

**PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER 4, 2024**

**NEW MONEY ISSUE – Book Entry Only**

**S&P GLOBAL RATINGS:**

(See "Ratings" herein)

*In the opinion of Bond Counsel, rendered in reliance upon and assuming the accuracy of and continuing compliance by the Town with certain representations and covenants relating to the applicable requirements of the Internal Revenue Code of 1986 (the "Code"), under existing law, interest on the Bonds and the Notes is excluded from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of the federal alternative minimum tax under the Code; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on corporations. In the opinion of Bond Counsel, under existing statutes, interest on the Bonds and the Notes is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the federal alternative minimum tax. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Bonds and the Notes. (See "Tax Matters" herein.)*

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

***\$6,640,000 GENERAL OBLIGATION BONDS, ISSUE OF 2024 (the "Bonds")***

**Dated: Date of Delivery**

**Due: Serially, November 1, as shown herein**

The Bonds will be general obligations of the Town of North Haven, Connecticut (the "Town"), and the Town will pledge its full faith and credit to pay the principal of and interest on the Bonds when due. (See "Security and Remedies" herein.)

The Bonds will bear interest payable semiannually on May 1 and November 1 in each year until maturity, commencing November 1, 2025.

**The Bonds are subject to optional redemption prior to maturity as described herein. (See "Redemption Provisions" herein.)**

**The Bonds are being offered for sale in accordance with an official Notice of Sale dated October 4, 2024. Electronic bids via PARITY® for the Bonds will be received until 11:30 A.M. (E.T.) on Thursday, October 17, 2024, at the offices of Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, Connecticut, as described in the official Notice of Sale. (See "Appendix F" to this Official Statement).**

**S&P GLOBAL RATINGS:**

(See "Ratings" herein)

***\$9,720,000 GENERAL OBLIGATION BOND ANTICIPATION NOTES (the "Notes")***

**Dated: November 1, 2024**

**Due: October 30, 2025**

The Notes will be general obligations of the Town, and the Town will pledge its full faith and credit to pay the principal of and interest on the Notes when due. (See "Security and Remedies" herein.)

Interest on the Notes will be payable at maturity.

**The Notes are NOT subject to optional redemption prior to maturity.**

**The Notes are being offered for sale in accordance with an official Notice of Sale dated October 4, 2024. Electronic bids via PARITY® for the Notes will be received until 11:00 A.M. (E.T.) on Thursday, October 17, 2024, at the offices of Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, Connecticut, as described in the official Notice of Sale. (See "Appendix G" to this Official Statement).**

The Bonds and the Notes will be issued by means of a book-entry transfer system and will be registered in the name of Cede & Co., as Bondowner or Noteowner, respectively, and nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Bonds and the Notes. Ownership of the Bonds and the Notes will be in the denominations of \$5,000 or integral multiples thereof. The Beneficial Owners will not receive certificates representing their ownership interest in the Bonds or the Notes. Principal and interest on the Bonds and the Notes will be payable by the Town or its agent to DTC or its nominee as registered owner of the Bonds or the Notes. So long as Cede & Co. is the Bondowner or Noteowner, respectively, as nominee for DTC, reference herein to the Bondowner or owners or Noteowner or owners shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners (as defined herein) of the Bonds or the Notes. (See "Book-Entry-Only Transfer System" herein.)

The Registrar, Transfer Agent, Certifying Agent and Paying Agent for the Bonds and the Notes will be U.S. Bank Trust Company, National Association, of Hartford, Connecticut.

***This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.***

*The Bonds and the Notes are offered for delivery when as, and if issued, subject to the final approving opinion of Pullman & Comley, LLC, Bond Counsel, of Hartford, Connecticut. It is expected that delivery of the Bonds and Notes in definitive form will be made on or about November 1, 2024 through the facilities of DTC.*

This Preliminary Official Statement and the information contained herein are subject to completion and amendment without notice. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell, or a solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which said offer, solicitation or sale would be unlawful prior to registration or qualification under the laws of any such jurisdiction.

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

## ***\$6,640,000 GENERAL OBLIGATION BONDS, ISSUE OF 2024*** **BOOK-ENTRY-ONLY**

**Dated: Date of Delivery**

**MATURITY SCHEDULE**

**Due: November 1, 2026-2044**

<b>Maturity</b>	<b>Amount</b>	<b>Coupon</b>	<b>Yield</b>	<b>CUSIP (1)</b>	<b>Maturity</b>	<b>Amount</b>	<b>Coupon</b>	<b>Yield</b>	<b>CUSIP (1)</b>
2026	\$ 300,000	%	%	659579***	2036	\$ 300,000	%	%	659579***
2027	300,000			659579***	2037	300,000			659579***
2028	300,000			659579***	2038	340,000			659579***
2029	300,000			659579***	2039	450,000			659579***
2030	300,000			659579***	2040	450,000			659579***
2031	300,000			659579***	2041	450,000			659579***
2032	300,000			659579***	2042	450,000			659579***
2033	300,000			659579***	2043	450,000			659579***
2034	300,000			659579***	2044	450,000			659579***
2035	300,000			659579***					

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## ***\$9,720,000 GENERAL OBLIGATION BOND ANTICIPATION NOTES*** **BOOK-ENTRY-ONLY**

**Dated: November 1, 2024**

**Due: October 30, 2025**

<b>Amount</b>	<b>Coupon</b>	<b>Yield</b>	<b>CUSIP (1)</b>
\$ 9,720,000	%	%	659579***

- (1) CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein are provided by CUSIP Global Services, managed on behalf of the American Bankers Association by FactSet Research Systems, Inc., which is not affiliated with the Town and are included solely for the convenience of the holders of the Bonds and the Notes. The Town is not responsible for the selection or use of these CUSIP numbers, does not undertake any responsibility for their accuracy, and makes no representation as to their correctness on the Bonds and on the Notes or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds and the Notes as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds and the Notes.

No dealer, broker, salesperson or other person has been authorized by the Town of North Haven, Connecticut (the "Town"), to give any information or to make any representations, other than those contained in this Official Statement; and if given or made, such other information or representation must not be relied upon as having been authorized by the Town.

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds and the Notes by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained by the Town from sources which are believed to be reliable but it is not guaranteed as to accuracy or completeness.

This Official Statement has been prepared only in connection with the initial offering and sale of the Bonds and the Notes and may not be reproduced or used in whole or in part for any other purpose. The information, estimates and expressions of opinion herein are subject to change without notice. Neither the delivery of this Official Statement nor any sale hereunder shall, under any circumstances, create any implication that there has been no material change in the affairs of the Town since the date of this Official Statement.

Set forth in Appendix A – "Audited Financial Statements" hereto is a copy of the report of the independent auditors for the Town with respect to the financial statements of the Town included in that appendix. The report speaks only as of its date, and only to matters expressly set forth therein. The auditors have not been engaged to review this Official Statement or to perform audit procedures regarding the post-audit period, nor have the auditors been requested to give their consent to inclusion of their report in Appendix A. Except as stated in their report, the auditors have not been engaged to verify the financial information set out in Appendix A and are not passing upon and do not assume responsibility for sufficiency, accuracy or completeness of the financial information presented in that appendix.

Other than matters expressly set forth in Appendices B and C to this Official Statement, Bond Counsel is not passing on and does not assume any responsibility for the accuracy or adequacy of the statements made in this Official Statement and makes no representation that they have independently verified the same.

The Municipal Advisor to the Town has provided the following sentence for inclusion in this Official Statement. The Municipal Advisor has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to the Town and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Municipal Advisor does not guarantee the accuracy or completeness of such information.

