

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

As of June 30, 2016, there were 2 series of limited obligation industrial bonds outstanding, with an aggregate principal amount of approximately \$3,765,000.

Clean Water Fund notes – GNHWPCA: The City entered into a cost-sharing agreement with the Greater New Haven WPCA with respect to the Clean Water Fund Program. The notes bear interest at 2 percent annually.

City of New Haven, Connecticut

Notes to Financial Statements

Note 9. Long-Term Liabilities (Continued)

Grant anticipation note: The City of New Haven issued a general obligation note in anticipation of State grants for school construction projects under a tax-exempt revolving loan agreement. This general obligation note can accommodate the issuance of up to \$70,000,000 of grant anticipation notes under the revolving loan agreement, with an interest rate of 1.12%, which expires on June 1, 2017.

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

The annual debt service requirements are as follows:

	Principal	Interest
Year ending June 30:		
2017	\$ 992,000	\$ 167,528
2018	992,000	146,200
2019	992,000	124,872
2020	992,000	103,544
2021	992,000	82,216
2022 through 2026	3,204,000	119,906
	<u>\$ 8,164,000</u>	<u>\$ 744,266</u>

The New Haven Solid Waste Authority, a component unit of the City, also issued bonds to finance the acquisition of its solid waste facility assets. Through the New Haven Solid Waste Authority, the City has \$7,945,000 of outstanding revenue bond debt at June 30, 2016, with an interest rate ranging from 4 percent to 5.375 percent.

	Principal	Interest
Year ending June 30:		
2017	\$ 495,000	\$ 416,944
2018	520,000	391,575
2019	545,000	364,925
2020	575,000	336,994
2021	605,000	307,525
2022 through 2026	3,520,000	1,035,150
2027 through 2029	1,685,000	137,063
	<u>\$ 7,945,000</u>	<u>\$ 2,990,176</u>

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

City of New Haven, Connecticut

Notes to Financial Statements

Note 9. Long-Term Liabilities (Continued)

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

	Principal	Interest
Year ending June 30:		
2017	\$ 410,000	\$ 9,184
	\$ 410,000	\$ 9,184

Capital leases: The City has entered into two lease agreements for the financing of energy conservation equipment. In 2015, the City entered into a lease agreement for master vehicle lease equipment. These equipment leases qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception. The interest rate varies on these leases from 2.695 percent to 4.70 percent per annum.

The capitalized value of property under capital leases is approximately \$5,300,000, which has accumulated depreciation of approximately \$2,100,000 at year-end.

The future minimum lease obligations and net present value of these minimum lease payments as of June 30, 2016 were as follows:

<u>Year ending June 30:</u>	General Government
2017	\$ 1,085,047
2018	1,089,248
2019	1,093,575
2020	945,008
2021	445,008
2022 and thereafter	370,840
Total minimum lease payments	5,028,726
Less: Amount representing interest	494,043
Present value of minimum lease payment	\$ 4,534,683

Note 10. Fund Deficits

The following funds had fund deficits as of June 30, 2016:

	Fund Deficits
Internal Service Funds:	
Self-Insurance Reserve Fund	\$ 3,863,688
Medical Self-Insurance Fund	5,428,837
Enterprise:	
Skating rink	2,586

The Internal Service Fund deficits will be funded in future years from increased premiums and/or permanent financing in accordance with City's plan to reduce the deficit.

City of New Haven, Connecticut

Notes to Financial Statements

Note 11. Employee Retirement Plans and Other Post-Employment Benefit Plans

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

The individual plan net position is as follows:

	Statement of Net Position June 30, 2016				
	City Employees' Retirement Fund	Policemen's & Firemen's Retirement Fund	Other Retirement Fund	Post Employment Benefit Plan Fund	Total
Assets					
Cash and short-term investments	\$ 12,554,667	\$ 38,871,771	\$ 1,157,388	\$ 369,366	\$ 52,953,192
Interest and dividends receivable	252,462	291,492	45	-	543,999
Accounts receivable-investment sales	2,508,222	248,601	-	-	2,756,823
Accounts receivable-other	589,713	216,980	1	30	806,724
Due from other funds	-	-	-	469,803	469,803
Investments	139,967,007	263,447,652	93,713	-	403,508,372
Total assets	155,872,071	303,076,496	1,251,147	839,199	461,038,913
Liabilities					
Accounts payable-investment purchases	2,431,791	359,283	-	-	2,791,074
Total liabilities	2,431,791	359,283	-	-	2,791,074
Net position:					
Restricted for pension benefits	\$ 153,440,280	\$ 302,717,213	\$ 1,251,147	\$ 839,199	\$ 458,247,839

City of New Haven, Connecticut

Notes to Financial Statements

Note 11. Employee Retirement Plans and Other Post-Employment Benefit Plans (Continued)

Individual changes in plan net position was as follows:

Statement of Changes in Net Position - Trust Funds Year Ended June 30, 2016					
	City Employees' Retirement Fund	Policemen's & Firemen's Retirement Fund	Other Retirement Fund	Post Employment Benefit Plan Fund	Total
Additions:					
Contributions:					
Employer contributions	\$ 19,555,670	\$ 26,306,000	\$ -	\$ 25,863,397	\$ 71,725,067
Plan members	4,609,881	7,335,993	-	2,918,073	14,863,947
Total contributions	<u>24,165,551</u>	<u>33,641,993</u>	<u>-</u>	<u>28,781,470</u>	<u>86,589,014</u>
Investment earnings:					
Net increase (decrease) in fair value of investments	(6,896,397)	(9,277,282)	(8,071)	-	(16,181,750)
Interest and dividends	3,177,542	4,219,307	2,872	1,238	7,400,959
Miscellaneous Income	855	-	-	-	855
Total investment income (loss)	<u>(3,718,000)</u>	<u>(5,057,975)</u>	<u>(5,199)</u>	<u>1,238</u>	<u>(8,779,936)</u>
Less investment expenses:	680,304	750,489	-	-	1,430,793
Net investment earnings (loss)	<u>(4,398,304)</u>	<u>(5,808,464)</u>	<u>(5,199)</u>	<u>1,238</u>	<u>(10,210,729)</u>
Total additions	19,767,247	27,833,529	(5,199)	28,782,708	76,378,285
Deductions:					
Benefits	30,018,207	51,639,291	31,722	28,251,667	109,940,887
Total deductions	<u>30,018,207</u>	<u>51,639,291</u>	<u>31,722</u>	<u>28,251,667</u>	<u>109,940,887</u>
Net increase (decrease)	(10,250,960)	(23,805,762)	(36,921)	531,041	(33,562,602)
Net position, beginning of year	163,691,240	326,522,975	1,288,068	308,158	491,810,441
Net position, end of year	<u>\$ 153,440,280</u>	<u>\$ 302,717,213</u>	<u>\$ 1,251,147</u>	<u>\$ 839,199</u>	<u>\$ 458,247,839</u>

City Employees' Retirement Fund:

Plan membership: Membership in the plan consisted of the following at July 1, 2014, the date of the latest actuarial valuation:

Retirees and beneficiaries receiving benefits	1,124
Terminated plan members entitled to but not yet receiving benefits	56
Active plan members	910
Total	<u><u>2,090</u></u>

City of New Haven, Connecticut

Notes to Financial Statements

Note 11. Employee Retirement Plans and Other Post-Employment Benefit Plans (Continued)

Plan description: The City of New Haven is the administrator of a single employer Public Employee Retirement System (PERS) established and administered by the City to provide pension benefits for its employees. The PERS is considered to be part of the City of New Haven's financial reporting entity and is included in the City's financial reports as a pension trust fund. The plan does not issue stand-alone statements.

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

Contributions: Cafeteria workers contribute 5 percent of all earnings, Public Works employees contribute 6.25 percent of all earnings, and all other employees contribute 6 percent of all earnings. The City is required to contribute the remaining amounts necessary to finance the benefits for its employees. In 2016, the City contributed approximately \$19,556,000 to the plan.

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

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

Plan provisions:

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

Plan year: July 1 through June 30.

Employees covered: General Fund or Water Pollution Control Authority full time employees or full time elected or appointed officers if 1) hired before age 55 (60 for some employee groups); 2) not receiving benefits from, or eligible for, participation in any other pension plan of the City or the State of Connecticut; and 3) makes employee contributions.

Coverage is automatic for such full time employees.

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

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

City of New Haven, Connecticut

Notes to Financial Statements

Note 11. Employee Retirement Plans and Other Post-Employment Benefit Plans (Continued)

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

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

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

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

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

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

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

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

There are no investments in the pension plans that represent more than 5 percent of the plan’s net position as of June 30, 2016.

City of New Haven, Connecticut

Notes to Financial Statements

Note 11. Employee Retirement Plans and Other Post-Employment Benefit Plans (Continued)

Net pension liability: The components of the net pension liability of the City at June 30, 2016 were as follows:

	City Employees' Retirement Fund	2016
Total pension liability		\$ 459,456,387
Plan fiduciary net position		153,440,281
Net pension liability		<u>\$ 306,016,106</u>
Plan fiduciary net position as a percentage of total pension liability		33.40%

Rate of return: For the year ended June 30, 2016, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expenses, was -2.68 percent. The money-weighted rate of return expresses investment performance, net of investment expenses, adjusted for the changing amounts actually invested.

Actuarial assumptions: The total pension liability was determined by an actuarial valuation as of July 1, 2014, using the following actuarial assumptions that were projected forward to the measurement date of June 30, 2016:

	Description of Actuarial Methods
Actuarial method used:	Entry age normal cost
Remaining amortization period:	28 year closed period
Investment rate of return:	8.00%
Asset valuation method:	Phase-in of investment gains and losses, 20% per year for 5 years
Mortality basis:	
Current	RP-2000 Mortality Table with separate male and female rates, with no collar adjustment, separate tables for non-annuitants and annuitants, projected to the valuation date with Scale AA.
Mortality improvement:	Projected to date of decrement using Scale AA (generational mortality).

City of New Haven, Connecticut

Notes to Financial Statements

Note 11. Employee Retirement Plans and Other Post-Employment Benefit Plans (Continued)

Salary scale:

Current:

The following adjusted table:

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

* Implicit inflation assumption implicit in both tables = 3.0%

Disability:

The assumed rates of disability are from the 1985 Pension Disability Table, Class 1 professional administrative, supervisory, sales and clerical occupations.

Survivorship:

85% of male employees and 63% of female employees assumed married, wives 2 years younger than husbands.

Cola buy-out:

0% of the eligible employees are assumed to buy out the Cost of Living provision upon retirement.

Administrative expenses:

Estimated expenses are added to annual budget estimates at the time of their preparation.

City of New Haven, Connecticut

Notes to Financial Statements

Note 11. Employee Retirement Plans and Other Post-Employment Benefit Plans (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2016 are summarized in the following table:

<u>City Employees' Retirement Plan</u> <u>Asset Class</u>	Target Allocation	Long-Term Expected Real Rate of Return	Weighting
US Large Cap Value	15.00%	6.00%	0.90%
US Large Cap Growth	10.00%	6.00%	0.60%
US Mid Cap	14.00%	6.50%	0.91%
International Equities	12.00%	5.80%	0.70%
Emerging Markets Equities	6.00%	6.80%	0.41%
US High Yield Bonds	4.00%	5.20%	0.21%
International Fixed Income	12.00%	2.30%	0.28%
US REITs	7.00%	5.00%	0.35%
Global REITs	5.20%	5.10%	0.27%
Managed Futures	5.90%	3.00%	0.18%
Hedged Strategies	2.20%	3.10%	0.07%
Hedged Strategies Global Macro	6.70%	1.60%	0.11%
	<u>100.00%</u>		<u>4.99%</u>
Long-Term Inflation Expectation			<u>2.70%</u>
Long-Term Expected Nominal Return			<u>7.69%</u>

Discount rate: The discount rate used to measure the total pension liability as of June 30, 2016 was 8.00 percent. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that the City of New Haven contributes at rates equal to the actuarially determined contribution rates. For this purpose, only employer contributions that are intended to fund benefits of current plan members (retired and active employees who qualify under the Plan) and their beneficiaries are included.

Based on the plan's current contribution policy, the plan's net fiduciary net position will be sufficient to cover projected benefit payments and administrative expenses indefinitely. Therefore, since the fund is not projected to run out of money, the 8.00 percent interest rate assumption was used to discount plan liabilities.

City of New Haven, Connecticut

Notes to Financial Statements

Note 11. Employee Retirement Plans and Other Post-Employment Benefit Plans (Continued)

Changes from prior valuation: The funding method changed to the Entry Age Normal Actuarial Cost Method with a closed 28-year amortization of unfunded liabilities. The investment return assumption has been changed from 8.25 percent to 8.00 percent. The payroll growth rate has been changed from 4.00 percent to 2.00 percent. Also, the Actuarial Value of assets was reset to the Market Value of assets on July 1, 2014.

Sensitivity of the net pension liability to changes in the discount rate: The following presents the net pension liability of the City of New Haven City Employees' Retirement Plan, calculated using the discount rate of 8.00 percent as well as what the City of New Haven City Employees' Retirement Plan's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.00%) or 1-percentage-point higher (9.00%) than the current rate:

City Employees' Retirement Fund	1% Decrease 7.00%	Current Discount Rate 8.00%	1% Increase 9.00%
Net Pension Liability	\$ 354,789,262	\$ 306,016,106	\$ 264,596,519

Changes in the Net Pension Liability

	City Employees' Retirement Fund		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 6/30/15	\$ 449,262,186	\$ 163,691,240	\$ 285,570,946
Changes for the year:			
Service cost	5,045,428	-	5,045,428
Interest	35,166,980	-	35,166,980
Differences between expected and actual experience	-	-	-
Contributions - employer	-	19,555,672	(19,555,672)
Contributions - members	-	4,609,881	(4,609,881)
Net investment loss	-	(4,249,828)	4,249,828
Benefit payments, including refunds of employee contributions	(30,018,207)	(30,018,207)	-
Administrative expense	-	(149,332)	149,332
Other	-	855	(855)
Net changes	10,194,201	(10,250,959)	20,445,160
Balances at 6/30/16	\$ 459,456,387	\$ 153,440,281	\$ 306,016,106

City of New Haven, Connecticut

Notes to Financial Statements

Note 11. Employee Retirement Plans and Other Post-Employment Benefit Plans (Continued)

For the year ended June 30, 2016, the City recognized pension expense of \$30,980,396. As of June 30, 2016, the City's reported deferred outflows of resources related to pensions in the statement of net position from the following sources:

City Employees' Pension Plan	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 322,531	\$ -
Changes of assumptions	4,391,966	-
Net difference between projected and actual earnings on pension plan investments	23,269,890	-
Total	<u>\$ 27,984,387</u>	<u>\$ -</u>

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

	City Employees' Pension Plan
Year ended June 30:	
2017	\$ 8,089,263
2018	8,089,263
2019	8,089,265
2020	3,716,596
2021	-
Thereafter	-

Policemen and Firemen Retirement Fund:

Plan membership: Membership in the plan consisted of the following at July1, 2014, the date of the last actuarial valuation:

Retirees and beneficiaries receiving benefits	1,275
Terminated plan members entitled to but not yet receiving benefits	7
Active plan members	634
Total	<u>1,916</u>

Plan description: The City of New Haven is the administrator of a single employer Public Employee Retirement System (PERS) established and administered by the City to provide pension benefits for its employees. The PERS is considered to be part of the City of New Haven's financial reporting entity and is included in the City's financial reports as a pension trust fund. The plan does not issue stand-alone statements.

City of New Haven, Connecticut

Notes to Financial Statements

Note 11. Employee Retirement Plans and Other Post-Employment Benefit Plans (Continued)

The City provides retirement benefits through a single employer, contributory, defined benefit plan. Under the Plan, all policemen and firemen are eligible. Employees are 100 percent vested after 10 years of service. If an employee leaves covered employment or dies before 10 years of service, accumulated employee contributions are returned without interest. Normal Retirement Age is after 20 years of continuous service, 25 years for new hires. Benefits and contributions are established by the City and may be amended by the City.

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

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

Plan provisions:

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

Plan year: July 1 through June 30.

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

Employee contributions:

11 percent for Fire after July 1, 2014.

12 percent for Police effective after December 18, 2012.

In 2016, the City contributed approximately \$26,306,000 to the plan.

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

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

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

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

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

City of New Haven, Connecticut

Notes to Financial Statements

Note 11. Employee Retirement Plans and Other Post-Employment Benefit Plans (Continued)

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

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

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

Pre-retirement death benefit:

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

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

Post-retirement death benefit:

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

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

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

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

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

City of New Haven, Connecticut

Notes to Financial Statements

Note 11. Employee Retirement Plans and Other Post-Employment Benefit Plans (Continued)

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

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

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

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

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

City of New Haven, Connecticut

Notes to Financial Statements

Note 11. Employee Retirement Plans and Other Post-Employment Benefit Plans (Continued)

Net pension liability: The components of the net pension liability of the City at June 30, 2016 were as follows:

Policemen and Firemen Retirement Fund	2016
Total pension liability	\$ 701,102,039
Plan fiduciary net position	302,717,214
Net pension liability	<u>\$ 398,384,825</u>
Plan fiduciary net position as a percentage of total pension liability	43.18%

Rate of return: For the year ended June 30, 2016, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expenses, was -1.79 percent. The money-weighted rate of return expresses investment performance, net of investment expenses, adjusted for the changing amounts actually invested.

Actuarial assumptions: The total pension liability was determined by an actuarial valuation as of July 1, 2014, using the following actuarial assumptions that were projected forward to the measurement date of June 30, 2016:

Description of Actuarial Methods

Actuarial method used:	Entry age normal cost
Remaining amortization period:	30 year closed period
Asset valuation method:	Phase-in of investment gains and losses, 20% per year for 5 years
Investment rate of return:	8.00%
Mortality basis:	RP-2000 mortality table with separate male and female rates, with blue collar adjustment (employees only), separate table for non-annuitants and annuitants, projected to the valuation date with Scale AA.
Mortality improvement:	Projected to date of decrement using Scale AA (generational mortality).
Salary scale:	
Current basis:	The following adjusted table:

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

* Implicit inflation assumption implicit in both tables = 3.0%

City of New Haven, Connecticut

Notes to Financial Statements

Note 11. Employee Retirement Plans and Other Post-Employment Benefit Plans (Continued)

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

The City's funding policy is to contribute the actuary's recommended contribution each year. The contribution is calculated as the normal cost under the entry age method, plus a closed amortization of the plan's unfunded liability over 30 years from July 1, 2014, as a level percentage of pay.

City of New Haven, Connecticut

Notes to Financial Statements

Note 11. Employee Retirement Plans and Other Post-Employment Benefit Plans (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2016 are summarized in the following table:

<u>Police and Firemen Retirement Plan</u> <u>Asset Class</u>	Target Allocation	Long-Term Expected Real Rate of Return	Weighting
US Large Cap Core Equities	12.50%	6.00%	0.75%
US Mid Cap Core Equities	10.00%	6.50%	0.65%
US Small Cap Core Equities	10.00%	7.00%	0.70%
International Equities	15.00%	5.80%	0.87%
Global Equities	9.00%	6.10%	0.55%
Private Equity	10.00%	8.80%	0.88%
US Investment Grade Bonds	15.00%	1.80%	0.27%
US High Yield Bonds	5.00%	5.20%	0.26%
US Private Real Estate	6.00%	3.10%	0.19%
Hedged Strategies	4.00%	3.10%	0.12%
Cash	3.50%	0.30%	0.01%
	<u>100.00%</u>		<u>5.25%</u>
Long-Term Inflation Expectation			<u>2.70%</u>
Long-Term Expected Nominal Return			<u>7.95%</u>

Discount rate: The discount rate used to measure the total pension liability as of June 30, 2016 was 8.00 percent. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that the City of New Haven contributes at rates equal to the actuarially determined contribution rates. For this purpose, only employer contributions that are intended to fund benefits of current plan members (retired and active employees who qualify under the Plan) and their beneficiaries are included.

Based on the plan's current contribution policy, the plan's net fiduciary net position will be sufficient to cover projected benefit payments and administrative expenses indefinitely. Therefore, since the fund is not projected to run out of money, the 8.00 percent interest rate assumption was used to discount plan liabilities.

Changes from prior valuation: The funding method changed to the Entry Age Normal Actuarial Cost Method with a closed 30-year amortization of unfunded liabilities. The investment return assumption has been changed from 8.25 percent to 8.00 percent. The payroll growth rate has been changed from 4.00 percent to 3.00 percent. The salary scale rates were decreased by 0.5 percent. Also, the Actuarial Value of assets was reset to the Market Value of assets on July 1, 2014.

City of New Haven, Connecticut

Notes to Financial Statements

Note 11. Employee Retirement Plans and Other Post-Employment Benefit Plans (Continued)

Sensitivity of the net pension liability to changes in the discount rate: The following presents the net pension liability of the City of New Haven Policemen and Firemen Retirement Plan, calculated using the discount rate of 8.00 percent as well as what the City of New Haven Policemen and Firemen Retirement Plan's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.00%) or 1-percentage-point higher (9.00%) than the current rate:

Policemen and Firemen Retirement Fund	1% Decrease 7.00%	Current Discount Rate 8.00%	1% Increase 9.00%
Net Pension Liability	\$ 473,491,235	\$ 398,384,825	\$ 334,995,914

Changes in the Net Pension Liability

	Police and Firemen Retirement Fund		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 6/30/15	\$ 687,591,252	\$ 326,522,975	\$ 361,068,277
Changes for the year:			
Service cost	11,267,233	-	11,267,233
Interest	53,882,845	-	53,882,845
Differences between expected and actual experience	-	-	-
Contributions - employer	-	26,306,000	(26,306,000)
Contributions - members	-	7,335,993	(7,335,993)
Net investment loss	-	(5,621,654)	5,621,654
Benefit payments, including refunds of employee contributions	(51,639,291)	(51,639,291)	-
Administrative expense	-	(184,309)	184,309
Other	-	(2,500)	2,500
Net changes	13,510,787	(23,805,761)	37,316,548
Balances at 6/30/16	<u>\$ 701,102,039</u>	<u>\$ 302,717,214</u>	<u>\$ 398,384,825</u>

City of New Haven, Connecticut

Notes to Financial Statements

Note 11. Employee Retirement Plans and Other Post-Employment Benefit Plans (Continued)

For the year ended June 30, 2016, the City recognized pension expense of \$52,093,770. As of June 30, 2016, the City's reported deferred outflows of resources related to pensions in the statement of net position from the following sources:

Police and Firemen Pension Plan	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 14,751,543	\$ -
Changes of assumptions	8,431,232	-
Net difference between projected and actual earnings on pension plan investments	40,727,872	-
Total	<u>\$ 63,910,647</u>	<u>\$ -</u>

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

	Police and Firemen Pension Plan
Year ended June 30:	
2017	\$ 19,501,343
2018	19,501,343
2019	18,701,936
2020	6,206,025
2021	-
Thereafter	-

Connecticut State Teachers' Retirement System

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

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

The System is considered a part of the State of Connecticut financial reporting entity and is included in the State's financial reports as a pension trust fund. Those reports may be obtained at www.ct.gov.

Note 11. Employee Retirement Plans and Other Post-Employment Benefit Plans (Continued)

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

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

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

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

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

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

Contribution requirements: The pension contributions made by the State to the System are determined on an actuarial reserve basis as described in CGS Sections 10-1831 and 10-183z.

Employees are required to contribute 6.0 percent of their annual salary rate to the System as required by CGS Section 10-183b (7). For the 2015/2016 school year, \$34,211,000 in mandatory contributions were deducted from the salaries of teachers who were participants of the System during that school year. The estimated covered payroll for the City is \$142,000,000.

Employers are not required to make contributions to the Plan.

City of New Haven, Connecticut

Notes to Financial Statements

Note 11. Employee Retirement Plans and Other Post-Employment Benefit Plans (Continued)

Actuarial assumptions: The actuarial assumptions used in the June 30, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2005 - June 30, 2010. The total pension liability was determined by an actuarial valuation as of June 30, 2014, using the following key actuarial assumptions:

Inflation	3.00 Percent
Salary increases, including inflation	3.75-7.00 Percent
Long-term investment rate of return, net of pension investment expense, including inflation	8.50 Percent

Mortality rates were based on the RP-2000 Combined Mortality Table RP-2000 projected 19 years using scale AA, with a two-year setback for males and females for the period after service retirement and for dependent beneficiaries.

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

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

Discount rate: The discount rate used to measure the total pension liability was 8.50 percent. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that State contributions will be made at the actuarially determined rates in future years. Based on those assumptions, the pension's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return on pension investments was applied to all periods of projected benefit payments to determine the total pension liability.

City of New Haven, Connecticut

Notes to Financial Statements

Note 11. Employee Retirement Plans and Other Post-Employment Benefit Plans (Continued)

Sensitivity of the proportionate share of the net pension liability (NPL) to changes in the discount rate: The following presents the State's proportionate share of the net pension liability associated with the City, calculated using the discount rate of 8.50 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.50%) or 1-percentage-point higher (9.50%) than the current rate.

	1% Decrease 7.50%	Current Discount Rate 8.50%	1% Increase 9.50%
State's proportionate share of the NPL associated with the City	\$ 481,008,892	\$ 381,425,862	\$ 296,779,469

Pension liabilities, pension expense, and deferred inflows/outflows of resources: The State makes all contributions to the System on behalf of employees of the participating districts. Therefore, participating employers are considered to be in a special funding situation as defined by Governmental Accounting Standards Board No. 68 and the State is treated as a non-employer contributing entity in the System. Since the districts do not contribute directly to the System, there is no net pension liability or deferred inflows or outflows to report in the financial statements of the City. The portion of the State net pension liability that was associated with the City was \$381,425,862 and 100 percent of the collective net pension liability is allocated to the State. The City has no proportionate share of the liability.

June 30, 2014 is the actuarial valuation date upon which the total pension liability is based, which is also the measurement date.

The City recognized the total pension expense associated with the City as well as revenue in an amount equal to the non-employer contributing entities' total proportionate share of the collective pension expense associated with the City. For the fiscal year ended June 30, 2016, the City recognized \$31,979,000 as the amount expended by the State on behalf of the City to meet the State's funding requirements in the Statement of Activities.

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

Other Post-Employment Benefit Plans (OPEB):

Membership in the Plan consisted of the following at the date of the latest actuarial valuation, July 1, 2015:

Division	Active Participants	Retired Participants and Spouses	Total
General City	690	641	1,331
Police and Fire	683	1,257	1,940
BOE Non-Certified	131	178	309
Teachers and Administrator	1,824	757	2,581
Total	3,328	2,833	6,161

City of New Haven, Connecticut

Notes to Financial Statements

Note 11. Employee Retirement Plans and Other Post-Employment Benefit Plans (Continued)

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

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

The OPEB obtained its latest actuarial valuation as of July 1, 2015 upon which the annual required contribution for the fiscal year ended June 30, 2016 was determined based on a 5 percent discount rate.

Schedule of Funding Progress:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/(c)
7/01/15	\$ 338,000	\$ 557,227,000	\$ 556,889,000	0.1%	\$ 229,267,000	242.9%

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

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

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend rate. Amounts determined regarding the funding status of the plans and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

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

City of New Haven, Connecticut

Notes to Financial Statements

Note 11. Employee Retirement Plans and Other Post-Employment Benefit Plans (Continued)

The calculation of the change in the net OPEB obligation for the year ended June 30, 2016 follows:

Actuarially Required

1. Contribution (ARC)	\$ 37,673,000
2. Interest on Net OPEB obligation	6,950,000
3. Adjustment To (ARC)	<u>(8,612,300)</u>
4. Annual OPEB Cost (AOC)	36,010,700
5. Contribution Made	<u>28,303,000</u>
6. Increase in Net OPEB obligation	7,707,700
7. Net OPEB obligation, beginning of year	<u>138,999,300</u>
8. Net OPEB obligation, end of year	<u><u>\$ 146,707,000</u></u>

Annual OPEB Cost and Net OPEB Obligation
Three-Year Trend Information

Fiscal Year Ending	Annual OPEB Cost (AOC)	Annual Contribution	Percentage of AOC Contributed	Net OPEB Obligation
6/30/14	\$ 37,128,000	\$ 24,486,000	66%	\$ 132,075,000
6/30/15	35,632,700	28,708,400	81%	138,999,300
6/30/16	36,011,000	28,303,000	79%	146,707,000

City Employees' Other Post-Employment Benefit Plan:

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

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

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

School Administrators and Teachers must meet one of the following conditions: (1) age 50 with 25 years of service (2) age 55 with 20 years of service or (3) age 60 with 10 years of service.

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

City of New Haven, Connecticut

Notes to Financial Statements

Note 11. Employee Retirement Plans and Other Post-Employment Benefit Plans (Continued)

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

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

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

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

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

Cafeteria Workers, Local 217: There is no retiree contribution.

Actuarial assumptions: The actuarial assumptions to value benefits for all locations except Police, Fire, Teachers, and School Administrators as of July 1, 2015:

Description of Actuarial Assumptions

Actuarial cost method:	Projected unit credit
Amortization method:	30 years, level dollar, open
Asset Valuation Method:	Market value
Mortality basis:	RP-2000 projected to the valuation year using Scale AA with separate male and female tables and separate tables for active employees and annuitants.
Disability:	The assumed rates of disability are from the 1985 Pension Disability Table Class, 1 professional administrative, supervisory, sales, and clerical occupations.
Discount rate:	5.0%
Medical inflation:	9.0% for 2013, decreasing 0.5% per year, to an ultimate rate of 5.0% for 2021 and later.
Survivorship:	85% of male employees and 65% of female employees are assumed married, wives are 2 years younger than husbands.
Percentage of actives eligible at retirement who continue with medical coverage:	100%

City of New Haven, Connecticut

Notes to Financial Statements

Note 11. Employee Retirement Plans and Other Post-Employment Benefit Plans (Continued)

Policemen and Firemen Other Post-Employment Benefit Plan:

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

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

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

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

Actuarial assumptions: The actuarial assumptions to value benefits for Police and Fire as of July 1, 2015:

<i>Description of Actuarial Assumptions</i>	
Actuarial cost method:	Projected unit credit
Amortization method:	30 years, level, open
Asset valuation method:	Market value
Mortality basis:	RP-2000 projected using Scale AA to the valuation year with separate male and female tables, with blue collar adjustment for participants only, and separate tables for active members and annuitants.
Disability:	The 1985 Disability Pension Study, class 4 hazardous occupations.
Discount rate:	5.0%
Medical inflation:	9.0% for 2013, decreasing 0.5% per year, to an ultimate rate of 5.0% for 2021 and later.
Survivorship:	90% of employees and wives are two years younger than husbands.
Percentage of actives eligible at retirement who continue with medical coverage:	100%

City of New Haven, Connecticut

Notes to Financial Statements

Note 11. Employee Retirement Plans and Other Post-Employment Benefit Plans (Continued)

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

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

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

Contributions: Retirees pay a portion of the cost of medical coverage.

Actuarial assumptions: The actuarial assumptions to value benefits for Teachers and School Administrators as of July 1, 2015:

<i>Description of Actuarial Methods</i>	
Actuarial cost method:	Projected unit credit
Amortization method:	30 years, level dollar, open
Asset valuation method:	Market Value
Mortality basis:	As used in the Connecticut State Teachers' Retirement System 2010 OPEB Valuation; age 61 and under use the Pre-retirement rates, 62 and over the Postretirement rates
Disability:	None
Discount rate:	5.0%
Medical inflation:	9.0% for 2013, decreasing 0.5% per year, to an ultimate rate of 5.0% for 2021 and later.
Survivorship:	70% of male employees and 35% of female employees; wives are three years younger than husbands
Percentage of actives eligible at retirement who continue with medical coverage:	100%
Percentage of non-medicare eligible continuing after 65:	20%

City of New Haven, Connecticut

Notes to Financial Statements

Note 11. Employee Retirement Plans and Other Post-Employment Benefit Plans (Continued)

Component unit:

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

The Authority's contributions amounted to \$128,274 for the year ended June 30, 2016.

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

The Authority's contributions for the year ended June 30, 2016 amounted to \$617,061.

Note 12. Commitments and Contingencies

General government: The City is a defendant in various liability claims and lawsuits relating to deaths and personal injuries, civil rights violations, contractual obligations and other matters, which are incidental to performing governmental functions. The City has determined that it is probable that it has potential liability of approximately \$3,000,000 for such claims, which is recorded in the self-insurance reserve internal service fund. But the self-insurance reserve fund has a fund net position (deficit) of approximately \$3,863,688; therefore, funding has not been provided for these potential liabilities (see Note 10 regarding fund deficits). The City's liabilities for claims and judgments were based on information available. It is reasonably possible that, as the cases evolve, the resulting estimates will be adjusted significantly in the near term.

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

Operating lease agreements: The City leases office space and garage under cancelable and non-cancelable operating leases with terms extending over the next one to nine years. As of June 30, 2016, total future minimum rental payments under these leases are as follows:

Year ending June 30:	
2017	\$ 3,437,824
2018	1,400,825
2019	815,810
2020	815,810
2021	486,355
Thereafter	169,170
	<u>\$ 7,125,794</u>

City of New Haven, Connecticut

Notes to Financial Statements

Note 12. Commitments and Contingencies (Continued)

Rent expense related to these agreements amounted to approximately \$4,450,000 for the year ended June 30, 2016.

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

Parking authority lease agreements: The Parking Authority also leases the Granite Square Garage facility for a period of 25 years. The lease for the facility requires monthly rental payments which are based primarily upon the recovery of costs to finance the facility. This agreement was replaced by a new five-year lease agreement effective July 1, 2015. The new lease for the facility requires monthly rental payments of \$37,500 for the years ended June 30, 2016 and 2017. The monthly rental payment for the years ended June 30, 2018- 2020 shall be increased by the percentage increase in the CPI Index on March 1st of each immediately preceding lease year over the CPI Index on March 1st of the preceding lease year. The new lease also allows for the option to renew for three additional five-year terms. The estimated monthly rent at June 30, 2016 is \$37,500. The following is a schedule, as of June 30, 2016, of estimated future minimum rental payments, which are required of the Authority as lessee under this agreement:

Year ending June 30:	
2017	\$ 450,000
2018	450,000
2019	450,000
2020	450,000
	<u>\$ 1,800,000</u>

Total Parking Authority rental expense under cancelable and non-cancelable operating leases is included in the statement of revenues, expenses and changes in fund net position and totaled approximately \$920,000 for the year ended June 30, 2016.

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

City of New Haven, Connecticut

Notes to Financial Statements

Note 12. Commitments and Contingencies (Continued)

A schedule as of June 30, 2016 of minimum future rentals on non-cancelable leases, where the Parking Authority, as owner or in its capacity as agent, is the lessor, is summarized as follows:

Year ending June 30:	
2017	\$ 1,149,473
2018	716,642
2019	716,642
2020	716,642
	<u>\$ 3,299,399</u>

Subsidies: The City has historically subsidized various non-related party activities through General Fund expenditures for development. The amount subsidized for fiscal-year-ended June 30, 2016 was approximately \$425,000 which included approximately \$325,000 for Tweed-New Haven Airport, and \$100,000 for the PILOT Pen tennis tournament. The Shubert and Tweed-New Haven Airport also receive a favorable lease agreement of \$1 per year for occupying City owned property. These expenditures are approved annually by the Board of Aldermen during the budgetary meetings.

Note 13. Landfill Post Closure Care Cost

State and federal laws and regulations require that the City place a final cover on its closed landfill and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. The estimated total current cost of the landfill post-closure care, aggregating \$600,000, is based on the amount estimated to be paid for all equipment, facilities and services required to close, monitor and maintain the landfill as of June 30, 2016. However, the actual cost of post-closure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

Note 14. Risk Management

The City is self-insured for property, general and automobile liability, workers' compensation and employee health. Workers' compensation and employee health are administered by private insurance companies. Losses in the amount of \$1,000,000 or more for property, general and automobile liability are covered by insurance.

The City contracts with a private insurance company to administer workers' compensation claims and provide an actuarial estimate of claims payable as of June 30, 2016. The liability for workers' compensation and heart and hypertension not expected to be paid with current available resources is reported in the government-wide statements in the amount of approximately \$27,393,000 with a discount rate of 4 percent. Employee health claims are funded based on estimates by the City's insurance consultants and expenses are recognized as incurred. These amounts are recorded in the Internal Service Fund as operating revenues and expenses.

The Medical Self-Insurance Fund is funded by monthly contributions from all funds incurring payroll charges. Anthem Blue Cross/Blue Shield, administrator of the claims process, aids the City in calculating "premium" rates per contract. Under the City's current policy, the Medical Self-Insurance Fund covers all employee claims up to \$500,000 per claim.

City of New Haven, Connecticut

Notes to Financial Statements

Note 14. Risk Management (Continued)

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

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

Fiscal Year Ended	Self-Insurance Reserve Fund			
	Claims Payable July 1	Claims and Changes in Estimates	Claims Paid	Claims Payable June 30
2016	\$ 3,823,000	\$ 1,743,946	\$ 1,743,946	\$ 3,823,000
2015	4,400,000	624,728	1,201,728	3,823,000

Fiscal Year Ended	Medical Self-Insurance Fund			
	Claims Payable July 1	Claims and Changes in Estimates	Claims Paid	Claims Payable June 30
2016	\$ 5,873,865	\$ 107,240,955	\$ 106,819,170	\$ 6,295,650
2015	6,140,654	101,154,404	101,421,193	5,873,865

Fiscal Year Ended	Workers' Compensation and Heart & Hypertension			
	Claims Payable July 1	Claims and Changes in Estimates	Claims Paid	Claims Payable June 30
2016	\$ 27,663,620	\$ 7,499,186	\$ 7,769,434	\$ 27,393,372
2015	28,466,573	7,314,084	8,117,037	27,663,620

Note 15. Related Party Transactions

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

City of New Haven, Connecticut

Notes to Financial Statements

Note 15. Related Party Transactions (Continued)

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

	<u>2016</u>
Accounts payable and accrued expenses to the City from the Authority	<u>\$ 161,861</u>

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

Related party rental expense of the Authority:

	<u>2016</u>
Under Air Rights	\$ 51,120
Residential Lots	6,048
Sherman Tyler	101,952
Lots N & O	15,000
State Street surface lots	33,480
Orchard and Sherman	99,360
	<u>\$ 306,960</u>

During 2016, the City received a voluntary financial assistance payment of \$2,016,554 from the Parking Authority.