Any references to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, any such websites and the information or links contained therein are not incorporated into, and are not part of, this offering document.

This Official Statement is in a form "deemed final" by the Town for purposes of Securities and Exchange Commission Rule ("SEC") 15c2-12(b)(1), but is subject to revision or amendment.

This Official Statement may include "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Without limiting the foregoing, the words "may," "believe," "could," "might," "possible," "potential," "project," "will," "should," "expect," "intend," "plan," "predict," "anticipate," "estimate," "approximate," "contemplate," "continue," "target," "goal" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these words. All forward-looking statements included in this Official Statement are based on information available to the Town up to the date as of which such statements are to be made, or otherwise up to, and including, the date of this document, and the Town assumes no obligation to update any such forward-looking statements to reflect events or circumstances that arise after the date hereof or after the date of any report containing such forward-looking statement, as applicable. Actual results could differ materially from those anticipated in these forward-looking statements as a result of certain important factors, including, but not limited to (i) the effect of and from, future municipal, state and federal budgetary matters, including state and federal grants and other forms of financial aid to the Town; (ii) federal tax policy, including the deductibility of state and local taxes for federal tax purposes; (iii) macroeconomic economic and business developments, both for the country as a whole and particularly affecting the Town; (iv) financial services industry developments; (v) litigation or arbitration; (vi) climate and weather related developments, natural disasters and other acts of God; (vii) factors used in estimating future obligations of the Town; (viii) the effects of epidemics and pandemics, including economic effects; (ix) foreign hostilities or wars; (x) foreign hostilities or domestic terrorism or domestic violent extremism; and (xi) other factors contained in this Official Statement.

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## BOND ISSUE SUMMARY

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*The information in this Bond Issue Summary, the front cover page and inside cover page is qualified in its entirety by the detailed information and financial statements appearing elsewhere in this Official Statement. This Official Statement speaks only as of its date and the information herein is subject to change.*

<b>Date of Sale:</b>	Thursday, October 17, 2024, 11:30 A.M. (Eastern Time).
<b>Location of Sale:</b>	Office of Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, Connecticut, 06443.
<b>Issuer:</b>	Town of North Haven, Connecticut (the "Town").
<b>Issue:</b>	\$6,640,000 General Obligation Bonds, Issue of 2024 (the "Bonds").
<b>Dated Date:</b>	Date of Delivery, November 1, 2024.
<b>Interest Due:</b>	May 1 and November 1 in each year until maturity, commencing November 1, 2025.
<b>Principal Due:</b>	Serially, November 1, 2026 through 2044, as detailed in this Official Statement.
<b>Purpose and Authority:</b>	The Bonds are being issued to finance various Town capital improvement projects undertaken by the Town and are issued pursuant to the General Statutes of Connecticut, as amended, the Charter of the Town of North Haven and borrowing resolutions approved by the voters of the Town. (See "Authorization and Use of Proceeds" herein.)
<b>Redemption:</b>	The Bonds are subject to redemption prior to maturity. See "Redemption Provisions" herein.
<b>Security:</b>	The Bonds will be general obligations of the Town and the Town will pledge its full faith and credit to the payment of principal of and interest on the Bonds when due.
<b>Credit Rating:</b>	The Bonds have been rated "____" by S&P Global Ratings ("S&P"). The rating on the Town's outstanding bonds is currently "____" by S&P. (See "Ratings" herein).
<b>Basis of Award:</b>	Lowest True Interest Cost ("TIC"), as of dated date.
<b>Tax Exemption:</b>	See "Tax Matters" herein.
<b>Bank Qualification:</b>	The Bonds shall <b>not</b> be designated as qualified tax-exempt obligations under the provisions of Section 265(b) of the Internal Revenue Code of 1986, for purposes of the deduction by financial institutions for interest expense incurred to carry the Bonds.
<b>Continuing Disclosure:</b>	In accordance with the requirements of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission, the Town will agree to provide, or cause to be provided, (i) annual financial information and operating data, (ii) notices of certain events not in excess of ten (10) business days of occurrence of such events and (iii) timely notice of a failure to provide the required financial information by the date specified pursuant to a Continuing Disclosure Agreement to be executed by the Town in substantially the form attached as Appendix D to this Official Statement.
<b>Registrar, Transfer Agent, Certifying Agent and Paying Agent:</b>	U.S. Bank Trust Company, National Association, CityPlace I, 185 Asylum Street, 27 <sup>th</sup> Floor, Hartford, Connecticut 06103.
<b>Legal Opinion:</b>	Pullman & Comley, LLC of Hartford, Connecticut will act as Bond Counsel.
<b>Delivery and Payment:</b>	It is expected that delivery of the Bonds in book-entry-only form will be made to The Depository Trust Company on or about November 1, 2024 against payment in <b>Federal Funds</b> .
<b>Issuer Official:</b>	Questions regarding the Town and this Official Statement should be directed to Michael J. Freda, First Selectman, Town of North Haven, Town Hall, 18 Church Street, North Haven, Connecticut, 06473 - Telephone (203) 239-5321.
<b>Municipal Advisor:</b>	Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, Connecticut 06443, attention: Mr. Mark N. Chapman, Managing Director, Telephone: (203) 421-2087.

## NOTE ISSUE SUMMARY

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*The information in this Note Issue Summary, the front cover page and inside cover page is qualified in its entirety by the detailed information and financial statements appearing elsewhere in this Official Statement. This Official Statement speaks only as of its date and the information herein is subject to change.*

<b>Date of Sale:</b>	Thursday, October 17, 2024, 11:00 A.M. (Eastern Time).
<b>Location of Sale:</b>	Office of Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, Connecticut, 06443.
<b>Issuer:</b>	Town of North Haven, Connecticut (the "Town").
<b>Issue:</b>	\$9,720,000 General Obligation Bond Anticipation Notes (the "Notes").
<b>Dated Date:</b>	Date of Delivery, November 1, 2024.
<b>Interest Due:</b>	At maturity, October 30, 2025.
<b>Principal Due:</b>	At maturity, October 30, 2025.
<b>Purpose and Authority:</b>	The Notes are being issued to finance various Town capital improvement projects undertaken by the Town and are issued pursuant to the General Statutes of Connecticut, as amended, the Charter of the Town of North Haven and borrowing resolutions approved by the voters of the Town. (See "Authorization and Use of Proceeds" herein.)
<b>Redemption:</b>	The Notes are <b>NOT</b> subject to redemption prior to maturity.
<b>Security:</b>	The Notes will be general obligations of the Town and the Town will pledge its full faith and credit to the payment of principal of and interest on the Notes when due.
<b>Credit Rating:</b>	The Notes have been rated "____" by S&P Global Ratings ("S&P"). The rating on the Town's outstanding bonds is currently "____" by S&P. (See "Ratings" herein). (See "Ratings" herein).
<b>Basis of Award:</b>	Lowest Net Interest Cost ("NIC"), as of dated date.
<b>Tax Exemption:</b>	See "Tax Matters" herein.
<b>Bank Qualification:</b>	The Notes shall <b>not</b> be designated as qualified tax-exempt obligations under the provisions of Section 265(b) of the Internal Revenue Code of 1986, for purposes of the deduction by financial institutions for interest expense incurred to carry the Notes.
<b>Continuing Disclosure:</b>	In accordance with the requirements of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission, the Town will agree to provide or cause to be provided, notices of certain events not in excess of ten (10) business days of the occurrence of such events pursuant to a Continuing Disclosure Agreement to be executed by the Town substantially in the form attached as Appendix E to this Official Statement.
<b>Registrar, Transfer Agent, Certifying Agent and Paying Agent:</b>	U.S. Bank Trust Company, National Association, CityPlace I, 185 Asylum Street, 27 <sup>th</sup> Floor, Hartford, Connecticut 06013.
<b>Legal Opinion:</b>	Pullman & Comley, LLC of Hartford, Connecticut will act as Bond Counsel.
<b>Delivery and Payment:</b>	It is expected that delivery of the Notes in book-entry-only form will be made to The Depository Trust Company on or about November 1, 2024 against payment in <b>Federal Funds</b> .
<b>Issuer Official:</b>	Questions regarding the Town and this Official Statement should be directed to Michael J. Freda, First Selectman, Town of North Haven, Town Hall, 18 Church Street, North Haven, Connecticut, 06473 - Telephone (203) 239-5321.
<b>Municipal Advisor:</b>	Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, Connecticut 06443, attention: Mr. Mark N. Chapman, Managing Director, Telephone: (203) 421-2087.

## I. SECURITIES OFFERED

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### INTRODUCTION

This Official Statement, including the cover page, inside cover and appendices, is provided only in connection with the initial offering and sale of \$6,640,000 General Obligation Bonds, Issue of 2024 (the "Bonds") and \$9,720,000 General Obligation Bond Anticipation Notes (the "Notes") to present certain financial and supplementary economic and demographic data relevant to the Town of North Haven, Connecticut (the "Town"), and may not be reproduced or used in whole or in part for any other purpose.

The Bonds and the Notes are being offered for sale at public bidding. Notices of Sale for the Bonds and the Notes dated October 4, 2024 have been furnished to prospective bidders. Reference is made to the Notice of Sales attached hereto as "Appendices D and E" for terms and conditions of the bidding on the Bonds and the Notes respectively.

All quotations from and summaries and explanations of provisions of statutes, charters, or other laws and acts and proceedings of the Town contained herein do not purport to be complete and are qualified in their entirety by reference to the original official documents; and all references to the Bonds and Notes and the proceedings of the Town relating thereto are qualified in their entirety by reference to the definitive form of the Bonds and Notes and such proceedings.

The presentation of information is intended to show recent historical trends and is not intended to indicate future or continuing trends in the financial or other positions of the Town. Except for information expressly attributed to other sources, all financial and other information presented herein has been provided by the Town.

Bond Counsel is not passing upon and does not assume responsibility for the accuracy or adequacy of the statements made in this Official Statement (other than matters expressly set forth in their opinions in Appendices B and C hereto) and they make no representation that they have independently verified the same.

### DESCRIPTION OF BONDS

The Bonds will be dated the date of delivery and will mature on November 1 in each of the years and in the principal amounts set forth on the inside cover page of this Official Statement. Interest on the Bonds will be payable November 1, 2025 and semiannually thereafter on May 1 and November 1 in each year until the date of maturity. Interest on will be calculated on the basis of a 360-day year consisting of twelve 30-day months and will be payable to the registered owners of the Bonds as of the close of business on the fifteenth day of April and October in each year, or the preceding business day if such fifteenth day is not a business day. A book-entry system will be employed evidencing ownership of the Bonds in principal amounts of \$5,000 or integral multiples thereof, with transfers of ownership effected on the records of The Depository Trust Company, New York, New York ("DTC"), and its participants pursuant to rules and procedures established by DTC and its participants. (See "Book-Entry-Only Transfer System" herein). The Registrar, Certifying, Transfer and Paying Agent for the Bonds will be U.S. Bank Trust Company, National Association, of Hartford, Connecticut. The legal opinion on the Bonds will be rendered by Pullman & Comley, LLC, in substantially the form set forth in Appendix B to this Official Statement. **The Bonds are subject to redemption prior to maturity. (See "Redemption Provisions" herein.)**

### REDEMPTION PROVISIONS

The Bonds maturing on or before November 1, 2030 are not subject to redemption prior to maturity. The Bonds maturing on November 1, 2031, and thereafter are subject to redemption prior to maturity, at the election of the Town, on or after November 1, 2030, at any time, in whole or in part, and by lot within a maturity, in such amounts and in such order of maturity as the Town may determine, at the redemption price or prices (expressed as a percentage of the principal amount of Bonds to be redeemed) set forth in the following table, plus interest accrued and unpaid to the redemption date:

<u>Redemption Dates</u>	<u>Redemption Price</u>
November 1, 2030 and thereafter	100%

### NOTICE OF REDEMPTION

Notice of redemption shall be given by the Town or its agent by mailing a copy of the redemption notice by first-class mail at least thirty (30) nor more than sixty (60) days prior to the date fixed for redemption to the registered owner of the Bonds designated for redemption in whole or in part, at the address of such registered owner as the same shall last appear on the registration books for the Bonds. Failure to give such notice by mailing to any registered owner, or any defect therein, shall not affect the validity of the redemption of any other Bonds. Upon the giving of such notice, if such funds available solely for redemption are on deposit with the Paying Agent, the Bonds or portions thereof so called for redemption will cease to bear interest after the specified redemption date.

If less than all the Bonds of any one maturity shall be called for redemption, the particular Bonds or portions of Bonds of such maturity to be redeemed shall be selected by lot in such manner as the Town in its discretion may determine; provided, however, that the portion of any Bond to be redeemed shall be in the principal amount of \$5,000 or some multiple thereof and that, in selecting Bonds for redemption, each Bond shall be considered as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by \$5,000.

The Town, so long as a book-entry system is used for the Bonds being called for redemption, will send any notice of redemption only to DTC (or a successor securities depository) or its nominee. Any failure of DTC to advise any Direct Participant, or of any Direct Participant or Indirect Participant to notify any Indirect Participant or Beneficial Owner, of any such notice and its content or effect will not affect the validity of the redemption of such Bonds called for redemption. Redemption of portions of the Bonds of any maturity by the Town will reduce the outstanding principal amount of Bonds held by DTC. In such event it is the current practice of DTC to allocate by lot, through its book-entry system, among the interest held by Direct Participants in the Bonds to be redeemed, the interest to be reduced by such redemptions in accordance with its own rules or other agreements with Direct Participants. The Direct Participants and Indirect Participants may allocate reductions of the interests in the Bonds to be redeemed held by the Beneficial Owners. Any such allocation of interests in the Bonds to be redeemed will not be governed by the determination of the Town authorizing the issuance of the Bonds and will not be conducted by the Town, the Registrar or Paying Agent.

### **DESCRIPTION OF THE NOTES**

The Notes will be dated the date of delivery and will bear interest at the rate or rates per annum shown on the inside cover page of this Official Statement. The Notes will be issued as fully registered notes in denominations of \$5,000 or any integral multiple thereof. Interest will be calculated on the basis of a 360-day year, consisting of twelve 30-day months. A book-entry-only transfer system will be employed evidencing ownership of the Notes with transfers of ownership on the records of DTC, and its participants pursuant to rules and procedures established by DTC and its participants. See "Book-Entry-Only Transfer System" herein. Principal of and interest on the Notes will be payable by the Town or its agent to the successful purchaser, as registered owner of the Notes. The Registrar, Certifying, Transfer and Paying Agent will be U.S. Bank Trust Company, National Association, CityPlace I, 185 Asylum Street, 27<sup>th</sup> Floor, Hartford, Connecticut. The legal opinion on the Notes will be rendered by Pullman & Comley, LLC, in substantially the form set forth in Appendix B to this Official Statement. The Notes are not subject to redemption prior to maturity.