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

Related party activity of the Authority at June 30, 2016 is as follows:

	<u>2016</u>
Operating revenue received by Authority from the City for services	<u>\$ 2,839,591</u>

City of New Haven, Connecticut

Notes to Financial Statements

Note 16. Subsequent Events

In August 2016, the City issued \$48,400,000 in general obligation bonds and \$69,110,000 in general obligation refunding bonds. . The proceeds of the general obligation bonds are to be used to fund the City's various public improvements, urban renewal and economic development projects. The general obligation bonds have an interest rate ranging from 2.0 percent to 5.0 percent and mature on August 15, 2036. The general obligation refunding bonds were used to refund \$72,520,000 of bonds outstanding.

In October 2016, the City issued \$33,300,000 in general obligation tax anticipation notes. The notes have an interest rate of 2.5 percent and mature on May 18, 2017.

On July 28, 2016, the New Haven Solid Waste Authority issued \$7,700,000 in Revenue Refunding Bonds, Series 2016. The proceeds of the refunding bonds were used to refinance the 2008 Series Revenue Bonds. The 2016 refunding bonds have an interest rate of 2.524% and mature on June 1, 2028.

Note 17. Fund Balances

Below is a table of fund balance categories and classifications at June 30, 2016 for the City's governmental funds:

	General Fund	Education Grants	Capital Project Funds	Nonmajor Governmental Funds	Total
Fund balances:					
Non-spendable:					
Inventory	\$ -	\$ 51,951	\$ -	\$ -	\$ 51,951
Permanent funds	-	-	-	2,381,320	2,381,320
	-	51,951	-	2,381,320	2,433,271
Restricted:					
General government-parks	-	-	-	2,399,548	2,399,548
General government-City	-	-	-	-	-
Education	-	2,720,464	-	-	2,720,464
Public works	-	-	47,491,906	1,152,292	48,644,198
Public services-other	-	-	-	1,025,528	1,025,528
Public services-human resources	-	-	-	2,248,899	2,248,899
Public services-community	-	-	-	1,838,062	1,838,062
	-	2,720,464	47,491,906	8,664,329	58,876,699
Unassigned	2,023,605	-	-	-	2,023,605
Total fund balances	\$ 2,023,605	\$ 2,772,415	\$ 47,491,906	\$ 11,045,649	\$ 63,333,575

Notes to Financial Statements

Note 18. Governmental Accounting Standards Board (GASB) Statements

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

Management has not currently determined what, if any, impact implementation of the following statements may have on the financial statements, except for GASB 75, which will most likely have a material impact, though the amount has not yet been determined:

- GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, addresses reporting by governments that provide OPEB to their employees and for governments that finance OPEB for employees of other governments. Statement 75 requires governments to report a liability on the face of the financial statements for the OPEB that they provide:
 - Governments that are responsible only for OPEB liabilities related to their own employees and that provide OPEB through a defined benefit OPEB plan administered through a trust that meets specified criteria will report a net OPEB liability—the difference between the total OPEB liability and assets accumulated in the trust and restricted to making benefit payments.
 - Governments that participate in a cost-sharing OPEB plan that is administered through a trust that meets the specified criteria will report a liability equal to their proportionate share of the collective OPEB liability for all entities participating in the cost-sharing plan.
 - Governments that do not provide OPEB through a trust that meets specified criteria will report the total OPEB liability related to their employees.

Statement 75 carries forward from Statement 45 the option to use a specified alternative measurement method in place of an actuarial valuation for purposes of determining the total OPEB liability for benefits provided through OPEB plans in which there are fewer than 100 plan members (active and inactive). This option was retained in order to reduce costs for smaller governments. The provisions of this Statement are effective for fiscal years beginning after June 15, 2017.

- GASB Statement No. 77, *Tax Abatement Disclosures*. Financial statements prepared by state and local governments in conformity with generally accepted accounting principles provide citizens and taxpayers, legislative and oversight bodies, municipal bond analysts, and others with information they need to evaluate the financial health of governments, make decisions, and assess accountability. This information is intended, among other things, to assist these users of financial statements in assessing (1) whether a government's current-year revenues were sufficient to pay for current-year services (known as interperiod equity), (2) whether a government complied with finance-related legal and contractual obligations, (3) where a government's financial resources come from and how it uses them, and (4) a government's financial position and economic condition and how they have changed over time. This Statement requires governments that enter into tax abatement agreements to disclose the following information about the agreements:
 - Brief descriptive information, such as the tax being abated, the authority under which tax abatements are provided, eligibility criteria, the mechanism by which taxes are abated, provisions for recapturing abated taxes, and the types of commitments made by tax abatement recipients
 - The gross dollar amount of taxes abated during the period
 - Commitments made by a government, other than to abate taxes, as part of a tax abatement agreement.

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

Governments should organize those disclosures by major tax abatement program and may disclose information for individual tax abatement agreements within those programs.

Tax abatement agreements of other governments should be organized by the government that entered into the tax abatement agreement and the specific tax being abated. Governments may disclose information for individual tax abatement agreements of other governments within the specific tax being abated. For those tax abatement agreements, a reporting government should disclose:

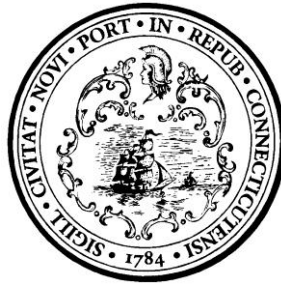
- The names of the governments that entered into the agreements
- The specific taxes being abated
- The gross dollar amount of taxes abated during the period.

The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2015. Earlier application is encouraged.

- GASB Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*. This standard narrows the scope and applicability of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, to exclude pensions provided to employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plan meeting specific criteria; establishes new guidance for these employers, including separate requirements for recognition and measurement of pension expense or expenditures and liabilities, note disclosures and required supplementary information (RSI). The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2015. Earlier application is encouraged.
- GASB Statement No. 80, *Blending Requirements for Certain Component Units – An Amendment of GASB Statement No. 14*. The objective of this Statement is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. This Statement amends the blending requirements established in paragraph 53 of Statement No. 14, *The Financial Reporting Entity*, as amended. This Statement amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, *Determining Whether Certain Organizations Are Component Units*. The requirements of this Statement are effective for reporting periods beginning after June 15, 2016. Earlier application is encouraged.
- GASB Statement No. 81, *Irrevocable Split-Interest Agreements*. This Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Furthermore, this Statement requires that a government recognize assets representing its beneficial interests in irrevocable split-interest agreements that are administered by a third party, if the government controls the present service capacity of the beneficial interests. This Statement requires that a government recognize revenue when the resources become applicable to the reporting period. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2016, and should be applied retroactively. Earlier application is encouraged.

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

- GASB Statement No. 82, *Pension Issues—an amendment of GASB Statements No. 67, No. 68, and No. 73*. The requirements of this Statement are effective for reporting periods beginning after June 15, 2016, except for the requirements of paragraph 7 in a circumstance in which an employer's pension liability is measured as of a date other than the employer's most recent fiscal year-end. In that circumstance, the requirements of paragraph 7 are effective for that employer in the first reporting period in which the measurement date of the pension liability is on or after June 15, 2017. Earlier application is encouraged.
- GASB Statement No. 83, *Certain Asset Retirement Obligations*. This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Earlier application is encouraged.
- GASB Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and reporting purposes and how these activities should be reported. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Earlier application is encouraged.



**Required Supplementary
Information (Unaudited)**

Required Supplementary Information

Schedule of Revenues and Other Financing Sources-Budget and Actual - (Non-GAAP Budgetary Basis) -
General Fund

For the Year Ended June 30, 2016

(unaudited)

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget
	Original	Final		
Revenues:				
Current City taxes:				
Real estate	\$ 204,446,672	\$ 204,446,672	\$ 205,001,759	\$ 555,087
Personal property	25,843,831	25,843,831	26,194,167	350,336
Motor vehicle	14,676,119	14,676,119	14,106,994	(569,125)
Supplemental	2,035,000	2,035,000	2,663,997	628,997
Current interest	1,100,000	1,100,000	964,244	(135,756)
Collection fees	-	-	(43,677)	(43,677)
Total current City taxes	248,101,622	248,101,622	248,887,484	785,862
Tax collection initiatives:				
Real and personal property initiatives	2,357,066	2,357,066	-	(2,357,066)
Delinquent City taxes:				
Real and personal property	1,700,000	1,700,000	1,204,052	(495,948)
Interest and penalties	725,000	725,000	901,558	176,558
Total delinquent City taxes	2,425,000	2,425,000	2,105,610	(319,390)
Education grants:				
Education cost sharing	142,509,525	142,509,525	142,681,585	172,060
School construction reimbursement	5,616,352	5,616,352	5,658,777	42,425
School transportation	2,424,172	2,424,172	2,284,948	(139,224)
Education of the legally blind	-	-	-	-
Health services non-public schools	45,000	45,000	30,253	(14,747)
Total education grants	150,595,049	150,595,049	150,655,563	60,514
Other government grants:				
Distressed cities exemption	250,000	250,000	394,837	144,837
Homeowners tax relief - elderly circuit breaker	425,000	425,000	416,557	(8,443)
Low income tax abatement program	85,000	85,000	-	(85,000)
Pequot funds	6,316,255	6,316,255	6,224,317	(91,938)
Municipal revenue sharing	1,002,745	1,002,745	-	(1,002,745)
Grants for Municipal Projects	1,369,123	1,369,123	1,369,123	-
PILOT - colleges and hospitals	41,906,620	41,906,620	41,698,019	(208,601)
PILOT - state property	7,465,427	7,465,427	6,993,359	(472,068)
PILOT - low income	54,000	54,000	63,989	9,989
PILOT - disabled	10,000	10,000	9,503	(497)
Shell fish	-	-	32,502	32,502
Tax relief for the elderly freeze	2,000	2,000	-	(2,000)
Telecommunications property tax	622,019	622,019	605,491	(16,528)
Town aid roads	1,251,332	1,251,332	1,248,795	(2,537)
Total other government grants	60,759,521	60,759,521	59,056,492	(1,703,029)
Total state aid	211,354,570	211,354,570	209,712,055	(1,642,515)

(Continued on next page)

Required Supplementary Information

Schedule of Revenues and Other Financing Sources-Budget and Actual - (Non-GAAP Budgetary Basis) -
General Fund (Continued)

For the Year Ended June 30, 2016

(unaudited)

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget
	Original	Final		
Revenues (continued):				
Licenses, permits and other fees:				
Animal shelter	\$ 4,500	\$ 4,500	\$ 7,225	\$ 2,725
Building inspections	10,151,178	10,151,178	10,096,766	(54,412)
Engineers - cost recovery	15,000	15,000	5,116	(9,884)
Fire service	80,000	80,000	130,874	50,874
Fire insurance recoveries	120,000	120,000	102,021	(17,979)
Health services	347,000	347,000	344,438	(2,562)
High school athletics	25,000	25,000	51,799	26,799
Map/Bid documents	4,000	4,000	2,455	(1,545)
Office of technology	2,000	2,000	1,285	(715)
Parks - Lighthouse carousel	1,000	1,000	1,872	872
Parks - Lighthouse admissions & concessions	75,000	75,000	87,451	12,451
Parks - other fees	75,000	75,000	44,864	(30,136)
Police service	95,000	95,000	146,316	51,316
Public works - evictions	3,000	3,000	3,750	750
Public works - public space, licenses & permits	175,000	175,000	192,122	17,122
Registrar of vital statistics	675,000	675,000	635,765	(39,235)
Residential parking permits	36,000	36,000	36,720	720
City Clerk	430,000	430,000	367,201	(62,799)
Traffic & parking meter receipts	6,100,000	6,100,000	6,487,834	387,834
Bulk trash permits	45,000	45,000	48,051	3,051
LCI Fines and Ticket Collections	50,000	50,000	50,000	-
Other agencies	45,000	45,000	41,294	(3,706)
Total licenses, permits and other fees	18,553,678	18,553,678	18,885,219	331,541
Investment income:				
Interest income	25,000	25,000	(6,891)	(31,891)
Received from fines:				
Coliseum lots	240,000	240,000	300,000	60,000
Miscellaneous community development rent	15,000	15,000	15,060	60
Parking space rental	3,000	3,000	4,035	1,035
Parking tags	5,200,000	5,200,000	4,958,925	(241,075)
Parks employees rents	5,000	5,000	5,950	950
Fines false alarm ordinance	50,000	50,000	95,589	45,589
Public works - public space violations	5,000	5,000	5,000	-
Superior Court	70,000	70,000	99,835	29,835
Total received from fines	5,588,000	5,588,000	5,484,394	(103,606)

(Continued on next page)

Required Supplementary Information

Schedule of Revenues and Other Financing Sources-Budget and Actual - (Non-GAAP Budgetary Basis) -
General Fund (Continued)

For the Year Ended June 30, 2016

(unaudited)

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget
	Original	Final		
Payment in lieu of taxes (PILOT):				
52 Howe Street	\$ 65,000	\$ 65,000	\$ 72,245	\$ 7,245
Air Rights Garage - Yale	200,000	200,000	116,667	(83,333)
Eastview PILOT	29,000	29,000	29,131	131
Regional Water Authority	1,033,235	1,033,235	1,091,275	58,040
Greater NH WPCA	608,400	608,400	608,400	-
New Haven Parking Authority PILOT	2,000,000	2,000,000	2,016,544	16,544
Temple Street Arcade	45,000	45,000	-	-
Air Rights Garage - Temple	-	-	44,410	44,410
Trinity Housing	75,000	75,000	73,292	(1,708)
Total payment in lieu of taxes (PILOT)	<u>4,055,635</u>	<u>4,055,635</u>	<u>4,051,964</u>	<u>(3,671)</u>
Other taxes and assessments:				
Real estate conveyance tax	1,655,000	1,655,000	2,651,308	996,308
Yale payment for fire services	2,704,872	2,704,872	2,702,856	(2,016)
Total other taxes and assessments	<u>4,359,872</u>	<u>4,359,872</u>	<u>5,354,164</u>	<u>994,292</u>
Miscellaneous:				
BABS revenue	813,562	813,562	828,266	14,704
Controllers	750,000	750,000	1,362,438	612,438
I-95 highway expansion	250,000	250,000	678,887	428,887
Neighborhood preservation loan payments	3,000	3,000	685	(2,315)
Off track betting	885,000	885,000	688,344	(196,656)
Personal motor vehicles reimbursements	12,000	12,000	16,324	4,324
Other contributions	8,341,236	8,341,236	8,196,751	(144,485)
Welfare recoveries	-	-	205	205
Total miscellaneous	<u>11,054,798</u>	<u>11,054,798</u>	<u>11,771,900</u>	<u>717,102</u>
Total revenues and other financing sources	<u>\$ 507,875,241</u>	<u>\$ 507,875,241</u>	<u>\$ 506,245,899</u>	<u>\$ (1,629,342)</u>

Budgetary revenues are different than GAAP revenues because:

State of Connecticut "on-behalf" contributions to the Connecticut State Teachers' Retirement System for City teachers are not budgeted	31,979,000
Refunding, net	5,100,124
Excess cost - student based	<u>3,703,655</u>

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

\$ 547,028,678

See note to required supplementary information.

Required Supplementary Information
Schedule of Expenditures and Other Financing Uses - Budget and Actual -
(Non-GAAP Budgetary Basis) - General Fund
For the Year Ended June 30, 2016
(unaudited)

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget
	Original	Final		
Expenditures				
Current:				
General government:				
Assessor's office	\$ 970,785	\$ 970,785	\$ 728,240	\$ 242,545
Chief Administrators office	1,675,472	1,675,472	1,735,038	(59,566)
City/town	535,283	535,283	443,463	91,820
Corporation Counsel	1,864,365	1,864,365	2,158,437	(294,072)
Finance	10,472,782	10,472,782	10,394,902	77,880
Legislative services	961,589	961,589	809,916	151,673
Library	1,128,818	1,128,818	1,128,047	771
Mayor's Office	4,983,538	4,983,538	5,209,094	(225,556)
Parks	3,958,420	3,958,420	3,937,831	20,589
Registrar of voters	882,310	882,310	803,135	79,175
Total general government	27,433,362	27,433,362	27,348,103	85,259
Public safety:				
Fire	29,975,547	29,975,547	30,810,198	(834,651)
Police	37,791,848	37,891,848	38,569,445	(677,597)
Public safety communications	3,339,251	3,339,251	3,314,778	24,473
Total public safety	71,106,646	71,206,646	72,694,421	(1,487,775)
Public works & engineering:				
Engineering	5,025,000	5,025,200	4,951,062	74,138
Public works	12,026,793	12,026,793	11,827,452	199,341
Total public works	17,051,793	17,051,993	16,778,514	273,479
Human services:				
Community services admin.	2,535,605	2,635,605	2,487,363	148,242
Disability services	92,224	92,224	72,781	19,443
Elderly services	756,518	756,518	659,761	96,757
Fair rent commission	73,400	73,400	73,266	134
Health	3,527,820	3,527,820	3,325,121	202,699
Youth services	566,663	566,663	586,146	(19,483)
Total human services	7,552,230	7,652,230	7,204,438	447,792
Economic development:				
Office of Building Inspection and Enforcement	994,348	994,348	970,709	23,639
Business Development	1,805,099	1,805,099	1,788,931	16,168
City Plan	544,390	544,390	540,213	4,177
Commission of Equal Opportunity	121,705	121,705	24,487	97,218
Development Subsidies	675,000	675,000	567,783	107,217
Livable city initiative	678,641	678,641	645,601	33,040
Transportation/traffic & parking	2,568,720	2,568,720	2,576,576	(7,856)
Total economic development	7,387,903	7,387,903	7,114,300	273,603

(Continued on next page)

Required Supplementary Information
Schedule of Expenditures and Other Financing Uses - Budget and Actual -
(Non-GAAP Budgetary Basis) - General Fund (Continued)
For the Year Ended June 30, 2016
(unaudited)

	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget
	Original	Final		
Other departments:				
Contract reserve	\$ (1,591,264)	\$ (1,591,264)	\$ -	\$ (1,591,264)
Non-public transportation	465,000	465,000	672,476	(207,476)
Various organizations	537,295	537,295	537,295	-
Total other departments	<u>(588,969)</u>	<u>(588,969)</u>	<u>1,209,771</u>	<u>(1,798,740)</u>
Pensions/insurance/benefits:				
Employee benefits	77,430,400	80,814,425	82,060,293	(1,245,868)
Pensions	50,470,992	50,470,992	50,965,711	(494,719)
Self-insurance	4,700,000	4,700,000	3,984,536	715,464
Total insurance benefits	<u>132,601,392</u>	<u>135,985,417</u>	<u>137,010,540</u>	<u>(1,025,123)</u>
Education:				
Total education	<u>180,219,297</u>	<u>180,219,297</u>	<u>180,207,166</u>	<u>12,131</u>
Debt service:				
Principal	41,495,505	41,495,505	37,750,503	3,745,002
Interest	24,515,882	20,931,857	23,201,926	(2,270,069)
Refunding and Bond Premium Savings	(1,400,000)	(1,400,000)	(5,071,390)	3,671,390
Master Lease	500,000	500,000	500,000	-
Total debt service	<u>65,111,387</u>	<u>61,527,362</u>	<u>56,381,039</u>	<u>5,146,323</u>
Total expenditures and other financing uses	<u>\$ 507,875,041</u>	<u>\$ 507,875,241</u>	505,948,292	<u>\$ 1,926,949</u>

Budgetary expenditures are different than GAAP expenditures because:

State of Connecticut "on-behalf" contributions to the Connecticut State Teachers' Retirement System for City teachers are not budgeted	31,979,000
Premium, netted and other	5,100,127
Excess cost-student based	<u>3,703,655</u>

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

\$ 546,731,074

See note to required supplementary information.