*[The remainder of this page intentionally left blank]*

## AUTHORIZATION AND USE OF PROCEEDS

### Authorization:

The Bonds and the Notes are issued pursuant to the General Statutes of Connecticut, as amended, the Charter of the Town of North Haven, and bond resolutions approved by the voters of the Town:

### Use of Proceeds.

Proceeds of the Bonds and the Notes will be used to finance the following projects:

Projects	Amount of Total Authorization	Previously Bonded	Notes Maturing November 2, 2023	Additions / (Reductions)	The Bonds (This Issue)	The Notes (This Issue)
Sackett Point Bridge.....	\$ 15,000,000	\$ 1,200,000	\$ -	\$ 3,000,000	\$ -	\$ 3,000,000
Valley Service Road.....	2,150,000	-	2,150,000	-	2,150,000	-
2020 School Security Improvements.....	2,000,000	-	1,890,000	-	1,890,000	-
2022 Road Milling and Paving Project.....	2,600,000	-	2,600,000	-	2,600,000	-
Recycling/Transfer Center Improvements.....	355,000	-	355,000	-	-	355,000
Water Pollution Control Facilities Studies.....	815,000	-	815,000	-	-	815,000
Town Roads and Bridges Improvements....	6,407,000	-	3,135,000	-	-	3,135,000
The Five Mile Brook Channel Clearing Conservation Project.....	193,000	-	45,000	-	-	45,000
Town Sports and Recreation Facilities Repairs and Improvements.....	751,000	-	469,000	-	-	469,000
Town Buildings Repairs, Improvements and Replacements.....	2,745,000	-	1,901,000	-	-	1,901,000
Total.....	<u>\$ 33,016,000</u>	<u>\$ 1,200,000</u>	<u>\$ 13,360,000</u>	<u>\$ 3,000,000</u>	<u>\$ 6,640,000</u>	<u>\$ 9,720,000</u>

## RATINGS

The Bonds have been rated "\_\_\_\_" S&P Global Ratings ("S&P"). The Notes have been rated "\_\_\_\_" by S&P. The ratings on certain outstanding bond issues have recently been affirmed as "\_\_\_\_" by S&P. Moody's Investors Service, Inc. ("Moody's") rates certain outstanding bonds "Aa1". However, the Town did not seek a rating from Moody's on this issue. Such rating reflects only the views of such organization and any explanation of the significance of such rating should be obtained from the rating agency furnishing the same, at the following addresses: Moody's Investors Service, Inc., 7 World Trade Center, 250 Greenwich Street, New York, New York 10007 and S&P Global Ratings, 55 Water Street, New York, New York 10041-003. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. The Town furnished certain information and materials to the rating agency, some of which may not have been included in this Official Statement. There is no assurance that such rating will continue for any given period of time or that the rating will not be revised or withdrawn entirely by the agency if, in the judgment of such rating agency, circumstances so warrant. A revision or withdrawal of such ratings may have an effect on the market price of the Town's outstanding bonds and notes, including the Bonds and the Notes.

## SECURITY AND REMEDIES

The Bonds and the Notes will be general obligations of the Town and the Town will pledge its full faith and credit to pay the principal of and interest on the Bonds and the Notes when due.

Unless paid from other sources, the Bonds and the Notes are payable from the general property tax revenues of the Town. The Town has the power under Connecticut General Statutes to levy ad valorem taxes on all taxable property in the Town without limit as to rate or amount, except as to certain classified property such as certified forest land taxable at a limited rate and dwelling houses of qualified elderly persons of low income or qualified disabled persons taxable at limited amounts. On the last completed Grand List of the Town, there were no acres certified as such forest land. The Town may place a lien on the property for the amount of tax relief granted, plus interest, with respect to dwelling houses of qualified elderly persons of low income or qualified disabled persons. Under existing statutes, the State of Connecticut is obligated to pay the Town the amount of tax revenue which the Town would have received except for the limitation under certain of the statutes upon its power to tax such dwelling houses of qualified elderly persons of low income.

Payment of the Bonds and the Notes is not limited to property tax revenues or any other revenue source, but certain revenues of the Town may be restricted as to use and therefore may not be available to pay debt service on the Bonds and the Notes.

There are no statutory provisions for priorities in the payment of general obligations of the Town. There are no statutory provisions for a lien on any portion of the tax levy or other revenues or property to secure the Bonds and the Notes, or judgments thereon, in priority to other claims.

The Town is subject to suit on its general obligation bonds and notes, and a court of competent jurisdiction has the power in appropriate proceedings to render a judgment against the Town. Courts of competent jurisdiction also have the power in appropriate proceedings to order payment of a judgment on such bonds or notes from funds lawfully available therefor or, in the absence thereof, to order the Town to take all lawful action to obtain the same, including the raising of the required amount in the next annual tax levy. In exercising their discretion as to whether to enter such an order, the courts may take into account all relevant factors, including the current operating needs of the Town and the availability and adequacy of other remedies.

Enforcement of a claim for payment of principal of or interest on the Bonds and the Notes would also be subject to the applicable provisions of Federal bankruptcy laws as well as other bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors' rights heretofore or hereafter enacted and to the exercise of judicial discretion. Section 7-566 of the Connecticut General Statutes, as amended, provides that no Connecticut municipality shall file a petition in bankruptcy without the express prior written consent of the Governor. This prohibition applies to any town, city, borough, metropolitan district or any other political subdivision of the State having the power to levy taxes and issue bonds or other obligations.

### **BOOK-ENTRY-ONLY TRANSFER SYSTEM**

The Depository Trust Company ("DTC") of New York, New York, will act as securities depository for the Bonds and the Notes, unless directed otherwise by the purchaser of Bonds and the Notes. The Bonds and the Notes will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds in the aggregate principal amount of such maturity, and one fully-registered Note certificate will be issued for each interest rate of the Notes and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its registered subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of "AA+". The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of the Bonds and the Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds and the Notes on DTC's records. The ownership interest of each actual purchaser of each Bond and Note ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds and the Notes are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds and the Notes, except in the event that use of the book-entry system for the Bonds and the Notes is discontinued.

To facilitate subsequent transfers, all Bonds and Notes deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of the Bonds and the Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee does not affect any change in the beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds and the Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds and Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds and the Notes unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Town as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds and the Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on, and redemption premium, if any, with respect to the Bonds and the Notes will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Town or the Paying Agent on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, nor its nominee, the Paying Agent, or the Town subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest, and redemption premium, if any, to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Town or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds and the Notes at any time by giving reasonable notice to the Town or its agent. Under such circumstances, in the event that a successor securities depository is not obtained, bond and note certificates are required to be printed and delivered.

The Town may decide to discontinue the use of the system of the book-entry-only transfers through DTC (or a successor securities depository). In that event, bond and note certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Town believes to be reliable but the Town takes no responsibility for the accuracy thereof.

## **REPLACEMENT BONDS AND NOTES**

The Town will provide for the issuance of fully-registered Bonds and Notes directly to the Beneficial Owners of the Bonds and the Notes or their nominees in the event that: (a) DTC determines not to continue to act as securities depository for the Bonds and the Notes, and the Town fails to identify another qualified securities depository for the Bonds and the Notes to replace DTC; or (b) the Town determines to discontinue the book-entry system of evidence and transfer of ownership of the Bonds and the Notes. A Beneficial Owner of the Bonds and the Notes, upon registration of certificates held in such Beneficial Owner's name, will become the registered owner of the Bonds and the Notes.

## **DTC PRACTICES**

The Town can make no assurances that DTC, Direct Participants, Indirect Participants or other nominees of the Beneficial Owners of the Bonds and the Notes will act in a manner described in this Official Statement. DTC is required to act according to rules and procedures established by DTC and its participants which are on file with the Securities and Exchange Commission.

## TAX MATTERS

**Federal Taxes.** In the opinion of Bond Counsel, under existing law, (i) interest on the Bonds and the Notes is excluded from gross income for federal income tax purposes, and (ii) such interest is not an item of tax preference for purposes of the federal alternative minimum tax; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on corporations.

Bond Counsel's opinion with respect to the Bonds and the Notes will be rendered in reliance upon and assuming the accuracy of and continuing compliance by the Town with its representations and covenants relating to certain requirements of the Internal Revenue Code of 1986 (the "Code"). The Code and regulations promulgated thereunder establish certain requirements which must be satisfied at and subsequent to the issuance of the Bonds and the Notes in order that interest on the Bonds and the Notes be and remain excludable from gross income for federal income tax purposes. Failure to comply with such requirements may cause interest on the Bonds and the Notes to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds and the Notes irrespective of the date on which such noncompliance occurs. In the Tax Regulatory Agreement, which will be delivered concurrently with the issuance of the Bonds and the Notes, the Town will covenant to comply with certain provisions of the Code and will make certain representations designed to assure compliance with such requirements of the Code including, but not limited to, investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of the Bond and the Note proceeds and certain other matters. The opinion of Bond Counsel delivered on the date of issuance of the Bonds and the Notes is conditioned upon compliance by the Town with such requirements.

No other opinion is expressed by Bond Counsel regarding the federal tax consequences of the ownership of, or the receipt or accrual of interest on, the Bonds and the Notes.

**Original Issue Discount.** The initial public offering prices of certain maturities of the Bonds may be less than the stated principal amount (the "OID Bonds"). Under existing law, the difference between the stated principal amount and the initial offering price of each maturity of the OID Bonds will constitute original issue discount. The offering prices relating to the yields set forth on the inside cover page of this Official Statement for such OID Bonds are expected to be the initial offering prices to the public (excluding bond houses and brokers) at which a substantial amount of the OID Bonds are sold. Under existing law, original issue discount on the OID Bonds accrued and properly allocable to the owners thereof under the Code is excludable from gross income for federal income tax purposes if interest on the OID Bonds is excludable from gross income for federal income tax purposes.

Under the Code, for purposes of determining an owner's adjusted basis in an OID Bond purchased at an original issue discount, original issue discount is treated as having accrued while the owner holds such OID Bond and will be added to the owner's basis. The owner's adjusted basis will be used to determine taxable gain or loss upon the sale or other disposition (including redemption or payment at maturity) of such an OID Bond.

Prospective purchasers of OID Bonds should consult their own tax advisors as to the calculation of accrued original issue discount, the accrual of original issue discount in the case of owners of OID Bonds purchasing such OID Bonds after the initial offering and sale, and the state and local tax consequences of owning or disposing of such OID Bonds.

**Original Issue Premium.** The initial public offering prices of the Notes and certain maturities of the Bonds and the Notes may be more than their stated principal amounts payable at maturity (the "OIP Obligations"). In general, an owner who purchases an OIP Obligation must amortize the original issue premium as provided in the applicable Treasury Regulations, and amortized premium reduces the owner's basis in the OIP Obligation for federal income tax purposes. Prospective purchasers of OIP Obligations at a premium to its principal amount should consult their tax advisors regarding the amortization of premium and its effect upon basis.

**Other Federal Tax Matters.** Prospective purchasers of the Bonds and the Notes should be aware that ownership of the Bonds and the Notes may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, certain insurance companies, recipients of Social Security or Railroad Retirement benefits, certain S corporations, foreign corporations subject to the branch profits tax, taxpayers eligible for the earned income credit, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations. Bond Counsel does not express any opinion regarding such collateral tax consequences. Prospective purchasers of the Bonds and the Notes should consult their tax advisors regarding collateral federal income tax consequences. Prospective purchasers of the Bonds and the Notes may also wish to consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

**State Taxes.** In the opinion of Bond Counsel, under existing statutes, interest on the Bonds and the Notes is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based for individuals, trusts and estates required to pay the federal alternative minimum tax.

Interest on the Bonds and the Notes is included in gross income for purposes of the Connecticut corporation business tax.

Accrued original issue discount on an OID Bond is also excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based for individuals, trusts and estates required to pay the federal alternative minimum tax.

Owners of the Bonds and the Notes should consult their own tax advisors with respect to the determination for state and local income tax purposes of original issue discount or original issue premium accrued upon sale or redemption thereof, and with respect to the state and local tax consequences of owning or disposing of such Bonds and the Notes.

**Changes in Federal and State Tax Law.** Legislation, administrative actions and rulings, or court decisions, at either the federal or state level, may adversely affect the tax treatment of obligations such as the Bonds and the Notes. There can be no assurance that legislation enacted or proposed, or actions by a court, after the issuance of the Bonds and the Notes will not have an adverse effect on the tax status of interest on the Bonds and the Notes or the market value or marketability of the Bonds and the Notes. These adverse effects could result, for example, from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), or repeal (or reduction in the benefit) of the exclusion of interest on the Bonds and the Notes from gross income for federal or state income tax purposes for all or certain taxpayers.

Investors in the Bonds and the Notes should be aware that such future legislative, administrative or legal actions may increase, reduce or otherwise change (including retroactively) the financial benefits and the treatment of all or a portion of the interest on the Bonds and the Notes for federal and/or state income tax purposes for all or certain taxpayers. In all such events, the market value of the Bonds and the Notes may be adversely affected and the ability of holders to sell their Bonds and Notes in the secondary market may be reduced. The Bonds and the Notes are not subject to special mandatory redemption, and the interest rates on the Bonds and the Notes are not subject to adjustment, in the event of any such change in the tax treatment of interest on the Bonds and the Notes.

**General.** The opinion of Bond Counsel is rendered as of its date, and Bond Counsel assumes no obligation to update or supplement its opinion to reflect any facts or circumstances that may come to its attention or any changes in law that may occur after the date of its opinion. Bond Counsel's opinion is based on existing law, which is subject to change. Such opinion is further based on factual representations made to Bond Counsel as of the date of issuance. Moreover, Bond Counsel's opinion is not a guarantee of a particular result, and is not binding on the Internal Revenue Service or the courts; rather, such opinion represents Bond Counsel's professional judgment based on its review of existing law, and in reliance on the representations and covenants that it deems relevant to such opinion.

The discussion above does not purport to deal with all aspects of federal or state or local taxation that may be relevant to a particular owner of the Bonds and the Notes. Prospective owners of the Bonds and the Notes, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the federal, state and local tax consequences of owning and disposing of the Bonds and the Notes.

## **GLOBAL HEALTH EMERGENCY RISKS**

### **The COVID-19 Outbreak and Future Pandemics**

On January 30, 2020, the outbreak of COVID-19 was declared a Public Health Emergency of International Concern by the World Health Organization. On March 13, 2020, the President of the United States declared a national emergency as a result of the COVID-19 outbreak. On March 10, 2020, Governor Lamont declared a state of emergency throughout the State of Connecticut (the "State") and took steps to mitigate the spread and impacts of COVID-19. As of May 11, 2023, the federal and State public health emergency declarations have been terminated.

In response to the COVID-19 pandemic, on March 11, 2021, President Biden signed into law the \$1.9 trillion American Rescue Plan Act of 2021 (the "Rescue Plan") that provided various forms of financial assistance and other relief to state and local governments. The Town received \$7.0 million from the Rescue Plan. The Town developed a plan for the use of such funds that will focus on infrastructure improvements and other initiatives that comply with the program eligibility criteria.

For up-to-date information concerning the State's actions in response to COVID-19, see <https://portal.ct.gov/coronavirus>. Neither the Town, nor the parties involved with the issuance of the Notes, has reviewed the information provided by the State on its website and such parties take no responsibility for the accuracy thereof.