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

Schedule of Employer Contributions - CERF

Year Ended June 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a percentage of covered payroll
2007	\$ 9,522,000	\$ 9,522,000	\$ -	\$ 55,510,000	17.2%
2008	10,396,025	10,396,025	-	55,510,000	18.7%
2009	10,938,000	10,938,000	-	57,368,000	19.1%
2010	11,501,900	11,501,900	-	55,394,700	20.8%
2011	11,941,035	12,015,996	(74,961)	57,998,200	20.7%
2012	16,258,723	16,332,514	(73,791)	60,152,100	27.2%
2013	16,909,072	16,977,367	(68,295)	53,572,400	31.7%
2014	16,869,954	16,927,028	(57,074)	53,572,427	31.6%
2015	17,544,752	17,592,663	(47,911)	49,260,490	35.7%
2016	19,514,619	19,555,672	(41,053)	51,230,910	38.2%

Schedule of Employer Contributions - P&F

Year Ended June 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a percentage of covered payroll
2007	\$ 13,481,000	\$ 13,481,000	\$ -	\$ 64,713,000	20.8%
2008	15,000,000	15,000,000	-	55,602,000	27.0%
2009	16,687,000	16,687,000	-	58,017,427	28.8%
2010	17,811,000	17,811,000	-	54,570,400	32.6%
2011	18,692,000	18,692,000	-	57,301,700	32.6%
2012	23,331,000	23,331,000	-	63,313,700	36.8%
2013	24,258,000	24,258,000	-	56,661,400	42.8%
2014	24,286,140	24,358,055	(71,915)	56,661,371	43.0%
2015	25,251,586	25,259,846	(8,260)	51,378,227	49.2%
2016	26,297,294	26,306,000	(8,706)	53,433,356	49.2%

Notes to schedule:

	P&F	CERF
Valuation date	07/01/2014	07/01/2014
Actuarial cost method	Entry age	Entry age
Amortization method	Level percentage of payroll, closed	Level percentage of payroll, closed
Remaining amortization period	30 years	28 years
Asset valuation method	5-year smoothed	5-year smoothed
Inflation	3.00%	3.00%
Salary increases	3% - 11.5%	3% - 6.5%
Investment rate of return	8.00%	8.00%
Mortality	RP-2000 Mortality Table projected by Scale AA	RP-2000 Mortality Table projected by Scale AA

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

Police and Firemen Retirement Plan	2016	2015	2014
Changes in Net Pension Liability			
Total pension liability:			
Service cost	\$ 11,267,233	\$ 12,179,952	\$ 11,711,492
Interest	53,882,845	51,364,099	50,164,370
Change of benefit terms	-	(221,580)	-
Differences between expected and actual experience	-	24,925,021	-
Change of assumptions	-	14,245,876	-
Benefit payments, including refunds of member contributions	(51,639,291)	(49,650,762)	(46,025,365)
Net change in total pension liability	13,510,787	52,842,606	15,850,497
Total pension liability, beginning	687,591,252	634,748,646	618,898,149
Total pension liability, ending (a)	701,102,039	687,591,252	634,748,646
Fiduciary net position:			
Employer contributions	26,306,000	25,259,846	24,358,055
Member contributions	7,335,993	7,873,208	6,728,075
Net investment income	(5,621,654)	409,813	54,822,571
Benefit payments, including refunds of member contributions	(51,639,291)	(49,650,762)	(46,025,365)
Administrative expenses	(184,309)	(170,518)	(845,314)
Other	(2,500)	5,614,956	8,524
Net change in plan fiduciary net position	(23,805,761)	(10,663,457)	39,046,546
Fiduciary net position, beginning	326,522,975	337,186,432	298,139,886
Fiduciary net position, ending (b)	302,717,214	326,522,975	337,186,432
Net pension liability, ending = (a) - (b)	\$ 398,384,825	\$ 361,068,277	\$ 297,562,214
Fiduciary net position as a % of total pension liability	43.18%	47.49%	53.12%
Covered payroll	\$ 53,433,356	\$ 51,378,227	\$ 56,661,371
Net pension liability as a % of covered payroll	745.57%	702.77%	525.16%

**Required Supplementary Information - Unaudited
Schedule of Investment Returns
Last Three Fiscal Years**

	2016	2015	2014
Annual money-weighted rate of return, net of investment expense	-1.79%	0.73%	18.52%

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

Required Supplementary Information - Unaudited
Schedule of Changes in the City's Net Pension Liability and Related Ratios
Last Three Fiscal Years

City Employees' Retirement Plan	2016	2015	2014
Changes in Net Pension Liability			
Total pension liability:			
Service cost	\$ 5,045,428	\$ 6,161,890	\$ 5,924,895
Interest	35,166,980	34,804,446	34,174,249
Change of benefit terms	-	-	(3,308,888)
Differences between expected and actual experience	-	524,113	-
Change of assumptions	-	7,136,944	-
Benefit payments, including refunds of member contributions	(30,018,207)	(29,564,933)	(29,218,925)
Net change in total pension liability	10,194,201	19,062,460	7,571,331
Total pension liability, beginning	449,262,186	430,199,726	422,628,395
Total pension liability, ending (a)	459,456,387	449,262,186	430,199,726
Fiduciary net position:			
Employer contributions	19,555,672	17,592,663	16,927,028
Member contributions	4,609,881	4,568,385	4,104,738
Net investment income	(4,249,828)	(1,977,266)	23,978,199
Benefit payments, including refunds of member contributions	(30,018,207)	(29,564,933)	(29,218,925)
Administrative expenses	(149,332)	(459,176)	(377,446)
Other	855	44,573	31,927
Net change in plan fiduciary net position	(10,250,959)	(9,795,754)	15,445,521
Fiduciary net position, beginning	163,691,240	173,486,994	158,041,473
Fiduciary net position, ending (b)	153,440,281	163,691,240	173,486,994
Net pension liability, ending = (a) - (b)	\$ 306,016,106	\$ 285,570,946	\$ 256,712,732
Fiduciary net position as a % of total pension liability	33.40%	36.44%	40.33%
Covered payroll	\$ 51,230,910	\$ 49,260,490	\$ 53,572,427
Net pension liability as a % of covered payroll	597.33%	579.72%	479.19%

Required Supplementary Information - Unaudited
Schedule of Investment Returns
June 30, 2016

	2016	2015	2014
Annual money-weighted rate of return, net of investment expense	-2.68%	-1.60%	14.17%

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

Required Supplementary Information
Schedule of Funding Progress and Employer Contributions
OPEB Plan
Last Nine Fiscal Years
(Unaudited)

Schedule of Funding Progress - OPEB Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/(c)
07/01/07	\$ -	\$ 430,522,000	\$ 430,522,000	0.0%	\$ 272,235,306	158.1%
07/01/09	-	413,995,000	413,995,000	0.0%	284,120,415	145.7%
07/01/11	227,000	444,370,000	444,143,000	0.1%	285,140,448	155.8%
07/01/13	305,830	441,057,000	440,751,170	0.1%	239,239,541	184.2%
07/01/15	338,000	557,227,000	556,889,000	0.1%	229,297,000	242.9%

Schedule of Employer Contributions - OPEB Plan

Year Ended June 30,	Actuarially Determined Contribution	Percentage Contributed	Actual Contribution
2008	\$ 42,126,000	34.10%	\$ 14,350,000
2009	42,126,000	44.90%	18,931,531
2010	42,126,000	47.10%	19,835,300
2011	37,865,000	53.00%	20,232,800
2012	38,444,000	58.00%	22,471,000
2013	38,063,000	56.00%	21,384,900
2014	38,556,000	64.00%	24,485,900
2015	37,212,000	77.00%	28,708,400
2016	37,673,000	75.13%	28,303,000

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

	2016	2015
City's proportion of the net pension liability	0.00%	0.00%
City's proportionate share of the net pension liability	\$ -	\$ -
State's proportionate share of the net pension liability associated with the City	<u>\$ 381,425,862</u>	<u>\$ 352,155,770</u>
Total	<u><u>\$ 381,425,862</u></u>	<u><u>\$ 352,155,770</u></u>
City's covered-employee payroll	<u>\$ 141,778,026</u>	<u>\$ 141,919,000</u>
City's proportionate share of the net pension liability as a percentage of its covered payroll	<u>0.00%</u>	<u>0.00%</u>
System fiduciary net position as a percentage of the total pension liability	<u>59.50%</u>	<u>61.51%</u>

Notes to Schedule

Change in benefit terms	None
Changes of assumptions	During 2011, rates of withdrawal, retirement and assumed rates of salary increases were adjusted to reflect actual and anticipated experience. These assumptions were recommended as part of the Experience Study for the System for the five-year period ended June 30, 2010.
Methods and assumptions used in calculations of actuarially determined contributions	The actuarially determined contributions in the schedule of employer contributions are calculated as of June 30 each biennium for the fiscal years ending two and three years after the valuation date. The following actuarial methods and assumptions were used to determine the most recent contributions reported in that schedule:
Actuarial cost method	Entry age
Amortization method	Level percent of salary, closed
Remaining amortization period	22.4 years
Asset valuation method	4-year smoothed market
Inflation	3.00%
Salary Increase	3.75-7.00%, including inflation
Investment rate of return	8.50%, net of investment expense

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

**Note to Required Supplementary Information - Unaudited
June 30, 2016**

Note 1. Budgetary Information

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

- A. The budget is developed by the Mayor, and adopted by the Board of Aldermen on or before the first Monday in June. If the Board of Aldermen fails to act upon the recommended budget by the first Monday in June, the recommendations of the Mayor shall be the legal budget of the City. The Mayor may, within ten days subsequent to adoption of the budget, veto specific line items. Any veto by the Mayor may be overridden by a two-thirds vote of the Board of Aldermen.
- B. Concurrent with its submission to the Board of Aldermen, the budget is to be filed with the City Clerk. Within four business days after its filing, the clerk shall publish in a newspaper of general circulation in the City the proposed budget. The Board of Aldermen budget committee(s) shall hold at least two public hearings thereon. The first hearing shall be no later than 15 calendar days after the publication of the budget and another hearing shall be held at least 7 calendar days before the first reading by the Board of Aldermen.
- C. The Board of Aldermen can approve additional appropriations on the recommendation of the Mayor. However, the Board of Aldermen shall not reduce any item proposed by the Mayor for the payment of interest or principal on municipal debt.
- D. The total amount of the annual appropriations for any year shall not exceed the estimated income for that year.
- E. Formal budgetary integration is employed as a management control device during the year.
- F. Except for the use of encumbrance accounting and the classification of certain revenues and expenditures, budgets are adopted on a modified accrual basis of accounting.
- G. Budgeted amounts reported in the financial statements have been revised to include Board of Aldermen revisions that were approved during the 2015-2016 fiscal year. Budgetary comparison schedules are presented in the supplemental section as Required Supplemental Information.
- H. In general, all unobligated appropriations lapse at year end.
- I. Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order was issued and, accordingly, encumbrances outstanding at year-end are reflected in budgetary reports as expenditures in the current year whereas they are shown as assigned fund balance on a GAAP basis of accounting.

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

**Note to Required Supplementary Information - Unaudited
June 30, 2016**

Note 1. Budgetary Information (Continued)

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

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

During the year ended June 30, 2016, the following line items over expended their appropriations:

Department	Amount
Chief Administrators Office	\$ (59,566)
Corporation Counsel	(294,072)
Mayor's Office	(225,556)
Fire	(834,651)
Police	(677,597)
Youth Services	(19,483)
Transportation/traffic & parking	(7,856)
Contract reserve	(1,591,264)
Non-public transportation	(207,476)
Employee benefits	(1,245,868)
Pensions	(494,719)



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



**Nonmajor
Governmental Funds**

Nonmajor Governmental Funds

Special Revenue Funds

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

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

Debt Service Fund

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

Permanent Funds

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

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City of New Haven

Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2016

	Special Revenue Funds			
	Community Development	Improvement	Human Resources	Redevelopment Agency
Assets				
Cash and cash equivalents	\$ 4,216,982	\$ 4,517,493	\$ 2,314,968	\$ 19,552
Investments	444,546	-	-	-
Receivables, net	90,326	9,246	25,308	2,426
Receivables from other governments	1,802,535	8,728	443,096	-
Total assets	\$ 6,554,389	\$ 4,535,467	\$ 2,783,372	\$ 21,978
Liabilities				
Accounts payable	\$ 1,796,665	\$ 409,461	\$ 681,571	\$ 9,744
Accrued liabilities	90,349	6,077	88,468	-
Due to other funds	1,856,007	3,342,662	175,271	-
Due to other governments	419,524	19,785	-	-
Unearned revenue	-	180,767	-	-
Other liabilities	-	-	-	-
Total liabilities	4,162,545	3,958,752	945,310	9,744
Deferred inflows of resources:				
Unavailable revenue	142,945	-	-	-
Total deferred inflow of resources	142,945	-	-	-
Fund balances:				
Nonspendable	-	-	-	-
Restricted	2,248,899	576,715	1,838,062	12,234
Total fund balances	2,248,899	576,715	1,838,062	12,234
Total liabilities, deferred inflows of resources and fund balances	\$ 6,554,389	\$ 4,535,467	\$ 2,783,372	\$ 21,978

Schedule 1

<u>Special Revenue Funds</u>			Total Nonmajor Governmental Funds (See Exhibit C)
<u>Other</u>	<u>Other ETF</u>	<u>Permanent Funds</u>	
\$ 6,510,887	\$ 989,035	\$ 753,959	\$ 19,322,876
-	2,495,732	3,309,682	6,249,960
95,236	49,031	-	271,573
36,405	-	-	2,290,764
<u>\$ 6,642,528</u>	<u>\$ 3,533,798</u>	<u>\$ 4,063,641</u>	<u>\$ 28,135,173</u>
\$ 723,444	\$ -	\$ -	\$ 3,620,885
35,835	-	-	220,729
5,120,658	496	-	10,495,094
-	-	-	439,309
-	-	-	180,767
-	1,133,754	669,027	1,802,781
<u>5,879,937</u>	<u>1,134,250</u>	<u>669,027</u>	<u>16,759,565</u>
<u>187,014</u>	<u>-</u>	<u>-</u>	<u>329,959</u>
<u>187,014</u>	<u>-</u>	<u>-</u>	<u>329,959</u>
-	-	2,381,320	2,381,320
575,577	2,399,548	1,013,294	8,664,329
<u>575,577</u>	<u>2,399,548</u>	<u>3,394,614</u>	<u>11,045,649</u>
<u>\$ 6,642,528</u>	<u>\$ 3,533,798</u>	<u>\$ 4,063,641</u>	<u>\$ 28,135,173</u>

City of New Haven, Connecticut

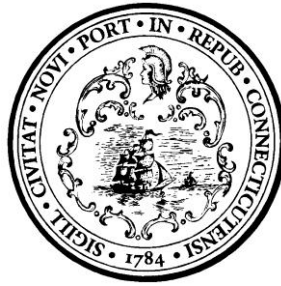
Combining Statement of Revenues, Expenditures and Changes in Fund Balance -
 Nonmajor Governmental Funds
 For the Year Ended June 30, 2016

	Special Revenue Funds			
	Community Development	Improvement	Human Resources	Redevelopment Agency
Revenues:				
Intergovernmental	\$ 9,355,496	\$ 7,956,519	\$ 8,851,866	\$ -
Investment earnings	-	75	178	13
Charges for services	733,305	-	23,518	-
Other contributions	388,461	1,274,777	1,240,071	-
Total revenues	10,477,262	9,231,371	10,115,633	13
Expenditures:				
Current:				
General government	44,430	-	-	-
Education	-	-	-	-
Public works	-	4,261,022	-	-
Economic development	-	-	-	-
Public services	10,697,348	-	11,076,541	-
Debt service:				
Principal	410,000	-	-	-
Interest	9,184	-	-	-
Total expenditures	11,160,962	4,261,022	11,076,541	-
Excess (deficiency) of revenues over expenditures	(683,700)	4,970,349	(960,908)	13
Other financing sources (uses):				
Transfer in	-	-	736,266	-
Total other financing sources (uses)	-	-	736,266	-
Net change in fund balances (deficits)	(683,700)	4,970,349	(224,642)	13
Fund balances (deficits), beginning	2,932,599	(4,393,634)	2,062,704	12,221
Fund balances (deficits), ending	\$ 2,248,899	\$ 576,715	\$ 1,838,062	\$ 12,234

Schedule 2

Special Revenue Funds			Total Nonmajor Governmental Funds (See Exhibit D)
Other	Other ETF	Permanent Funds	
\$ 29,794,570	\$ -	\$ -	\$ 55,958,451
868	1,300	-	2,434
1,508,621	-	-	2,265,444
351,976	-	10,486	3,265,771
<u>31,656,035</u>	<u>1,300</u>	<u>10,486</u>	<u>61,492,100</u>
3,817,134	267,102	236,974	4,365,640
27,410,000	-	-	27,410,000
-	-	-	4,261,022
149,135	-	-	149,135
-	-	-	21,773,889
-	-	-	410,000
-	-	-	9,184
<u>31,376,269</u>	<u>267,102</u>	<u>236,974</u>	<u>58,378,870</u>
<u>279,766</u>	<u>(265,802)</u>	<u>(226,488)</u>	<u>3,113,230</u>
<u>724,142</u>	<u>-</u>	<u>-</u>	<u>1,460,408</u>
<u>724,142</u>	<u>-</u>	<u>-</u>	<u>1,460,408</u>
1,003,908	(265,802)	(226,488)	4,573,638
(428,331)	2,665,350	3,621,102	6,472,011
<u>\$ 575,577</u>	<u>\$ 2,399,548</u>	<u>\$ 3,394,614</u>	<u>\$ 11,045,649</u>

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Nonmajor Enterprise Funds

Nonmajor Enterprise Funds

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

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

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

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

**Combining Statement of Net Position (Deficit) - Nonmajor Enterprise Funds
June 30, 2016**

	Business-Type Activities - Enterprise Funds			
	Golf Course	Skating Rink	East Rock Communications Tower	Total
Assets				
Current assets:				
Cash and cash equivalents	\$ 408,114	\$ 21,849	\$ 391,290	\$ 821,253
Accounts receivable	12,513	-	-	12,513
Due from other funds	-	87,553	-	87,553
Total assets	420,627	109,402	391,290	921,319
Liabilities				
Current liabilities:				
Accounts payable and accrued liabilities	195,454	111,090	1,433	307,977
Due to other funds	-	898	12,599	13,497
Total current liabilities	195,454	111,988	14,032	321,474
Net position (deficit):				
Unrestricted	225,173	(2,586)	377,258	599,845
Total net position (deficit)	\$ 225,173	\$ (2,586)	\$ 377,258	\$ 599,845

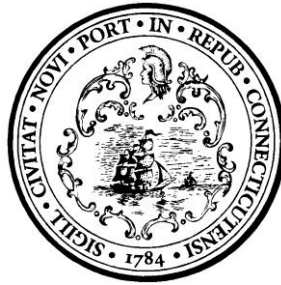
**Combining Statement of Revenues, Expenses and Changes in Fund Net Position (Deficit) -
Nonmajor Enterprise Funds
For the Year Ended June 30, 2016**