To date, the COVID-19 outbreak has had no material adverse effect on the finances of the Town.

Pandemics, epidemics and other public health emergencies, may adversely impact the Town and its revenues, expenses and financial condition. The Town cannot predict the duration and extent of such pandemics, epidemics and other health emergencies, or quantify the magnitude of their ultimate impact on the State and regional economy, or on the revenues and expenses of the Town. Pandemics, epidemics and other health emergencies may be ongoing, and their dynamic nature may lead to many uncertainties, including (i) the geographic spread as they evolve; (ii) the severity as they mutate; (iii) the duration of the outbreak; (iv) actions that may be taken by governmental authorities to contain or mitigate future outbreaks; (v) the development of medical therapeutics or vaccinations; (vi) travel restrictions; (vii) the impact of the outbreak on the local, State or global economy; (viii) whether and to what extent the State Governor may order additional public health measures; and (ix) the impact of the outbreak and actions taken in response to the outbreak on Town revenues, expenses and financial condition.

Prospective investors should assume that restrictions and limitations related to COVID-19 and any future variants or pandemics may be instituted by the State or federal government.

## **CYBERSECURITY**

The Town, like many other public and private entities, relies on technology to conduct its operations. The Town and its departments face cyber threats from time to time, including but not limited to hacking, viruses, malware, phishing, and other attacks on computers and other sensitive digital networks and systems. To mitigate the risk of business operations impact and/or damage from cyber incidents or cyber-attacks, the Town invests in various forms of cybersecurity and operational controls, including comprehensive policies and procedures relating to the security of the Town's government networks.

The Town employs a 24x7x365 Security Operations Center service, hereafter referred to as SOC, that performs managed detection and response in concert with security information and event management. A next-generation Firewall provides inspection of encrypted traffic, which is logged and sent to the SOC for correlation. Municipal employees of the Town are routinely tested and trained against phishing and other cybersecurity threats. All remote access to Town government systems requires multi-factor authentication. Access to critical server systems and backups in the Town is protected by physical and multi-factor security in compliance with CJJS, Criminal Justice Information System, policy. Government computer systems in the Town receive routine patching, vulnerability scanning, and remediation. Logging of all government systems in the Town is maintained for forensic purposes.

The Town is the first participant in a regional grant for creating a programmatic cybersecurity approach for members of South Central Regional Council of Governments ("SCRCOG"). Interviewers conducted a discovery of the town's assets to inventory sensitive data, regulatory requirements, associated processes, and workflows. The assessment is based on NIST CSF 2.0 and involved every department in the Town. The assessment looked at current investments and organizational maturity. Information learned during the assessment process will support multiple downstream program efforts over the next 4 years. This will give the Town access to regional shared cyber services and platforms to upskill staff and create a "culture of security."

Additionally, the Town purchases cybersecurity insurance coverage, so that a claim can be made to the insurance provider in the event of a cyber-attack. No assurances can be given, however, that such security and operational control measures will be completely successful to guard against cyber threats and attacks. The results of any such attack could impact business operations and/or damage Town digital networks and systems and the costs of remedying any such damage could be substantial.

## **CLIMATE CHANGE**

Numerous scientific studies have detailed changing global weather patterns and the potential for increasing extreme weather events across the world. The Town's location along the Quinnipiac River increases its vulnerability to localized flooding. In addition to flooding, the Town faces other threats due to climate change, including damaging winds that could become more severe and frequent. The Town cannot predict the timing, extent, duration, or severity of climate change and its impact Town operations or finances.

The Town has taken numerous steps to plan and prepare for the effects of climate change. The Town has issued ordinances for stormwater management, erosion and sedimentation control, and the management of flooding, which all help to minimize future flood events and damage to buildings and personal property. The Town participates in the South Central Regional Council of Government's Hazard Mitigation Plan program, which focuses on emergency preparedness, utility resiliency, floodplain management, and other measures to limit damages and facilitate recovery. The Town also participates in Sustainable CT, a program which documents existing sustainability best management practices ("BMPs") and implements new BMPs designed to mitigate climate change and the underlying causes. The Town maintains strict compliance with reporting requirements under its State of Connecticut Department of Energy and Environmental Protection ("CT DEEP") General Permit for the Discharge of Stormwater from Small Municipal Separate Storm Sewer Systems ("MS4").

In 2022, the Town, through its Department of Tax Collection and Town Clerk, provided two inserts with all property tax invoices mailed to Town residences and businesses. The inserts were titled "Think Green, Clean water Starts with you North Haven!" and "Your Help is Needed to Keep Our Watercourses Clean!" These educational materials focus on the present and future health of the Town and Connecticut watercourses, including the Quinnipiac River and Long Island Sound. Critical topics cover causes of river health decline, and the simple steps that residents and businesses can take to reduce pollutant runoff and discharge in the boundaries of the Town.

In 2023, the Town, through its Department of Tax Collection and Town Clerk, will again provide another stormwater management focused insert with all residential and business property tax invoices. The new insert, titled "Stormwater Drains Connect to Our Rivers and Lakes" focuses on why it is illegal to knowingly dump anything into stormwater systems (e.g. catch-basins), into surface water bodies, or on Town roadways. These actions create what is known as an "illicit discharge". This topic focuses again on how residents and business owners can assist the Town with identifying illegal or improper discharges and be a part of North Haven's solution to work towards clean(er) waterbodies and waterways.

The Town remains an involved partner in efforts to protect groundwater and stormwater through its membership and participation in the Regional Water Authority's ("RWAs") Household HazWaste Central program located at 90 Sargent Drive in New Haven. The Town provides volunteers for two of the Saturdays during summer and fall collection dates and assists with the publicity of the 'no cost' program at its annual Earth Day events, on its Town website and by providing educational materials in the Office of the Department of Public Works and Town Library. The Town's website provides information about Household HazWaste Central via a bilingual link on the Department of Public Works webpage, under Hazardous Waste.

'Source to the Sound' is an annual clean-up program on and along the shorelines of the Quinnipiac River. Although the event is mostly comprised of adult volunteers, it can involve students and youth groups. In 2022 and 2023, the North Haven Trail Association and the Department of Public Works Field Operations' crews assisted with the collection and ultimate disposal of trash and debris collected along the shorelines of the Quinnipiac River within the Town's boundaries. In the fall of 2022, the North Haven Trail Association, with assistance from the Department of Public Works Field Operations' crews, provided a trail cleanup of the Tidal Marsh Trail, which is located behind Target Plaza/Eagle Crossing and again along the Quinnipiac River. All events have been extremely successful in the collection and disposal of observed litter and debris.