	Business-Type Activities - Enterprise Funds			
	Golf Course	Skating Rink	East Rock Communications Tower	Total
Operating revenues:				
Charges for services	\$ 934,309	\$ 161,517	\$ 10,712	\$ 1,106,538
Total operating revenues	934,309	161,517	10,712	1,106,538
Operating expenses:				
Cost of service	744,836	149,320	12,473	906,629
Total operating expenses	744,836	149,320	12,473	906,629
Operating (loss) income	189,473	12,197	(1,761)	199,909
Nonoperating revenues:				
Interest income	-	-	577	577
Total nonoperating revenues	-	-	577	577
Net (loss) income	189,473	12,197	(1,184)	200,486
Transfers out:				
Transfers out	(70,000)	-	-	(70,000)
Change in net position	119,473	12,197	(1,184)	130,486
Fund net position (deficit), beginning	105,700	(14,783)	378,442	469,359
Fund net position (deficit), ending	\$ 225,173	\$ (2,586)	\$ 377,258	\$ 599,845

**Combining Statement of Cash Flows - Nonmajor Enterprise Funds
For the Year Ended June 30, 2016**

	Business-Type Activities - Enterprise Funds			
	Golf Course	Skating Rink	East Rock Communications Tower	Total
Cash flows from operating activities:				
Receipts from customers and users	\$ 942,216	\$ 73,964	\$ 45,680	\$ 1,061,860
Payments to suppliers and personnel	(865,272)	(63,220)	(29,328)	(957,820)
Net cash provided by operating activities	76,944	10,744	16,352	104,040
Cash flows from investing activities:				
Interest income	-	-	577	577
Net increase in cash and cash equivalents	76,944	10,744	16,929	104,617
Cash flows from financing activities:				
Transfers out to other funds	(70,000)	-	-	(70,000)
Cash and cash equivalents:				
Beginning	401,170	11,105	374,361	786,636
Ending	\$ 408,114	\$ 21,849	\$ 391,290	\$ 821,253
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ 189,473	\$ 12,197	\$ (1,761)	\$ 199,909
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Changes in assets and liabilities:				
Decrease (increase) in other receivables	7,907	-	34,968	42,875
Decrease (increase) in due from other funds	-	(87,553)	-	(87,553)
Increase (decrease) in accounts payable	(91,692)	86,100	(191)	(5,783)
Increase in due to other funds and advance	(28,744)	-	(16,664)	(45,408)
Net cash provided by operating activities	\$ 76,944	\$ 10,744	\$ 16,352	\$ 104,040

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Internal Service Funds

Internal Service Funds

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

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

Combining Statement of Net Position (Deficit)
Internal Service Funds
June 30, 2016

	Self-Insurance Reserve Fund	Medical Self-Insurance Fund	Workers' Compensation Self-Insurance Fund	Total (See Exhibit F)
Assets				
Current assets:				
Cash and cash equivalents	\$ 178,358	\$ 801,622	\$ 65,871	\$ 1,045,851
Receivables, net	-	3,809,880	280,180	4,090,060
Total current assets	178,358	4,611,502	346,051	5,135,911
Liabilities				
Current liabilities:				
Accounts payable	141,489	2,054,792	-	2,196,281
Due to other funds	69,892	1,689,897	204,403	1,964,192
Accrued estimated healthcare claims	-	6,295,650	-	6,295,650
Claims and judgments	2,035,500	-	-	2,035,500
Other liabilities	7,665	-	-	7,665
Total current liabilities	2,254,546	10,040,339	204,403	12,499,288
Noncurrent Liabilities:				
Claims and judgments	1,787,500	-	-	1,787,500
	1,787,500	-	-	1,787,500
Total liabilities	4,042,046	10,040,339	204,403	14,286,788
Net position (deficit):				
Unrestricted (deficit)	(3,863,688)	(5,428,837)	141,648	(9,150,877)
Total net position (deficit)	\$ (3,863,688)	\$ (5,428,837)	\$ 141,648	\$ (9,150,877)

**Combining Statement of Revenues, Expenses and Changes in Fund Net Position (Deficit)
Internal Service Funds
For the Year Ended June 30, 2016**

	Self-Insurance Reserve Fund	Medical Self-Insurance Fund	Workers' Compensation Self-Insurance Fund	Total (See Exhibit G)
Operating revenues:				
Employer's contribution	\$ 1,750,763	\$ 82,970,925	\$ 7,841,052	\$ 92,562,740
Charges for services	-	18,135,107	-	18,135,107
Other revenue	-	4,338,125	-	4,338,125
Total operating revenues	1,750,763	105,444,157	7,841,052	115,035,972
Operating expenses:				
Insurance claims and other expenses	1,743,946	106,819,170	7,769,434	116,332,550
Total operating expenses	1,743,946	106,819,170	7,769,434	116,332,550
Net (loss) income	6,817	(1,375,013)	71,618	(1,296,578)
Transfers:				
Transfer Out	-	(469,793)	-	(469,793)
Change in net position (deficit)	6,817	(1,844,806)	71,618	(1,766,371)
Net position (deficit), beginning	(3,870,505)	(3,584,031)	70,030	(7,384,506)
Net position (deficit), ending	\$ (3,863,688)	\$ (5,428,837)	\$ 141,648	\$ (9,150,877)

**Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2016**

	Self-Insurance Reserve Fund	Medical Self-Insurance Fund	Workers' Compensation Self-Insurance Fund	Total (See Exhibit H)
Cash flows from operating activities:				
City's contribution	\$ 1,750,763	\$ 86,428,909	\$ 7,838,042	\$ 96,017,714
Cash received from users (including other funds)	-	18,144,329	-	18,144,329
Cash payments to other funds	-	-	(410,982)	(410,982)
Claims and other expenses paid	(2,412,248)	(103,766,222)	(7,769,434)	(113,947,904)
Net cash provided by (used in) operating activities	(661,485)	807,016	(342,374)	(196,843)
Cash flows from financing activities				
Transfers out to other funds	-	(469,793)	-	(469,793)
Cash and cash equivalents:				
Beginning of year	839,843	464,399	408,245	1,712,487
End of year	\$ 178,358	\$ 801,622	\$ 65,871	\$ 1,045,851
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ 6,817	\$ (1,375,013)	\$ 71,618	\$ (1,296,578)
Change in assets and liabilities:				
Increase in receivables, net	-	(880,141)	(3,010)	(883,151)
Decrease in claims and judgments	-	421,785	-	421,785
Increase in accounts payable and other	(115,880)	941,266	-	825,386
Increase in due from other funds	-	9,222	-	9,222
Increase (decrease) in due to other funds and advances	(552,422)	1,689,897	(410,982)	726,493
Net cash provided by (used in) operating activities	\$ (661,485)	\$ 807,016	\$ (342,374)	\$ (196,843)

**Combining Statement of Activities
Internal Service Funds - Medical Self-Insurance Fund
For the Year Ended June 30, 2016**

	Medical Self-Insurance Current Employees	Medical Self-Insurance Retirees	Total Medical Self-Insurance
Operating revenues:			
Employer's contribution	\$ 57,637,331	\$ 25,333,594	\$ 82,970,925
Charges for services and other	19,555,159	2,918,073	22,473,232
Total operating revenues	77,192,490	28,251,667	105,444,157
Operating expenses:			
Insurance claims and expenses	78,567,503	28,251,667	106,819,170
Total operating expenses	78,567,503	28,251,667	106,819,170
Transfers:			
Transfer Out	-	(469,793)	(469,793)
Change in net position (deficit)	(1,375,013)	(469,793)	(1,844,806)
Net position (deficit), beginning	(3,584,031)	-	(3,584,031)
Net position (deficit), ending	\$ (4,959,044)	\$ (469,793)	\$ (5,428,837)



Fiduciary Funds

**Combining Statement of Trust Fund Net Position
Fiduciary Funds
June 30, 2016**

	City Employees' Retirement Fund	Policemen's and Firemen's Retirement Fund	Other Retirement Fund	Post-Employment Benefit Plan Fund	Combined Trust Funds (See Exhibit I)
Assets					
Cash and short-term investments	\$ 12,554,667	\$ 38,871,771	\$ 1,157,388	\$ 369,366	\$ 52,953,192
Interest and dividends receivable	252,462	291,492	45	-	543,999
Accounts receivable-investment sales	2,508,222	248,601	-	-	2,756,823
Accounts receivable- other	589,713	216,980	1	20	806,714
Due from other funds	-	-	-	469,803	469,803
	<u>15,905,064</u>	<u>39,628,844</u>	<u>1,157,434</u>	<u>839,189</u>	<u>57,530,531</u>
Investments:					
Government agencies	-	2,295,310	-	-	2,295,310
Government securities	-	13,199,576	-	-	13,199,576
Common stock	58,575,032	131,437,301	93,713	-	190,106,046
Fixed income funds	8,465,421	7,266,086	-	-	15,731,507
Corporate bonds	9,098,496	22,994,484	-	-	32,092,980
Mutual funds	30,977,216	-	-	-	30,977,216
Hedge Fund	19,584,159	21,995,102	-	-	41,579,261
Asset-backed securities	672,924	4,951,456	-	-	5,624,380
Venture capital partnerships	12,593,759	39,076,337	-	-	51,670,096
Private Equity	-	20,232,000	-	-	20,232,000
Total investments	<u>139,967,007</u>	<u>263,447,652</u>	<u>93,713</u>	<u>-</u>	<u>403,508,372</u>
Total assets	<u>155,872,071</u>	<u>303,076,496</u>	<u>1,251,147</u>	<u>839,189</u>	<u>461,038,903</u>
Liabilities					
Accounts payable-investment purchases	2,431,791	359,283	-	-	2,791,074
Total liabilities	<u>2,431,791</u>	<u>359,283</u>	<u>-</u>	<u>-</u>	<u>2,791,074</u>
Net position:					
Restricted for pension and opeb benefits	<u>\$ 153,440,280</u>	<u>\$ 302,717,213</u>	<u>\$ 1,251,147</u>	<u>\$ 839,189</u>	<u>\$ 458,247,829</u>

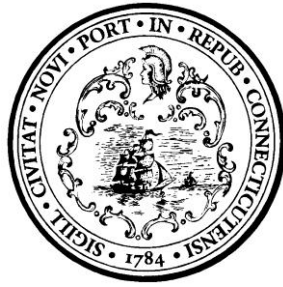
**Combining Statement of Changes in Trust Fund Net Position
Fiduciary Funds
For the Year Ended June 30, 2016**

	City Employees' Retirement Fund	Policemen's and Firemen's Retirement Fund	Other Retirement Fund	Post-Employment Benefit Plan Fund	Combined Trust Funds (See Exhibit J)
Additions:					
Contributions:					
Employer contributions	\$ 19,555,670	\$ 26,306,000	\$ -	\$ 25,393,594	\$ 71,255,264
Plan members	4,609,881	7,335,993	-	2,918,073	14,863,947
Total contributions	24,165,551	33,641,993	-	28,311,667	86,119,211
Investment earnings:					
Net depreciation in fair value of investments	(6,896,397)	(9,277,282)	(8,071)	-	(16,181,750)
Interest and dividends	3,177,542	4,219,307	2,872	1,238	7,400,959
Miscellaneous Income	855	-	-	-	855
Total investment income (loss)	(3,718,000)	(5,057,975)	(5,199)	1,238	(8,779,936)
Less investment expense	680,304	750,489	-	-	1,430,793
Net investment income (loss)	(4,398,304)	(5,808,464)	(5,199)	1,238	(10,210,729)
Total additions	19,767,247	27,833,529	(5,199)	28,312,905	75,908,482
Deductions:					
Benefits	30,018,207	51,639,291	31,722	28,251,667	109,940,887
Total deductions	30,018,207	51,639,291	31,722	28,251,667	109,940,887
Transfers:					
Transfers in	-	-	-	469,793	469,793
Net increase (decrease)	(10,250,960)	(23,805,762)	(36,921)	531,031	(33,562,612)
Restricted for pension and opeb benefits:					
Fund Net Position, beginning of year	163,691,240	326,522,975	1,288,068	308,158	491,810,441
Fund net position, end of year	\$ 153,440,280	\$ 302,717,213	\$ 1,251,147	\$ 839,189	\$ 458,247,829

**Statement of Changes in Assets and Liabilities - Agency Funds
For the Year Ended June 30, 2016**

	Balance July 1, 2015	Additions	Deductions	Balance June 30, 2016
Student Activity Funds				
Assets:				
Cash and cash equivalents	\$ 549,985	\$ 1,316,891	\$ (1,224,115)	\$ 642,761
Total assets	\$ 549,985	\$ 1,316,891	\$ (1,224,115)	\$ 642,761
Liabilities:				
Due to student groups	\$ 549,985	\$ 1,316,891	\$ (1,224,115)	\$ 642,761
Total liabilities	\$ 549,985	\$ 1,316,891	\$ (1,224,115)	\$ 642,761
<hr/>				
	Balance July 1, 2015	Additions	Deductions	Balance June 30, 2016
Performance Bond				
Assets:				
Cash and cash equivalents	\$ 515,939	\$ 253,624	\$ (100,000)	\$ 669,563
Total assets	\$ 515,939	\$ 253,624	\$ (100,000)	\$ 669,563
Liabilities:				
Amounts held for others	\$ 515,939	\$ 253,624	\$ (100,000)	\$ 669,563
Total liabilities	\$ 515,939	\$ 253,624	\$ (100,000)	\$ 669,563
<hr/>				
	Balance July 1, 2015	Additions	Deductions	Balance June 30, 2016
Total Agency Funds				
Assets:				
Cash and cash equivalents	\$ 1,065,924	\$ 1,570,515	\$ (1,324,115)	\$ 1,312,324
Total assets	\$ 1,065,924	\$ 1,570,515	\$ (1,324,115)	\$ 1,312,324
Liabilities:				
Due to student groups	\$ 549,985	\$ 1,316,891	\$ (1,224,115)	\$ 642,761
Amounts held for others	515,939	253,624	(100,000)	669,563
Total liabilities	\$ 1,065,924	\$ 1,570,515	\$ (1,324,115)	\$ 1,312,324

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Other Schedules

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City of New Haven, Connecticut

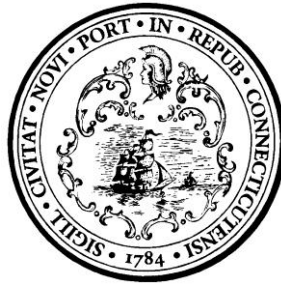
**Schedule of Property Taxes Levied, Collected and Outstanding
For the Year Ended June 30, 2016**

Grand List	Uncollected Taxes July 1, 2015	Current Levy	Lawful Corrections Additions/ Deductions	Transfers to Suspense	Net Amount Collectible
1999	55,859	-	(55,859)	-	-
2000	58,095	-	(58,095)	-	-
2001	70,437	-	-	-	70,437
2002	83,020	-	-	-	83,020
2003	92,259	-	-	-	92,259
2004	97,855	-	493	-	98,348
2005	152,157	-	(2,724)	-	149,433
2006	180,982	-	(13,731)	-	167,251
2007	250,502	-	(413,045)	-	(162,543)
2008	264,987	-	(59,913)	-	205,074
2009	273,299	-	(38,498)	-	234,801
2010	364,567	-	(68,478)	-	296,089
2011	1,838,564	-	(1,113,218)	(997,341)	(271,995)
2012	2,188,314	-	(1,384,437)	-	803,877
2013	5,238,254	-	(2,291,500)	-	2,946,754
Prior Years' Total	11,209,151	-	(5,499,005)	(997,341)	4,712,805
2014	-	255,369,165	(3,056,942)	-	252,312,223
	<u>\$ 11,209,151</u>	<u>\$ 255,369,165</u>	<u>\$ (8,555,947)</u>	<u>\$ (997,341)</u>	<u>\$ 257,025,028</u>

Schedule 13

Collections						Uncollected
Taxes	Overpayments	Interest and Lien Fees	Lien Fees	Total		Taxes June 30, 2016
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,571	-	3,862	-	5,433		68,866
674	-	1,542	-	2,216		82,346
790	-	1,650	-	2,440		91,469
2,074	-	3,937	-	6,011		96,274
962	-	2,669	-	3,631		148,471
9	(7,890)	(2,090)	-	(9,971)		175,132
9,473	(377,831)	11,265	-	(357,093)		205,815
28,065	(29,293)	31,580	-	30,352		206,302
48,858	(13,774)	55,035	-	90,119		199,717
82,452	(35,070)	70,000	-	117,382		248,707
(534,341)	(112,622)	112,980	-	(533,983)		374,968
(422,025)	(247,162)	177,613	-	(491,574)		1,473,064
1,360,834	(550,901)	430,932	-	1,240,865		2,136,821
579,396	(1,374,543)	900,975	-	105,828		5,507,952
247,811,024	(570,086)	860,297	-	248,101,235		5,071,285
\$ 248,390,420	\$ (1,944,629)	\$ 1,761,272	\$ -	\$ 248,207,063		\$ 10,579,237

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**Statistical Section
(Unaudited)**

Statistical Section - Unaudited

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

Statistical section information is presented in the following categories:

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

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

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

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

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

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

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

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City of New Haven, Connecticut

**Net Position by Component
Last Ten Fiscal Years
(Unaudited)**

	Fiscal Year			
	2007	2008	2009	2010
Governmental activities:				
Net investment in capital assets	\$ 590,164,856	\$ 690,783,952	\$ 795,545,245	\$ 790,216,721
Restricted	27,821,177	15,289,232	12,887,497	12,550,193
Unrestricted	(70,483,768)	(108,981,890)	(148,878,781)	(37,143,425)
Total governmental activities	547,502,265	597,091,294	659,553,961	765,623,489
Business-type activities:				
Unrestricted	3,835,849	1,785,564	1,647,934	652,000
Total business-type activities	3,835,849	1,785,564	1,647,934	652,000
City net position:				
Net Invested in capital assets,	590,164,856	690,783,952	795,545,245	790,216,721
Restricted	27,821,177	15,289,232	12,887,497	12,550,193
Unrestricted (deficit)	(66,647,919)	(107,196,326)	(147,230,847)	(36,491,425)
Total governmental activities	\$ 551,338,114	\$ 598,876,858	\$ 661,201,895	\$ 766,275,489

Source: Department of Finance

Fiscal Year					
2011	2012	2013	2014	2015	2016
\$ 889,013,623	\$ 933,256,161	\$ 950,575,226	\$ 952,587,372	\$ 918,930,231	\$ 956,517,425
16,979,104	13,770,223	16,333,526	20,765,758	13,528,982	10,763,525
(97,426,220)	(136,664,640)	(154,091,504)	(190,023,485)	(717,176,614)	(751,798,333)
808,566,507	810,361,744	812,817,248	783,329,645	215,282,599	215,482,617
520,387	552,158	453,546	611,147	469,359	599,845
520,387	552,158	453,546	611,147	469,359	599,845
889,013,623	933,256,161	950,575,226	952,587,372	918,930,231	956,517,425
16,979,104	13,770,223	16,333,526	20,765,758	13,528,982	10,763,525
(96,905,833)	(136,112,482)	(153,637,958)	(189,412,338)	(716,707,255)	(751,198,488)
\$ 809,086,894	\$ 810,913,902	\$ 813,270,794	\$ 783,940,792	\$ 215,751,958	\$ 216,082,462

City of New Haven, Connecticut

Statement of Activities
Last Ten Fiscal Years
(Unaudited)