## **QUALIFICATION FOR FINANCIAL INSTITUTIONS**

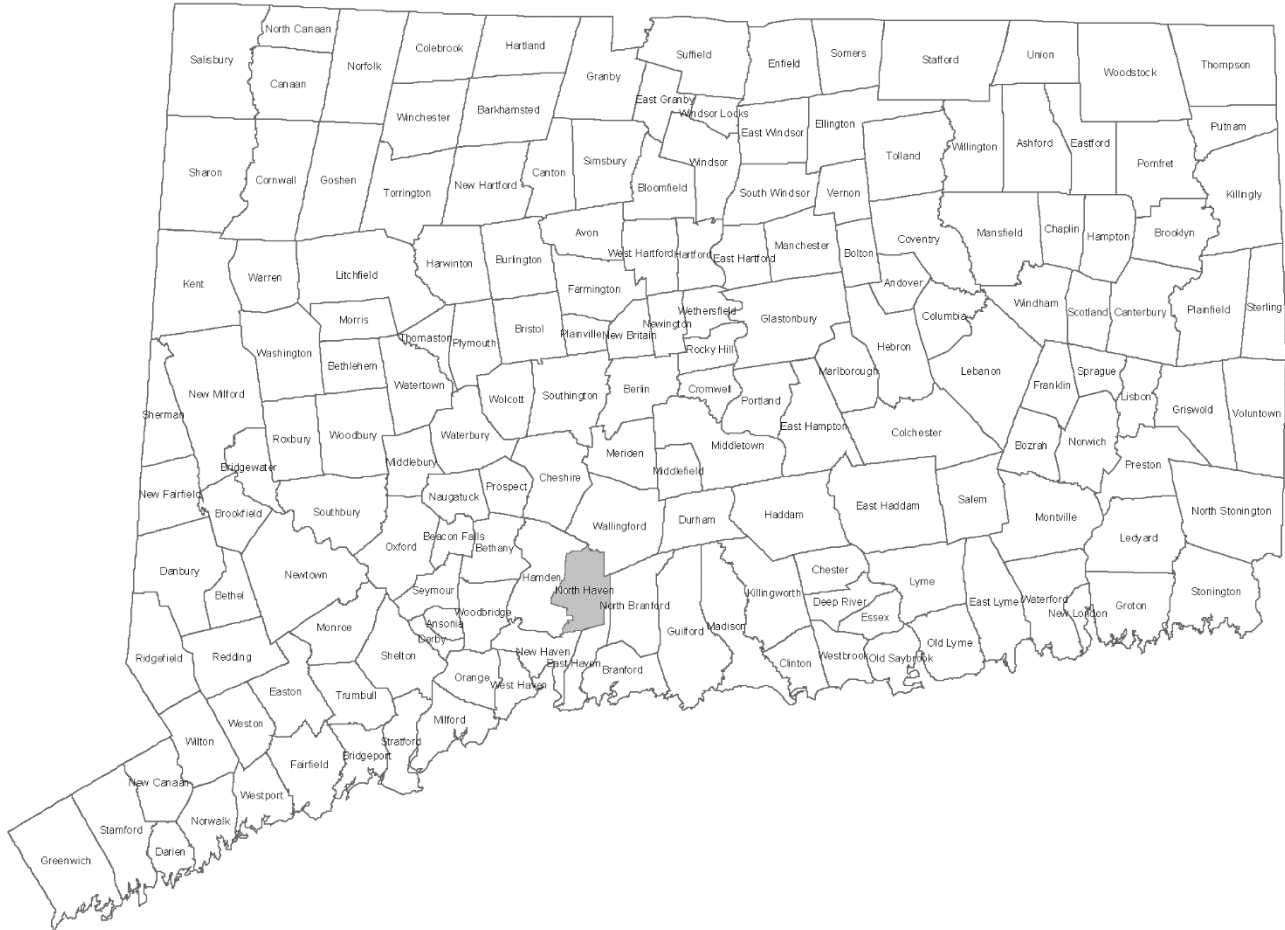
The Bonds and the Notes shall NOT be designated by the Town as qualified tax-exempt obligations under the provisions of Section 265(b) of the Internal Revenue Code of 1986, for purposes of the deduction by financial institutions for interest expense allocable to the Bonds and the Notes.

## **AVAILABILITY OF CONTINUING DISCLOSURE INFORMATION**

The Town will enter into continuing disclosure agreements with respect to the Bonds and the Notes, substantially in the forms attached hereto as Appendices D and E to this Official Statement (the "Continuing Disclosure Agreements"), to provide or cause to be provided, in accordance with the requirements of SEC Rule 15c2-12, (i) annual financial information and operating data with respect to the Bonds, (ii) timely notice of the occurrence of certain events not in excess of 10 business days after the occurrence of such events with respect to the Bonds and the Notes; and (iii) timely notice of a failure by the Town to provide the required annual financial information and operating data with respect to the Bonds on or before the date specified in the Continuing Disclosure Agreement.

The Town has previously undertaken in Continuing Disclosure Agreements entered into for the benefit of holders of certain of its general obligation bonds and notes to provide certain annual financial information and material event notices pursuant to Rule 15c2-12(b)(5). In the past five (5) years, the Town has not failed to meet any of its undertakings, except for the following: for the fiscal years ending June 30, 2022 and June 30, 2023 the Town timely filed a notice of the failure to file its annual financial information on March 1, 2023 and February 26, 2024, respectively. Subsequently the Town filed audited financial statements and operating data for the fiscal years ending June 30, 2022 and June 30, 2023 on June 27, 2023 and September 12, 2024, respectively. The Town has hired its municipal advisor to assist with its annual filings and is implementing procedures to ensure it files all required annual financial information in a timely manner in the future.

## II. THE ISSUER



### DESCRIPTION OF THE TOWN

The Town of North Haven (the "Town"), settled around 1670 as part of the colony of New Haven, was incorporated as a separate town in 1786. The Town covers a land area of 21.0 square miles and is located in south central Connecticut adjacent to and northeast of the City of New Haven. The estimated population as of July 1, 2023 was 24,295.

The Town is a suburban residential community with growing commercial and manufacturing resources. The Town is part of a 12-town region comprising the New Haven labor market. An estimated 18,679 people are employed in the Town.

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

## ECONOMIC DEVELOPMENT

The Town has a diverse commercial tax base including large and small manufacturers, distributors of food, beverage and industrial products, retail centers, entertainment and restaurants. In addition to the ten largest taxpayers other companies include: Brescombe Barton, liquor distributor, United Aluminum, aluminum products manufacturer; Simms Metal Management, scrap metal recycler; Target Corp., retail; Hertz Equipment Rental, construction equipment rental; Montowese Health & Rehabilitation, health care; Rosewood LLC, apartments; Fleetpride, heavy-truck parts supplier; H.B. Communications, AV systems provider; South Central Connecticut Regional Water Authority, water utility; Praxair Surface Technologies, industrial coatings and C. Cowles, automotive parts manufacturer.

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

In 1960, there were 4,766 dwellings, as compared with 9,863 in 2021, that include mostly single-family, owner-occupied homes and condominiums. In 2022, the average sales price of homes in North Haven was \$362,100, with homes ranging between \$67,000 and \$2,000,000. The Town's Planning and Zoning Commission is responsible for enforcing subdivision and other Town zoning regulations. In 2017, the Town adopted a new Plan of Conservation and Development to direct future growth and ensures its compatibility with existing uses.

## MAJOR INITIATIVES

**First Selectman's Office:** The Town is a desirable location for families and businesses. Although the population has remained stable over the last decade, there are still opportunities for additional residential growth. A 149 unit luxury 55 + senior housing complex is scheduled to break ground later this year. This project is designed to provide more senior housing to help alleviate the waiting list for those seniors looking to downsize. Additionally, a new subdivision is currently under construction on Warner Road. A multigenerational home concept with 17 homes ranging from 4,000 – 6,000 SF designed to have individual families live there consisting of baby boomers, senior parents and adult children.

The Town is committed to expanding its tax base by working closely with its current commercial taxpayers, as well as developers of new properties. The Town is home to over 1,300 businesses and supports one of the largest commercial and industrial tax bases in Connecticut.

The Town has an Economic Development Tax Incentive ordinance which provides incentives to both existing businesses that want to expand and new businesses that want to build in the town. The tax incentive is in the form of a three to seven year phased-in increase to the value of the property. Currently three businesses have taken advantage of this program: Cinemark received approval for a seven-year incentive for a new movie theater costing \$16.2 million, CubeSmart has approved an application for a \$4.6 million self-storage facility and Amazon has recently completed construction of a \$128.9 million distribution warehouse. This project was approved for seven-year tax incentive for construction. It consists of almost 2 million square feet of distribution space and has 83 loading docks, parking for 3,000 vehicles and spaces for 245 trailers. The facility includes \$180 million in personal property and employs over 5,500 people.