	Fiscal Year			
	2007	2008	2009	2010
Expenses:				
Governmental activities:				
General government	\$ 32,110,858	\$ 37,693,461	\$ 33,128,676	\$ 38,324,187
Education	267,469,133	345,341,470	281,171,745	369,049,226
Public Safety	64,576,785	68,514,288	70,113,405	95,866,212
Public Works	25,542,135	24,673,176	25,800,652	46,150,257
Public Services	35,211,562	42,186,718	41,512,155	36,094,387
Employee benefits and insurance	82,174,588	114,344,620	115,508,082	-
Culture and Recreation	9,273,135	9,927,948	9,665,487	12,194,921
Economic Development	23,549,651	21,962,659	39,221,060	8,599,509
Interest on long-term debt	20,141,346	24,529,443	21,900,866	22,380,844
Total governmental expenses	560,049,193	689,173,783	638,022,128	628,659,543
Business-type activities:				
Recreation	1,379,843	1,772,097	1,255,002	883,496
Total business-type expenses	1,379,843	1,772,097	1,255,002	883,496
Total expenses	561,429,036	690,945,880	639,277,130	629,543,039
Program revenues:				
Governmental activities:				
Charges for services	69,016,817	65,209,673	48,839,095	32,703,214
Operating grants and contributions	230,990,261	310,303,937	273,622,190	304,571,883
Capital grants and contributions	123,116,731	108,404,390	110,706,951	69,966,267
Total governmental activities	423,123,809	483,918,000	433,168,236	407,241,364
Business-type activities:				
Recreation	1,596,325	(278,188)	1,117,372	1,353,464
Total business-type activities	1,596,325	(278,188)	1,117,372	1,353,464
Total program revenues	424,720,134	483,639,812	434,285,608	408,594,828
Net (expense)/revenue				
Governmental activities	(136,925,384)	(205,255,783)	(204,853,892)	(221,418,179)
Business-type activities	216,482	(2,050,285)	(137,630)	469,968
Total net expenses	(136,708,902)	(207,306,068)	(204,991,522)	(220,948,211)

Source: Department of Finance

Fiscal Year						
2011	2012	2013	2014	2015	2016	
\$ 38,378,265	\$ 42,912,415	\$ 44,273,863	\$ 42,374,815	\$ 45,019,352	\$ 42,621,112	
387,620,341	398,188,801	422,504,443	441,022,674	471,239,560	551,621,913	
100,362,361	100,752,656	100,514,476	103,204,821	118,802,515	112,584,258	
43,462,757	29,571,591	28,086,703	36,849,330	36,357,486	46,241,701	
34,963,806	35,226,515	34,109,046	37,089,015	35,959,603	32,628,293	
-	-	-	-	-	-	
11,008,820	-	-	-	-	-	
7,778,651	7,748,513	16,022,738	20,216,634	14,227,659	8,673,822	
22,625,151	24,802,662	26,153,935	25,334,747	25,948,757	19,597,972	
646,200,152	639,203,153	671,665,204	706,092,036	747,554,932	813,969,071	
1,269,621	1,086,086	1,178,023	811,193	1,206,943	906,629	
1,269,621	1,086,086	1,178,023	811,193	1,206,943	906,629	
647,469,773	640,289,239	672,843,227	706,903,229	748,761,875	814,875,700	
23,694,252	25,775,734	36,907,521	35,291,621	40,886,610	32,702,396	
290,018,680	281,391,602	299,280,981	309,425,898	327,560,388	396,220,688	
94,495,718	43,861,614	49,720,146	30,467,436	38,134,971	75,476,816	
408,208,650	351,028,950	385,908,648	375,184,955	406,581,969	504,399,900	
1,137,624	1,227,809	1,189,355	1,078,769	1,175,155	1,106,538	
1,137,624	1,227,809	1,189,355	1,078,769	1,175,155	1,106,538	
409,346,274	352,256,759	387,098,003	376,263,724	407,757,124	505,506,438	
(237,991,502)	(288,174,203)	(285,756,556)	(330,907,081)	(340,972,963)	(309,569,171)	
(131,997)	141,723	11,332	267,576	(31,788)	199,909	
(238,123,499)	(288,032,480)	(285,745,224)	(330,639,505)	(341,004,751)	(309,369,262)	

(Continued)

City of New Haven, Connecticut

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

	Fiscal Year			
	2007	2008	2009	2010
General revenues and other:				
Changes in net position:				
Governmental activities:				
Property taxes	\$ 179,455,921	\$ 189,489,128	\$ 205,341,992	\$ 213,331,992
Grants and contributions not restricted to specific purposes	58,812,019	56,177,412	53,565,509	54,721,798
Investment income	4,925,231	3,068,272	823,478	192,676
Miscellaneous	-	-	7,475,580	3,775,000
Transfers	110,000	6,110,000	110,000	1,466,241
Total governmental activities	243,303,171	254,844,812	267,316,559	273,487,707
Business-type activities:				
Investment income	-	-	1,818	339
Transfers	-	-	(110,000)	(1,466,241)
Total business-type activities	-	-	(108,182)	(1,465,902)
Total general revenues	243,303,171	254,844,812	267,208,377	272,021,805
Change in net position:				
Governmental activities	106,377,787	49,589,029	62,462,667	52,069,528
Business-type activities	216,482	(2,050,285)	(245,812)	(995,934)
Change in net position	\$ 106,594,269	\$ 47,538,744	\$ 62,216,855	\$ 51,073,594

Source: Department of Finance

Fiscal Year					
2011	2012	2013	2014	2015	2016
\$ 223,589,061	\$ 229,270,651	\$ 232,021,388	\$ 245,329,193	\$ 251,874,699	\$ 249,774,495
53,781,158	60,472,827	55,960,782	55,924,054	61,506,528	59,929,086
114,301	115,962	119,890	56,231	(7,977)	(4,392)
3,450,000	-	-	-	-	-
-	110,000	110,000	110,000	110,000	70,000
280,934,520	289,969,440	288,212,060	301,419,478	313,483,250	309,769,189
384	48	56	25	-	577
-	(110,000)	(110,000)	(110,000)	(110,000)	(70,000)
384	(109,952)	(109,944)	(109,975)	(110,000)	(69,423)
280,934,904	289,859,488	288,102,116	301,309,503	313,373,250	309,699,766
42,943,018	1,795,237	2,455,504	(29,487,603)	(27,489,713)	200,018
(131,613)	31,771	(98,612)	157,601	(141,788)	130,486
\$ 42,811,405	\$ 1,827,008	\$ 2,356,892	\$ (29,330,002)	\$ (27,631,501)	\$ 330,504

City of New Haven, Connecticut

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

	Fiscal Year			
	2007	2008	2009	2010
General fund:				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Unassigned	-	-	-	-
Reserved	-	-	-	7,000,000
Unreserved/unassigned	14,722,550	15,508,258	16,025,789	9,177,717
Total general fund	\$ 14,722,550	\$ 15,508,258	\$ 16,025,789	\$ 16,177,717
All other governmental funds:				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Reserved	164,214,106	162,569,834	119,254,075	74,673,938
Unreserved, reported in:				
Special revenue funds	3,270,197	(1,030,960)	(4,394,417)	(10,990,440)
Capital projects funds	(187,149,898)	(194,775,989)	(166,587,369)	(107,306,164)
Permanent funds	3,253,463	2,992,757	2,447,525	2,536,873
Total all other governmental funds	\$ (16,412,132)	\$ (30,244,358)	\$ (49,280,186)	\$ (41,085,793)

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

Source: Department of Finance

Fiscal Year						
2011*	2012	2013	2014	2015	2016	
\$ 7,000,000	\$ 5,000,000	\$ 4,000,000	\$ -	\$ -	\$ -	
9,827,620	3,791,796	-	-	-	-	
-	-	-	-	-	-	
-	-	(8,721,555)	22,047	1,726,001	2,023,605	
<u>\$ 16,827,620</u>	<u>\$ 8,791,796</u>	<u>\$ (4,721,555)</u>	<u>\$ 22,047</u>	<u>\$ 1,726,001</u>	<u>\$ 2,023,605</u>	
\$ 2,495,040	\$ 2,415,247	\$ 2,501,388	\$ 2,501,388	\$ 2,449,526	\$ 2,433,271	
13,149,999	12,577,203	13,952,206	56,816,595	53,526,263	58,876,699	
2,480,268	2,480,268	-	-	-	-	
858,106	696,429	783,844	-	-	-	
(42,124,903)	(41,238,667)	(48,281,991)	(9,830,956)	(4,821,965)	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
<u>\$ (23,141,490)</u>	<u>\$ (23,069,520)</u>	<u>\$ (31,044,553)</u>	<u>\$ 49,487,027</u>	<u>\$ 51,153,824</u>	<u>\$ 61,309,970</u>	

City of New Haven, Connecticut

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

	Fiscal Year			
	2007	2008	2009	2010
Revenues:				
Property taxes	\$ 180,637,982	\$ 186,365,020	\$ 203,404,742	\$ 206,824,921
Licenses and permits	17,057,976	15,747,687	17,319,960	18,844,871
Intergovernmental	433,493,464	493,274,346	434,232,125	413,032,296
Charges for services	2,875,699	2,331,720	4,575,057	7,249,401
Fines	4,623,108	5,316,063	5,351,710	5,077,231
Investment income	4,925,231	3,068,272	823,478	192,676
Payments in lieu of taxes	2,490,936	2,596,308	2,435,344	5,364,603
Other	26,241,897	26,342,819	25,035,449	19,212,240
Total revenues	672,346,293	735,042,235	693,177,865	675,798,239
Expenditures:				
Current:				
General government	31,265,330	33,766,223	32,908,251	32,228,453
Public safety	63,189,813	67,413,221	68,810,405	70,769,960
Public works	18,683,458	18,283,955	19,439,170	29,061,135
Public services	35,211,562	42,186,718	41,512,155	33,753,120
Other departments	-	-	-	-
Culture and recreation	8,659,659	9,367,840	9,110,439	8,700,514
Employee benefits and insurance	79,590,747	84,643,661	91,498,136	97,698,274
Economic development	-	-	-	8,599,509
Education	254,693,814	331,066,638	265,877,829	273,173,543
Other expenditures	23,549,651	21,962,659	39,221,060	-
Debt service:				
Principal	40,728,447	40,587,130	42,147,976	41,333,551
Interest	20,424,798	22,116,729	21,669,413	22,380,844
Capital outlay	123,189,179	127,803,979	132,086,908	115,394,256
Bond issuance costs	-	-	-	-
Total expenditures	699,186,458	799,198,753	764,281,742	733,093,159
Excess (deficiency) of revenues over expenditures	(26,840,165)	(64,156,518)	(71,103,877)	(57,294,920)
Other financing sources (uses):				
Capital related debt	39,500,000	45,000,000	45,000,000	50,400,000
Bond proceeds	-	-	-	-
Issuance of grant anticipation notes	-	-	-	-
Bond proceeds	-	-	-	-
Proceeds from sale of capital assets	-	-	7,475,580	3,775,000
Payment to escrow	(75,015,706)	(35,074,324)	-	-
Premium on bonds issued	-	-	-	-
Transfers in	-	6,110,000	110,000	3,813,094
Transfers out	1,110,000	-	-	(2,346,853)
Issuance of capital leases	(1,000,000)	-	-	-
Bond premium on refunding	-	-	-	-
Refunding bonds proceeds	-	32,250,000	-	-
Refunding bonds issued	69,570,000	-	-	-
Bond issue premium	5,445,706	2,824,324	-	-
Total other financing sources (uses)	39,610,000	51,110,000	52,585,580	55,641,241
Net change in fund balances	12,769,835	(13,046,518)	(18,518,297)	(1,653,679)
Fund balance at beginning of year	(14,459,417)	(1,689,582)	(14,736,100)	(23,254,397)
Fund balance at end of year	\$ (1,689,582)	\$ (14,736,100)	\$ (33,254,397)	\$ (24,908,076)
Debt service as a percentage of noncapital expenditures	9.58%	8.51%	9.11%	9.52%
Source: Department of Finance				
Total debt service	\$ 61,153,245	\$ 62,703,859	\$ 63,817,389	\$ 63,714,395
Noncapital Expenditures	638,033,213	736,494,894	700,464,353	669,378,764

Fiscal Year						
	2011	2012	2013	2014	2015	2016
\$	218,720,737	\$ 226,146,445	\$ 230,988,343	\$ 243,999,342	\$ 249,968,781	\$ 250,993,094
	13,195,587	12,562,691	16,207,851	15,715,800	25,735,463	18,835,219
	405,712,082	375,716,436	368,505,030	395,251,811	427,556,702	507,395,162
	7,816,539	7,900,287	11,658,305	8,868,596	7,377,689	7,627,709
	5,709,988	5,312,756	4,502,154	4,713,752	5,127,968	5,534,394
	114,301	115,962	119,890	56,231	(7,977)	(4,309)
	1,820,138	2,018,863	1,943,383	1,975,822	1,436,103	1,427,020
	28,910,176	18,346,222	19,833,644	23,187,286	21,118,723	19,488,380
	681,999,548	648,119,662	653,758,600	693,768,640	738,313,452	811,296,669
	30,704,867	33,414,390	34,051,946	31,933,933	32,497,009	31,941,350
	73,739,649	72,617,616	72,103,165	72,312,347	76,868,915	72,663,255
	27,581,215	16,076,971	21,643,596	27,151,726	28,269,005	21,582,317
	31,895,908	29,207,328	28,020,430	27,256,339	28,071,550	28,241,064
	677,539	1,825,846	1,437,285	797,221	1,085,037	1,210,771
	106,160,244	-	-	-	-	-
	8,576,710	120,102,608	128,736,336	124,811,581	143,188,467	137,510,540
	7,778,651	7,748,513	16,022,738	20,216,234	14,227,659	8,673,822
	276,049,421	276,988,897	299,236,689	311,955,067	336,796,430	384,845,337
	-	-	-	-	-	-
	41,618,348	40,676,028	42,855,066	41,858,092	38,753,682	38,160,503
	23,333,353	24,482,136	22,955,367	20,423,668	26,059,727	24,327,972
	69,472,533	83,765,276	57,765,250	42,297,623	53,956,863	122,802,205
	-	-	-	-	-	-
	697,588,438	706,905,609	724,827,868	721,013,831	779,774,344	871,959,136
	(15,588,890)	(58,785,947)	(71,069,268)	(27,245,191)	(41,460,892)	(60,662,467)
	-	-	-	-	-	-
	-	44,500,000	43,000,000	53,870,000	96,150,000	100,100,000
	-	-	-	56,552,893	-	-
	44,265,000	-	-	24,235,000	-	-
	3,450,000	3,663,000	4,500,000	-	-	-
	(16,569,312)	-	(51,372,532)	(25,602,585)	(68,191,150)	(60,666,022)
	3,037,408	2,549,093	1,538,351	1,749,713	14,424,001	13,078,096
	6,218,541	2,465,303	9,118,246	2,584,489	1,554,742	2,832,464
	(6,218,541)	(2,355,303)	(9,008,246)	(2,474,489)	(1,444,742)	(2,762,464)
	-	-	-	-	2,360,839	-
	-	-	4,105,065	1,583,305	-	-
	-	-	47,700,000	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	34,183,096	50,822,093	49,580,884	112,498,326	44,853,690	52,582,074
	18,594,206	(7,963,854)	(21,488,384)	85,253,135	3,392,798	(8,080,393)
	(24,908,076)	(6,313,870)	(14,277,724)	(35,766,108)	49,487,027	52,879,825
\$	(6,313,870)	(14,277,724)	(35,766,108)	49,487,027	52,879,825	44,799,432
	10.27%	10.15%	9.99%	9.45%	9.69%	7.17%
\$	64,951,701	\$ 65,158,164	\$ 65,810,433	\$ 62,281,760	\$ 64,813,409	\$ 62,488,475
	632,636,737	641,747,445	659,017,435	658,732,071	668,704,267	871,959,136

City of New Haven, Connecticut

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

Fiscal Year	Real Property		Personal Property	
	Residential Property	Commercial Property	Motor Vehicles	Other
2007	\$ 1,819,398,620	\$ 1,597,853,900	\$ 67,486,299	\$ (37,058,790)
2008	3,411,397,150	2,260,828,080	313,342,830	404,019,919
2009	3,428,850,340	2,310,515,125	321,996,973	396,358,880
2010	3,437,114,420	2,208,958,215	315,393,301	407,674,964
2011	3,973,614,568	1,840,721,855	321,478,498	409,367,741
2012	3,571,992,829	2,395,227,050	343,992,459	509,570,687
2013	2,772,894,791	2,496,147,879	361,250,916	605,119,213
2014	2,777,322,135	2,482,446,816	358,091,434	659,574,253
2015	2,734,178,958	2,430,337,559	390,045,199	711,254,231
2016	2,938,127,710	2,810,405,435	410,168,319	757,100,350

Source: City Assessor's Office

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

The City has no overlapping governments.

Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate (Mill Rate)	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
\$ 146,291,211	\$ 3,301,388,818	44.85	\$ 4,925,257,184	70%
1,983,059,263	4,406,528,716	42.21	9,127,982,827	70%
1,512,930,290	4,944,791,028	42.21	9,225,316,169	70%
1,019,742,733	5,349,398,167	42.21	9,098,772,714	70%
1,095,687,099	5,449,495,563	43.90	9,350,260,946	70%
1,669,479,635	5,151,303,390	43.90	9,743,975,750	70%
240,681,083	5,994,731,716	38.88	8,907,732,570	70%
148,748,005	6,128,686,633	40.80	8,967,763,769	70%
175,265,543	6,090,550,404	41.55	8,951,165,639	70%
326,046,053	6,589,755,761	0.00	9,879,716,877	70%

City of New Haven, Connecticut

**Principal Taxpayers
Current Year and Ten Years Ago
(Unaudited)**

	Current Fiscal year			Ten Years Ago		
	Taxable Assessed Value	Rank	Percentage of Net Taxable Assessed Grand List	Taxable Assessed Value	Rank	Percentage of Net Taxable Assessed Grand List
United Illuminating Co	\$ 287,376,014	1	4.699 %	81,032,012	2	0.204 %
Winn-Stanley	160,445,680	2	2.624	-	-	-
Fusco	122,613,210	3	2.005	49,792,575	5	0.125
Yale University	116,501,510	4	1.905	123,441,253	1	0.310
PSEG Power Connecticut LLC	74,521,401	5	1.219	54,527,826	4	0.137
MEPT Chapel Street LLC	66,382,020	6	1.085	-	-	-
Carabetta	51,966,290	7	0.850	29,560,832	8	0.751
Howe St Landlord LLC	47,250,630	8	0.773	-	-	-
New Haven Towers	46,320,700	9	0.757	18,788,826	-	0.477
HTA-YLW New Haven LLC	41,655,970	10	0.681	-	-	-
	<u>\$ 1,015,033,425</u>		<u>16.598 %</u>	<u>\$ 357,143,324</u>		<u>2.004 %</u>

Source: City Assessor's Capital Office

City of New Haven, Connecticut

**Property Tax Levies and Collections
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2007	\$ 179,529,208	\$ 176,093,542	98.09	\$ 2,292,293	\$ 178,385,835	99.36
2008	185,890,697	182,089,417	97.96	2,172,939	184,262,356	99.12
2009	204,055,698	199,464,168	97.75	2,467,427	201,931,595	98.96
2010	206,066,188	201,314,351	97.69	2,130,486	203,444,837	98.73
2011	219,290,220	213,902,372	97.54	2,786,398	216,688,770	98.81
2012	226,835,431	220,502,270	97.21	3,473,770	223,976,040	98.74
2013	233,426,979	227,626,731	97.52	(82,867)	227,543,864	97.48
2014	245,563,608	240,521,693	97.95	452,802	240,974,495	98.13
2015	252,620,573	247,382,319	97.93	809,933	248,192,252	98.25
2016	252,312,223	247,240,939	97.99	-	247,240,939	97.99

Source: Department of Finance, Office of the Tax Collector

City of New Haven, Connecticut

**Ratio of Net General Bonded Debt to Assessed Value and Net General Bonded Debt Per Capita
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year	General Obligation Bonds (in 000's)	Percentage of Actual Taxable Value of Property	Debt Per Capita	Percentage of Personal Income
2007	\$ 490,897	9.97%	3,976	18.89%
2008	497,008	5.44%	3,994	19.12%
2009	501,192	5.43%	4,064	18.70%
2010	511,288	5.62%	3,938	18.31%
2011	499,238	5.34%	3,852	18.96%
2012	503,382	5.17%	3,783	16.21%
2013	510,590	5.73%	3,934	16.86%
2014	525,053	6.04%	4,018	17.22%
2015	524,976	6.03%	4,017	17.21%
2016	522,994	7.94%	4,014	17.20%

Source: Department of Finance

Note: The City has no overlapping debt.

City of New Haven, Connecticut

**Schedule of Debt Limitation
For the Year Ended June 30, 2016
(Unaudited)**

Total tax collections (including interest and lien fees) received for the year ended June 30, 2016						\$ 248,207,063
Reimbursement for revenue loss from: Elderly tax relief						-
Base						<u>\$ 248,207,063</u>
	General Purpose	Schools	Sewer	Urban Renewal	Pension Bonding	Total
Debt limitation:						
2-1/4 times base	\$ 558,465,892	\$ -	\$ -	\$ -	\$ -	\$ 558,465,892
4-1/2 times base	-	1,116,931,784	-	-	-	1,116,931,784
3-3/4 times base	-	-	930,776,486	-	-	930,776,486
3-1/4 times base	-	-	-	806,672,955	-	806,672,955
3 times base	-	-	-	-	744,621,189	744,621,189
Total debt limitation	<u>558,465,892</u>	<u>1,116,931,784</u>	<u>930,776,486</u>	<u>806,672,955</u>	<u>744,621,189</u>	<u>4,157,468,305</u>
Indebtedness:						
Bonds payable	227,763,208	271,974,936	-	23,255,681	-	522,993,825
Grant anticipation note	-	68,825,028	-	-	-	68,825,028
School grants receivable	-	(24,107,993)	-	-	-	(24,107,993)
Bonds authorized and unissued	-	216,220,187	-	-	-	216,220,187
Total indebtedness of the City	<u>227,763,208</u>	<u>532,912,158</u>	<u>-</u>	<u>23,255,681</u>	<u>-</u>	<u>783,931,047</u>
Component unit indebtedness:						
New Haven Parking Authority	8,164,000	-	-	-	-	8,164,000
New Haven Solid Waste Authority	7,945,000	-	-	-	-	7,945,000
Total indebtedness	<u>243,872,208</u>	<u>532,912,158</u>	<u>-</u>	<u>23,255,681</u>	<u>-</u>	<u>800,040,047</u>
Debt limitation in excess of outstanding and authorized debt	<u>\$ 314,593,684</u>	<u>\$ 584,019,626</u>	<u>\$ 930,776,486</u>	<u>\$ 783,417,274</u>	<u>\$ 744,621,189</u>	<u>\$ 3,357,428,258</u>

Source: Department of Finance

City of New Haven, Connecticut

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

	2007	2008	2009	2010
Debt limit	\$ 1,264,844,147	\$ 1,304,875,551	\$ 1,424,007,039	\$ 2,984,366,075
Total net debt applicable to limit	<u>677,462,562</u>	<u>688,741,505</u>	<u>692,566,863</u>	<u>770,266,215</u>
Legal debt margin	<u>\$ 587,381,585</u>	<u>\$ 616,134,046</u>	<u>\$ 731,440,176</u>	<u>\$ 2,214,099,860</u>
Total net debt applicable to the limit as a percentage of debt limit	<u>53.56%</u>	<u>52.78%</u>	<u>48.64%</u>	<u>25.81%</u>

Source: Department of Finance

2011	2012	2013	2014	2015	2016
\$ 3,650,066,669	\$ 3,760,220,716	\$ 3,886,957,715	\$ 4,093,343,175	\$ 4,182,734,307	\$ 4,157,468,305
743,923,424	723,700,313	793,344,746	776,296,792	774,789,991	800,040,047
\$ 2,906,143,245	\$ 3,036,520,403	\$ 3,093,612,969	\$ 3,317,046,383	\$ 3,407,944,316	\$ 3,357,428,258
20.38%	19.25%	20.41%	18.96%	18.52%	19.24%

City of New Haven, Connecticut

**Demographic and Economic Statistics
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year	Population	Personal Income (thousands of dollars)	Per Capita Personal Income	Median Age
2007	123,475	2,598,037	21,041	29.5
2008	124,447	2,599,076	20,885	29.4
2009	123,314	2,680,476	21,737	28.6
2010	129,849	2,792,533	21,506	30.5
2011	129,591	2,633,289	20,320	30.2
2012	129,585	2,956,352	22,814	30.0
2013	130,749	3,055,212	23,367	29.0
2014	129,779	2,827,755	21,789	30.1
2015	130,282	3,040,652	23,339	30.4
2016	130,322	3,101,142	23,796	30.5

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

Educational Attainment		School Enrollment	Unemployment Rate
High School	Bachelors Degree		
87.1%	30.7%	20,033	4.8%
88.3%	32.7%	19,846	5.8%
87.6%	32.7%	19,050	8.2%
87.8%	32.2%	19,810	9.5%
88.1%	31.8%	19,841	9.2%
88.0%	32.6%	19,826	9.7%
88.2%	32.7%	20,794	10.1%
89.8%	33.5%	20,474	9.8%
81.3%	32.6%	21,439	8.0%
82.3%	33.6%	21,722	7.6%

City of New Haven, Connecticut

Principal Employers New Haven's Major Employers (Unaudited)

Employer	City	Industry	Employees Min.
Yale University	New Haven	Schools-Universities & Colleges Academic	5,000 - 9,999 employees
Yale New Haven Health System	New Haven	Clinics	5,000 - 9,999 employees
General Counselors Office	New Haven	Business Services Nec	1,000 - 4,999 employees
Southern Connecticut State Univ	New Haven	Schools-Universities & Colleges Academic	1,000 - 4,999 employees
Temple Medical Ctr	New Haven	Surgical Centers	1,000 - 4,999 employees
American Medical Response	New Haven	Ambulance Service	500 - 999 employees
Assa Abloy Americas	New Haven	Hardware-Manufacturers	500 - 999 employees
Assa Abloy Door Security Sltms	New Haven	Door & Window Components Manufacturing	500 - 999 employees
AT&T	New Haven	Telephone Companies	500 - 999 employees
Elm City Newspapers	New Haven	Newspapers (Publishers/Mfrs)	500 - 999 employees
Knights of Columbus	New Haven	Clubs	500 - 999 employees
Knights of Columbus Insurance	New Haven	Insurance	500 - 999 employees
New Haven Police Dept	New Haven	Police Departments	500 - 999 employees
New Haven Register	New Haven	Newspapers (Publishers/Mfrs)	500 - 999 employees
Pwc	New Haven	Accountants	500 - 999 employees
Sargent Manufacturing CO	New Haven	Hardware-Manufacturers	500 - 999 employees
United Illuminating CO	New Haven	Utilities	500 - 999 employees
US Post Office	New Haven	Post Offices	500 - 999 employees
Yale School of Med Psychiatry	New Haven	Psychiatric Hospitals	500 - 999 employees
1-3 Long Wharf Drive Ownership	New Haven	Real Estate Management	250 - 499 employees
Advanced Nursing & Rehab Ctr	New Haven	Nursing & Convalescent Homes	250 - 499 employees
Connecticut Mental Health Ctr	New Haven	Mental Health Services	250 - 499 employees
Cornell Scott Hill Health Corp	New Haven	Clinics	250 - 499 employees
Corrections Dept	New Haven	Government Offices-State	250 - 499 employees
Department of Anesthesiology	New Haven	Schools-Medical	250 - 499 employees
Ikea	New Haven	Furniture-Dealers-Retail	250 - 499 employees
Mental Health Ctr	New Haven	Government Offices-State	250 - 499 employees
New Haven City Offices	New Haven	Counseling Services	250 - 499 employees
New Haven Fire Dept	New Haven	Fire Departments	250 - 499 employees
New Haven Police Dept	New Haven	Police Departments	250 - 499 employees
South Central Connecticut Rwa	New Haven	Water & Sewage Companies-Utility	250 - 499 employees
United Electrical Radio & Mach	New Haven	Labor Organizations	250 - 499 employees
Walmart Supercenter	New Haven	Department Stores	250 - 499 employees
Wiggin & Dana Llp	New Haven	Attorneys	250 - 499 employees
Yale Anesthesiology	New Haven	Physicians & Surgeons	250 - 499 employees
Yale Student Health	New Haven	Physicians & Surgeons	250 - 499 employees
Yale Diagnostic Radiology	New Haven	Physicians & Surgeons	250 - 499 employees
Yale University Law School	New Haven	Law Schools	250 - 499 employees
DCF New Haven	New Haven	Government Offices-State	100 - 249 employees

Source: Connecticut Department of Labor, 2016 (Top 100 Employers in New Haven County)

City of New Haven, Connecticut

**Full-Time Equivalent Government Employees by Function/Program
Last Ten Fiscal Years
(Unaudited)**

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
General Government:										
Mayor's Office	11	12	10	11	11	12	10	11	13	12
Legislative Services	10	10	10	10	10	10	10	10	10	10
Human Resources	-	-	-	-	-	7	7	7	7	6
Labor Relations	-	-	-	-	-	2	2	2	2	2
Economic Development:										
Economic Development	16	10	13	13	13	15	13	14	10	10
Transportation, Traffic and Parking	35	32	33	33	30	31	31	33	33	32
City Plan	8	6	8	8	8	9	9	11	11	11
Building Inspection and Enforcement	17	14	16	16	16	17	17	16	-	15
Livable City Initiative	40	9	40	40	40	43	44	54	72	66
Commission on Equal Opportunity	6	2	9	9	10	12	6	13	11	10
Administrative Services:										
Chief Administrator's Office	11	11	11	12	12	6	5	7	7	9
Finance Department	65	60	67	69	70	75	73	80	79	63
Assessor's Office	12	12	12	12	12	13	13	7	7	7
Corporation Counsel	18	18	17	17	17	18	18	22	22	22
Town Clerk	6	6	5	5	5	5	5	5	5	5
Registrar of Voters	6	6	6	6	6	6	6	6	6	6
Fair Rent	1	1	1	1	1	1	1	1	1	1
Disability Services	1	1	1	1	1	2	2	2	2	2
Public Safety:										
Police	553	551	554	554	551	577	613	617	619	606
Fire	366	376	376	376	376	382	415	419	420	418
Public Safety Communications	60	57	77	79	79	71	-	-	-	-
Physical Services:										
Public Works	114	114	115	116	113	116	115	132	130	129
Engineering	14	8	14	13	11	12	13	13	13	13
Human Services:										
Youth & Family Services	6	1	5	5	5	7	6	7	7	18
Senior & Community Services	25	14	13	16	13	12	17	28	23	32
Public Health	96	56	86	88	88	95	96	103	105	104
Leisure/Culture:										
Parks & Recreation	42	55	59	59	59	63	63	73	73	72
Public Library	59	38	39	41	43	47	47	51	50	50
	-									
Education:	3,388	2,488	2,484	2,368	2,288	2,295	2,307	2,301	5,089	5,174
Total Town and Education	4,986	3,968	4,081	3,978	3,888	3,961	3,964	4,045	6,827	6,905

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

Note: Information prior to 2006 is not available.

City of New Haven, Connecticut
Operating Indicators by Function/Program
For the Years Ended June 30, 2016 and 2015
(Unaudited)

	FY 2016	FY 2015
Performance Indicator: Corporation Counsel		
A. Lawsuits:		
i. Total New Cases Received During Year	279	284
ii. Total New Cases Closed During Year	357	452
iii. Settlement	61	68
iv. Withdrawal	93	72
v. Statute Expired, Bankruptcy & Workers Compensation)	137	276
vi. Dispositive Motion	16	9
vii. Dismissal/Win after Hearing	50	27
viii. Pending Active Cases (as of 12/7/12)	725	780
ix. CMN-19, MAW-69, ACK-271, RRW-116	73	78
B. Notices Of Intent To Sue:		
i. Notices Received	90	127
C. Contracts:		
i. Number of New Contracts Received	731	580
ii. Number of Contracts Completed	670	516
iii. Contracts Not Executed)	61	64
D. Legal Opinions:		
i. Legal Opinions Formally Delivered	16	3
E. Freedom of Information Requests:		
i. Freedom of Information Requests Received	237	181
F. Subrogation Claims:		
i. Claims Brought Against the City	23	26
ii. Amount Claimed	55,910	84,410
iii. Amount Paid by the City	4,485	21,391
G. Property Damage Claims:		
i. Claims Brought Against the City	92	155
ii. Amount Claimed	\$ 243,344	\$ 337,435
iii. Amount Paid By the City	\$ 27,557	\$ 33,523
Performance Indicator: Department of Finance		
A. Accounts Payable:		
i. No. of Checks Issued	23,451	23,175
ii. No. of 1099's Issued	1,313	580
B. Internal Audit:		
i. Operational Reviews	10	12
ii. Other Special Projects	42	40
C. Accounting:		
i. Total Bank Reconciliations	190	182
ii. Completion Date of Audit	1/31/17	2/25/16
iii. Journal Entries	22,861	21,626
D. Tax Collector's Office		
i. Collection Rate	98.30	98.35
ii. Delinquent Property Values	\$ 1,000,000	\$ 1,000,000

City of New Haven, Connecticut
Operating Indicators by Function/Program (Continued)
For the Years Ended June 30, 2016 and 2015
(Unaudited)

	FY 2016	FY 2015
E. Payroll:		
i. Payroll Checks Processed	217,986	212,017
ii. Employee Verifications	2,500	2,403
F. Treasury:		
i. Total Deposits Received	\$ 4,598	\$ 4,596
ii. Bond Issuance Debt	\$ 46,700,000	\$ 37,425,000
G. Accounts Receivable:		
i. Parking Tickets Paid	\$ 4,958,925	\$ 4,624,283
ii. Residential Permits Paid	\$ 36,720	\$ 34,290
iii. Police Private Duty Payments	\$ 8,090,510	\$ 7,225,720
H. Purchasing:		
i. Purchase Orders Processed	11,609	11,020
ii. Solicitations	185	185
I. Labor Relations:		
i. Contract Negotiations - To begin 01/01/15	7	4
ii. Grievances Filed	184	157
iii. MPPs Filed	58	49
K. Workers Compensation:		
i. Number of Cases Filed	1123	911
ii. Number of Cases Resolved	635	687
L. Management & Budget:		
i. Number of Grant Applications Processed	81	77
ii. Monthly/Annual Financial Reports	16	16
Performance Indicator: Department of Assessments		
A. Real Estate Corrections	1,188	625
B. Motor Vehicle Corrections	7,133	6,621
C. Supp Motor Vehicle Corrections	1,172	903
D. Personal Property Corrections	143	1,101
E. City Elderly Applications	333	470
F. State Elderly Applications	327	425
G. City Veterans Applications	98	146
H. State Veterans Applications	95	125
I. Change Mailing Address Apps	583	685
J. Number of Field Inspections	872	1,085
K. Personal Property Declarations	4,027	3,596
L. Income and Expense Reports	2,641	2,467
Performance Indicator: Library		
A. Hours/Week open to Public	178	178
B. Number of visits (Total)	590,586	620,058
i. Main	345,265	398,934
ii. Branches	245,321	221,124

City of New Haven, Connecticut
Operating Indicators by Function/Program (Continued)
For the Years Ended June 30, 2016 and 2015
(Unaudited)

	FY 2016	FY 2015
C. New Card Registrations	9,402	9,577
D. Circulation	422,865	420,128
E. Reference Activity	67,168	73,143
F. Database Usage	358,215	253,142
G. Library Programs	2,640	2,279
H. Attendance	49,998	44,881
I. Computer Usage (session log-ins)	185,804	143,924
J. Website Sessions (active engagement)	292,046	309,799
Performance Indicator: Parks, Recreation, and Trees		
A. Parks System Profile:		
i. Parks	142	142
ii. Playgrounds	65	65
iii. Acres per 1,000 Persons	15.4	15.4
B. Park Services & Programs:		
i. # of Park Visits	675,000	635,000
ii. # of Playground Inspections Performed	360	360
iii. # of Trees Trimmed	903	1,011
iv. # of Trees Removed	415	140
v. # of Stumps Removed	330	215
vi. # of Trees Planted	560	350
C. Recreation Programs:		
i. Athletic Field Permits Issued	6,377	4,584
ii. # of Participants in Summer Day Camp (average per day)	1,650	1,650
iii. # of Participants in Youth Basketball	350	300
iv. # of Youth Programs	60	57
v. # of Adult Programs	15	17
vi. Total # of Participants	352,000	352,000
vii. # of Summer Day Camps	19	19
viii. # of Volleyball Participants (ages 12-15)	225	165
ix. Youth Basketball	350	275
x. Youth Baseball Little Leagues	7	7
D. Revenue:		
i. Skating Rinks	\$ 50,964	\$ 175,000
ii. Golf Course	\$ 934,310	\$ 925,000
iii. Lighthouse	\$ 87,451	\$ 80,000
E. Other Park Services:		
i. # of participations/Visitors Ranger Programs (non-school)	72,000	60,000
ii. # of Ranger Programs offered to the Public	610	525
iii. # of Park Permits	6,767	6,933
iv. # of School Groups Visit to Lighthouse Park	225	225
v. # of Lighthouse Park Permits Issued for Parking	5,200	5,200
vi. # of Permits Issued for Carousel Facility	72	82
vii. # of Volunteers in Park Programs/Services	2,800	2,500
viii. # of Organized Park Friends Groups	20	14

City of New Haven, Connecticut
Operating Indicators by Function/Program (Continued)
For the Years Ended June 30, 2016 and 2015
(Unaudited)

	FY 2016	FY 2015
Performance Indicator: City/Town Clerk		
i. # of deeds Recorded	13,241	11,500
ii.# of recording fees	316,782	275,350
iii. Conveyance fees	\$ 2,300,774	\$ 1,450,000
iv. City Land Preservation	\$ 9,862	\$ 11,200
v.Capital Projects Land Preservation	\$ 39,448	\$ 55,000
vi. Trade Name Certificates	\$ 2,685	\$ 1,450
vii. Liquor Permits	502	320
viii. Notary Fees	2,214	975
ix. Copies	38,947	35,500
x. Maps	650	325
xi. Dog Licenses	\$ 4,474.50	\$ 3,755.00
xii. Legal Documents - Scanned/Indexed	535	850
xiii. Absentee Ballots Issued	3,400	2,500
xiv. Aldermanic Committee Minutes	40% bound	70% bound
xv. Dog Licenses Issued	774	620
Performance Indicator: Department of Public Safety		
i. Number of 911 Calls Received	124,000	122,922
ii. Number of Dispatchers Crossed Trained	11	9
iii. Number of Complaints Received	N/A	14
iv. Percentage of 911 Calls Answered in less than 10 seconds	93.5	94.9
Performance Indicator: Public Health		
A. Health Program Division		
i. Syringes Distributed Through Needle Exchange	100,000	119,776
ii. Average # of Clients Served Through Needle Exchange	300	336
iii. HIV Tests Performed	129	105
iv. Child Home Safety Assessments	121	105
v. Child Passenger Safety Presentations	8	7
B. Bureau of Nursing:		
i. Schools Served	52	53
ii Students Served	22,237	23,950
iii. Students With Health Problems	8611	8653
iv. Nurse/Student Ratio	1:529	1:684
Information Services:		
C. Epidemiology		
i. Average # of Reportable Disease and Lab Findings Reviewed Per Month	361	592
ii. Interviews Conducted for Enteric Pathogens, Hepatitis, TB and Legionella	36	N/A
iii. Data Requests for program planning & grant applications	2	10
iv. Presentations to City officials, community organizations & the public	4	4
v. Major documents (author or significant contributor)	1	0
vi. Infectious disease surveillance reports	12	12
D. Infectious Disease Control Measures		
i. Outbreak & contact investigations	22	N/A
ii. Foodborne disease patient interviews	60	N/A

City of New Haven, Connecticut
Operating Indicators by Function/Program (Continued)
For the Years Ended June 30, 2016 and 2015
(Unaudited)

	FY 2016	FY 2015
E. Vital Statistics		
i. Birth Certificates (Full Size)	16,443	17,809
ii. Death Certificates	10,192	10,755
iii. Burial, Cremation, Disinterment	2,617	2,508
iv. Marriage Licenses	1,316	1,274
v. Marriage Certificates	2,464	2,774
vi. State Copies Processed	2,669	2,719
vii. Resident Town Copies Processed	3,040	3,398
F. Maternal & Child Health Division:		
i. Pregnant/Postpartum Women Enrolled in HUSKY	445	878
ii. Children Enrolled in HUSKY	539	571
iii. Pregnant/Postpartum Women Screened for Depression & Appropriately Educated/Referred	340	679
iv. Woman Served Through Intensive Care Management	155	124
v. Children Served Through Intensive Care Management	155	130
vi. Home Visits Through CT Healthy Start	300	543
vii. Outreach Sessions Conducted Each Month Through Federal Healthy Start	106	224
viii. Families Served Through Nurturing Families Program	34	47
ix. Home Visits Through Nurturing Families	1039	886
G. Bureau of Environmental Health:		
i. Food Service Inspections & Re-Inspections	1,712	1,612
ii. Food Service Licenses	1,114	1,112
iii. Temporary Food Service Inspections & Licenses	1558/224	1,698
iv. Child Daycare Inspections	26	32
v. Group Home Inspections	5	3
vi. Swimming Pool Inspections	90	61
vii. Bathing Area Inspections	229	106
viii. Lead Inspections of Housing Units- EBL	78	87
ix. New Cases of Lead Housing Units- EBL	150	90
x. Re-Inspections Performed During Lead Abatement	566	793
xi. Cases of Lead Poisoning Closed	167	26
xii. Housing Units Abated for Lead	93	26
xiii. Nuisance Complaints Investigated & Resolved	110	35
xiv. Food Service Complaints Investigated and Resolved	56	47
H. HUD Lead Hazard Control Grant Activities:		
i. Housing Units Inspected for Lead	73	137
ii. Housing Units Lead Abated	75	73
iii. Individuals Trained in Lead Abatement Field	88	86
iv. Education Outreach Events	22	27
v. Individuals Reached	10,300	18,231
I. Office of Emergency Preparedness:		
i. Flu Vaccinations Provided	800	600
ii. Number of Mass Vaccination Tabletop Exercises	1	0
iii. Number of Activation EOC Events	2	0

City of New Haven, Connecticut

Operating Indicators by Function/Program (Continued)
 For the Years Ended June 30, 2016 and 2015
 (Unaudited)

	FY 2016	FY 2015
Performance Indicator: Fair Rent		
i. Number of Inquiries	945	*1,300
ii. Number of Complaints	34	39
iii. Number of Inspections	67	*60
iv. Number of Preliminary Hearings	43	48
v. Number of Public Hearings	23	12
vi. Walk-in Consultations	200	*50
* Indicates Approximate Numbers		
Performance Indicator: Elderly Services		
A. Estimated Service Population		
i. 55 and Up	19,000	19,000
ii. 65 and Up	1,200	12,000
iii. 85 and Up	1,700	1,700
B. Senior Centers:		
i. Average Weekly Attendance	677	584
ii. Calls, case management and referrals weekly average - centers, outreach and City Hall	389	412
C. Energy Assistance:		
i. Seniors Served	66	82
ii. Number of Centers Providing Services	3	3
iii. Outreach Staff	3	2
D. Rental Rebate		
Rental Rebate Applicants	5,286	4,772
i. Seniors Approved Total	5021 + pen ext	4,532
ii. Centers Providing Service	3	3
iii. Seniors over 65 approved	4,892	2,325
iv. Seniors 65 and under approved	129	2,207
v. Seniors 65 and under disallowed	16	5
vi. Seniors 65 and up disallowed	0	3
vii. Senior 65 and up not payable	0	74
viii. Seniors 65 and under not payable	0	158
ix. Outreach staff at libraries	3	2
E. Share Program		
i. Centers Providing Service	3	3
F. Transportation Services:		
i. Seniors Transported to Centers	105	204
ii. Trips	13,895	13,565
G. Property Tax Credit/Tax Freeze		
	93	154
*Information not available.		
Performance Indicators: Youth Services Department		
A. Youth Commission:		
i. Youth Commission Number of Meetings	5	5

City of New Haven, Connecticut
Operating Indicators by Function/Program (Continued)
For the Years Ended June 30, 2016 and 2015
(Unaudited)

	FY 2016	FY 2015
B. Youth @ Work		
i. Jobs Funding	650,000	0
ii. Number of School Year Employers	75	85
iii. Number of Summer Employers	616	678
iv. Number of Applicants Processed	808	1,165
v. Number of Students Employed School Year/ Summer	691	763
vi. % of Participants Job Ready: Pre Program	60%	53%
vii. % of Participants Job Ready: Post Program	90%	85%
C. CDBG Programs:		
i. CDBG Monitoring Number of Programs Monitored	13	11
D. Open Schools:		
iv. Programs offered	15	17
E. Summer Busing:		
i. Number of Organizations served	50	32
F. Street Outreach Workers:		
i. # of outreach workers	4	8
ii. # of youth served (undup)	150	197
iii. Ratio (Workers to Youth)	1:37	124
iv. Percentage of youth engaged in a program who have not recommitted a crime or acts of violence	0:85%	89%
v. % Employment of program participants	70%	79%
vi. % of Participants Enrolled in School	70%	70%
G. Leadership Council		
i. # of youth engaged/enrolled	0	0
ii. % attendance	0	0
H. Youth Map:		
i. # of organizational partners registered	n/a	n/a
ii. # of website hits	n/a	n/a
I. Youth Texting:		
i. # of teens signed up	n/a	NA
J. Youth Guide		
i. # of guides distributed	5000	3000
Performance Indicator: Services for Persons With Disability		
i. Handles all requests for disability related accommodations as requested by the Americans With Disabilities Act. Pursuant to 42 USC 1201 et seq. and New Haven Ordinance 16 1/2 - 17 (c)(5)	15	18
ii. Monitoring and taking appropriate action to ensure that federal and state laws and regulations pertaining to persons with disabilities are complied with the City. New Haven Ordinance 16 1/2 - 17 (c)(5)	2	3
iii. Upon request or complaint assist other department with various aspects of ADA compliance.	0	5
iv. Represent residents with disabilities at various local and statewide events, committees and conferences.	15	33
v. Advocate for legislative initiatives that will benefit New Haven residents with disabilities	0	1
vi. Provide training and/or consultations on various disability related issues, promote access and understanding of individuals with disabilities. Recent trainings include Yale Medical School, UNH Diversity Class, and Greater New Haven Chamber of Commerce.	8	6

City of New Haven, Connecticut

**Operating Indicators by Function/Program (Continued)
For the Years Ended June 30, 2016 and 2015
(Unaudited)**

	FY 2016	FY 2015
Performance Indicator: Community Service Administration		
i. Persons receiving SAGA Medical/ Medical LIA (SS)*	2,276	2,052
ii. Persons receiving SNAP's - Food Stamps (S)*	N/A	N/A
iii. Outreach to SNAP Recipients (S)	N/A	N/A
iv. Number of clients served through SNAP E&T (S)	N/A	N/A
v. Structured Job Skill Training	N/A	N/A
vi. Work Experience in Community Service Programs (S)	N/A	N/A
vii. SNAP Recipients Education Enrollment (S)	N/A	N/A
viii. Vocational/Occupational Skills Training Services (S)	N/A	N/A
ix. Number of Client Assessments Completed (SS)	298	325
x. Number of Client Assessments Completed (S)	N/A	N/A
xi. Number of Client Service Plans Created (SS)	298	325
xii. Number of Clients receiving transportation assistance	388	504
xiii. Instances of Clients receiving CT Drivers' License services	25	21
xiv. Number of Clients receiving CT Non-Drivers' Photo Identification	31	27
xv. Number of Client Service Plans Created (S)	N/A	N/A
xvi. % Clients in the program have successfully obtained food, clothing, fuel assistance, shelter and other basic needs (SS)*	83%	90%
xvii. % Clients in Program seeking employment that obtain employment (SS)*	1%	1%
xviii. Amt (\$) collected on liens and assignments of interest (Welfare)	0%	219.07*
xix. Number of Clients Assisted with Gasoline Vouchers	3%	2%
xx. Number of Clients assisted in obtaining Rx eyeglasses via Lens Crafters collaborative	0	2
xxi. Instances of clients receiving Justice of the Peace services	2	3
xxii. Number of clients assisted in obtaining under garments/toiletries - new service	44	6
Homeless :		
- Columbus House	357	597
- Continuum of Care	128	98
- Emergency Shelter Management Services	1,098	1,758
- New Reach	275	217
- Youth Continuum	225	159

* Information not available*

Performance Indicator: Public Works

A. Administration

i. Solid Waste and Recycling Authority Surplus/(Deficit)	\$	285,254	\$	536,865
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B. Bridges (24 hour operation of three bridges):

i. Maintenance cost: Ferry Street	\$	50,382	\$	10,157
ii Maintenance cost: Chapel Street	\$	10,532	\$	26,685
iii. Maintenance cost: Grand Avenue	\$	116,916	\$	22,930
vi. Total number of closures	\$	19	\$	10

City of New Haven, Connecticut
Operating Indicators by Function/Program (Continued)
For the Years Ended June 30, 2016 and 2015
(Unaudited)

	FY 2016	FY 2015
C. Solid Waste/Refuse Management:		
i. Tons of residential solid waste	31,438	32,402
ii. Tons of residential recycling	6,486	6,384
iii. Recycling per household	1.11lbs/day	1.09 lbs/day
iv. Percent Recycling	16.82%	16.14%
v. Number of litter barrels	400	400
vi. Number of residential transfer station customers served	1,832	2,712
vii. Number of commercial transfer station customers served	13,726	10,210
viii. Total tons of municipal solid waste	76,700	65,155
D. Street Division:		
i. Tons of pothole patching	4,147	3,500
ii. Pavement conditions rating	65	70
iii. Number of storms	17	17
iv. Overtime expenses	\$ 275,040	\$ 173,347
v. Cost of bulk trash pickup	\$ 250	\$ 250
E. Storage and disposal of the possessions of evicted individuals:		
i. Total labor hours	1,200	1,200
ii. Number of right of way warnings issued	150	1,300
iii. Number of right of way citations issued	800	1,000
Performance Indicator: Engineering		
A. Sewer Separation:		
i. Pollution Overflow	17.0	19.8
ii. Miles of Combined Sewer	52	52
iii. Miles of New Storm Sewers Installed	-	-
iv. Projects Under Design or Construction	5	5
B. City Bridges		
i. City Bridges	51	51
ii. Bridges in Poor Condition	1	2
iii. Projects Under Design or Construction	3	4
iv. Bridges Completed and Open	3	3
C. Drainage:		
i. Drainage Complaints	200	200
ii. Catch Basin Backlog	50	50
D. Road Improvements:		
i. Miles of Local Roads	224.8	224.8
ii. Road Design	2.0	1.6
iii. Road Reconstructed	0.6	-
E. Support Service:		
i. Department Support Service Project	105	95
ii. Property Inquires	200	200
iii. Plan Reviews	125	125

City of New Haven, Connecticut
Operating Indicators by Function/Program (Continued)
For the Years Ended June 30, 2016 and 2015
(Unaudited)

	FY 2016	FY 2015
Performance Indicator: City Plan		
A. Zoning Board of Appeals:		
i. Hearings	10	10
ii. Zoning Compliance Letter	207	192
iii. Agenda Items	192	95
B. City Plan Commission:		
i. CAL	2	5
ii. Meetings	12	11
iii. Total Number of Agenda Items	186	183
iv. Ordinance Text & Map Amendments	6	5
v. Items Associated with Planned Development	1	4
vi. Items Associated with Inland Wetlands Reviews	4	11
vii. Items Associated with Land Disposition	12	1
viii. Items Associated with Coastal Site Plans	11	17
ix. Items Associated with Site Plan Review	69	63
x. Items Referred by Zoning Board of Appeals	18	25
xi. Items Associated with Livable City Initiative	N/A	19
xii. Items Associated with Special Permits	7	6
xiii. Other Items referred to by the Board of Aldermen	56	41
C. Walk-In Applicants Assistance:		
i. Zoning & City Plan Inquiries	more than 640	600est
D. Project Management:		
i. Development Projects	6	6
ii. Dollar Value of Development Projects Managed	\$72.5m	\$72.5m
F. Neighborhood Plans:		
i. Zoning Ordinance Amendments/Sections	0	5
ii. G.I.S. Maps provided to public	N/A on web	NA on web
iii. G.I.S. Maps to City Departments	N/A on web	NA on web
G. Publications Sold:		
i. Zoning Maps	N/A on web	NA on web
H. Zoning:		
i. Applications/Historic District Commission - New	7	6
Performance Indicator: Transportation, Traffic and Parking		
A. Traffic Signals:		
i. Signalized Intersections	331	331
ii. Intersections Rebuilt	8	12
iii. Repair Visits	1643	1500
iv. % of Requests for Emergency Service on Traffic Control Equipment within 1 hour	70	100
B. Signs and Markings:		
i. Inventory of Street Signs	110,000	110,000
ii. Signs Replaced	4,200	4,000
iii. Cost of Contact Service (Painting)	150,000	150,000

City of New Haven, Connecticut
Operating Indicators by Function/Program (Continued)
For the Years Ended June 30, 2016 and 2015
(Unaudited)

	FY 2016	FY 2015
C. Enforcement & Collection:		
i. Tickets Written	145,070	141,603
ii. Revenue Collected	\$ 5,074,074	\$ 4,813,019
iii. Appeals Adjudicated	10,818	7,016
D. Meters:		
i. Total Collections	\$ 7,244,583	\$ 6,777,017
ii. Repair Visits	4,850	4,600
iii. Total Replacements	370	-
E. Other:		
i. % of Plans Reviews within 30 days	100%	100%
ii. Zoning Changes	100%	100%
iii. Building Permits	100%	100%
iv. Planned Unit Development	100%	100%
v. Streetscape Projects	100%	100%
vi. Reported Crashes per 1000 population	58%	100%
Performance Indicator: Office of Building Inspection and Enforcement		
A. Number of Permits Issued:		
i. Building	1905	1382
ii. Electrical	1602	972
iii. HVAC	825	629
iv. Plumbing	873	576
v. Demolition	50	16
vi. Total	5255	3575
B. Building Permits Issued By Category:		
i. Residential (new)	23	28
ii. Non-Residential (new)	22	15
iii. Mixed Use (new)	7	1
iv. Residential (Rehab)	1217	840
v. Non-Residential (Rehab)	547	440
vi. Mixed Use(Rehab)	89	58
C. Demolition		
i. Residential	19	2
ii. Non-Residential	29	13
iii. Revenue from Permits & Fees	\$ 10,202,343.93	\$ 17,614,236.18
iv. Routine Building Inspections	9,560	9,069
v. Building & Zoning Code Violations Cited	383	375
vi. Auction	1	0
vii. Broker	18	13
viii. One Day Food Vendor	13	19
xi. Food Vendor	207	214
x. Parking Lot	13	14
xi. Peddler	41	31
xii. One Day Peddler	39	42
xiii. Rooming House	27	40
xiv. Excavation Permit	743	588
xv. Obstruction	393	369
xvi. Sidewalk License	57	49
xvii. Sandwich Board	13	11
xviii. Special Event	184	180
xix. Outdoor Seating	22	23

City of New Haven, Connecticut
Operating Indicators by Function/Program (Continued)
For the Years Ended June 30, 2016 and 2015
(Unaudited)

	FY 2016	FY 2015
Performance Indicator: Livable City Initiative		
i.# of Complaints	23987	52
ii. # of Letters	76	52
iii. # of Citations	16	18
iv. # of Foreclosures	3	2
v. # of Community Meetings Attended	235	235
vi. # of Complaints Addressed	2358	2275
vii. # of Vacant Homes Monitored	519	601
viii. # of Foreclosed Properties Registered	235	811
ix. # of Tons of Trash Removed	251	240
x. # of Properties Maintained	203	215
xi,. # of Liens Placed as it relates to Property Maintenance	69	101
xii. # of Structures to be Demolished	0	5
xiii. # of Properties Demolished	0	7
xiv. # of Liens Placed as it Relates to Demolition of Private & City Owned Property	0	2
xv. # of Properties for Sale	203	215
xvi. # of Properties Sold	12	21
xvii. # of Properties Condemned due to Fire	7	17
xvii. # of Properties Condemned due to Code	13	14
xviii. # of Persons Temp Relocated Fire	21	37
xviii. # of Persons Temp Relocated Code	39	26
xix. # of Persons Permanently Relocated	67	83
xx. # of Liens Placed as it Relates to Relocation	8	4
xxi. # of For Profit Community Partners	6	6
xxii. # of Not-For-Profit Community Partners	17	17
xxiii. # of Projects in Development	24	21
xxiv. # of Units in Development	594	356
xxv. # of Rental Units Completed	45	39
xxvi. # of Homeownership Units Completed	41	60
xxvii. # of Individuals Completing Post Purchase/Homeownership/Counseling	19	0
xxviii. # of Down Payment Loans	19	16
xxix. # of Energy Improvement Loans	23	21
xxx. # of Elderly/Disabled Emergency Repair Loans	7	8
xxxi. # of Complaints as it Relates to Code Enforcement	1486	1369
xxxii. # of Cases Resolved	897	901
xxxiii. # of Units Inspected.	5180	4747

Performance Indicator: Economic Development Administration

A. Citywide Indicators

i. Employment Base-Total number of jobs in New Haven.	81,419	80,581
ii. Unemployment Rate-% of city residents who are unemployed.	7.2%	7.3%
iii. Business Start-Ups-Total number of business start-ups in the city.	71	75
iv. Downtown Retail Occupancy-% of downtown retail storefronts that are occupied.	92.1%	90.1%
v. Commercial Vacancy Rate-% of vacant citywide commercial office space.	13.0%	12.2%

B. Department Indicators

i. Technical Assistance to Small- and MBE-Contractors-Number of contractors served in-person by ED.	391	304
ii. Registered Small- and MBE-Contractors-Number of contractors registered in SCD program.	142	127
iii. Contractor Participation Rate-% of City contracts awarded to non-women-owned MBEs.	7.1%	9.7%
iv. Contractor Workshops-Number of contractor workshops conducted by ED.	6	9
v. Arts, Culture and Tourism Events-Number of people served.	322,329	39,400
vi. Project Storefronts Activity-Number of participating businesses.	80	94

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