Universal Drive North is a vibrant retail center for the Town, but in recent years it has been challenged by the downturn in the retail sector. This area is now bouncing back with new tenants such as Crumbl Cookie, El Torito Mexican Restaurant, Ferraro's Supermarket, Panera Bread, Jersey Mike's, an expansion of an additional 12,000 square feet to the Hartford Healthcare medical offices, At Home home furnishings retailer, Home Goods, new restaurants including Bubbakoo's Burritos and the construction of a Hampton Inn hotel and a new 50,000 square foot retail plaza.

The Washington Commons Shopping Center (formally North Haven Shopping Center) has been completely renovated. The 93,550 square foot retail center is now fully occupied with many new tenants with the recent addition of VOLO, a new and exciting high-end restaurant and lounge, as well as a new virtual reality facility known as Xperiment VR in the neighboring building. Elsewhere on Washington Ave, the Town has experienced a resurgence which has resulted in the replacement of older buildings with a new modern structure with a 5 Guys, Starbucks, Hot Haven Chicken, and a second Jersey Mike's and new retail office space. Additionally, the Connex Credit Union has purchased 4 acres of land directly opposite the main entrance of the Amazon Distribution Facility where they built a 3,000 square foot state of the art bank branch with 88 new residential apartments under construction on the rear portion of the property. Two additional five story apartment buildings have been recently constructed with 150 units with approximately 18,000 square foot of new retail space.

Northern Washington Avenue is continuing to rebuild with many older properties being sold to new owners. The area is attracting premium new auto dealers. In addition to the existing Mercedes-Benz, BMW, Acura and Volvo dealerships, a Jaguar/Land Rover dealer has recently opened. There has also been an expansion to include a new 15,000 SF building and additional lot acreage to include certified pre-owned vehicle integration of the Mercedes-Benz dealership. This 15,000 SF expansion has now become 22,500 SF. Currently under construction on the North side of Amazon is a 4,200 SF Forbes Fuel with convenience store, gas pumps, EV Charging stations and rest stop access.

A micro-brewery, Twelve Percent Brewing, has been added to the grand list. It is a multi-million-dollar state-of-art brewery which produces its own branded products as well as a contract brewer for other brands.

The Town also recently became the new home to Abate’s Italian and Pizza Restaurant breathing new life into an existing building on State Street.

The Town recognizes the importance of maintaining its infrastructure. The Sackett Point Road Bridge over the Quinnipiac River has been designed and has recently gone under total replacement. The bridge is a major connection for traffic which links the eastern part of town with the industrial properties on Sackett Point Road and the retail center on Universal Drive North.

Temple Pines Senior Housing Facility comprised of 30 units of elderly housing have undergone a \$5,700,000 renovation with Community Development Block Grant and Connecticut Housing and Finance Authority Grant funding. Renovations including ADA improvements, paving, common area upgrades siding, windows lighting and kitchen and bath renovations.

The Town is wrapping up a \$3.5 million dollar bonding project for the high athletic fields including the softball and baseball facilities. Enhancements included stadium seating, press box, scoreboards, dugouts, bull pens, batting cages irrigation, and fencing among other items.

Other infrastructure improvements include construction of a brand new band stand on the Town green, replacement of the high school track, new pool and library roofing and paving of municipal parking lots.

There have also been many town-wide drainage improvement projects including replacement of the Kings Highway/Marlen Drive drainage culvert and Hartford Turnpike headwall replacement.

**FORM OF GOVERNMENT**

The Town has a Home Rule Charter with a Town Meeting form of government, a three member Board of Selectmen and a six member Board of Finance. The Town Meeting is the legislative body and must approve the annual budget, special appropriations or expenditures and bond and note authorizations.

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

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

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

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

**PRINCIPAL MUNICIPAL OFFICIALS**

<u>Office</u>	<u>Name</u>	<u>Manner of Selection</u>	<u>Term of Office</u>	<u>Current Term</u>
First Selectman.....	Michael J. Freda	Elected	2 years	12/1/23 - 12/1/25
Chairman, Board of Finance.....	Timothy Doheny	Elected	4 years	12/1/23 - 12/1/27
Town Treasurer.....	Donald Clark	Elected	2 years	12/1/23 - 12/1/25

## SUMMARY OF MUNICIPAL SERVICES

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

**Police:** The North Haven Police Department provides full-time police services. The staff consists of 49 regular police officers, 10 supernumerary police, 8 full-time civilian dispatchers, 4 part-time civilian dispatchers, 4 clerks and 1 maintenance person. Major equipment includes the Town's central radio communications and dispatch point E 911 PSAP, 8 unmarked cruisers, 20 marked cruisers, 1 armored vehicle, 1 cargo van and 1 traffic light and sign maintenance truck.

**Fire:** The North Haven Fire Department is a combination department with four stations in total. The Department has a career staff of 46 personnel and currently has approximately 16 volunteer firefighters. The major equipment includes: two 2,000 GPM pumper engines, one 1,500 GPM engine and four 1,250 GPM pumper engines, two ambulances, and two 100+' aerial ladder trucks. There are over 650 fire hydrants within the Town that are well maintained. The Town provides emergency medical services at the paramedic level.

### **Public Works:**

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

The WPCA also works with property developers in Town to establish new sanitary sewer collection systems and pumping stations needed for proposed subdivisions and commercial developments in accordance with Town of North Haven standards.

*Water Pollution Control Division:* The Water Pollution Control Division as contracted through Veolia Water oversees the operations of the Town's Water Pollution Control Facility ("WPCF"), its Underground Asset Management (UGAM) Program and its Sewer Usage Fee invoicing program. The Division reports directly to the Director of the Public Works.

The WPCF was originally constructed in 1966, was modified and expanded in 1991, and again in 2005 to meet advanced treatment requirements as administered through the State of Connecticut's Department of Energy and Environmental Protection ("CT DEEP") and the United States Environmental Protection Agency ("USEPA"). Approximately 70% of the Town's residential, commercial, and industrial properties are served by sanitary sewer and the WPCF. The WPCF includes preliminary, primary, and advanced secondary treatment of all sanitary sewage received at the plant.

The treatment of sanitary sewage is subject to strict State of Connecticut and Federal National Pollutant Discharge Elimination System (NPDES) Permit regulations and discharge requirements.

The WPCF maintains licensed personnel who provide operation and maintenance of the treatment facility, its nine (9) pumping stations, billing and collection of Sewer Use Fees and are responsible for the preventative maintenance of approximately one hundred twenty (120) miles of sanitary sewer mains. WPCF personnel also perform the marking of underground sewer utilities as outlined in the State of Connecticut's "Call Before You Dig" (Dig Safe) program, perform inspections of all new and existing sanitary sewer connections to the Town's collection system, and perform inspections of approximately eighty (80) restaurants under the State of Connecticut's DEEP General Permit for the Discharge of Wastewater Associated With Food Preparation Establishments – commonly referred to as the FOG program for the removal of "Fats, Oils and Greases".

Preventative and corrective maintenance of all mechanical systems is also conducted by the WPCF personnel for the Town's swimming pool and staff exercise each of the thirteen (13) emergency generators located throughout the town on a weekly basis.

The UGAM Program continues to focus its efforts on underground assets, including manhole inspections, televising sanitary sewer pipelines, flushing sanitary sewer lines (25% of all sanitary lines are flushed annually), and the raising of buried manhole covers located on Town and State roadways in North Haven.

In 2022, there were several upgrades to the WPCF and the UGAM systems, including:

- Construction of a new Sludge Recirculation & Loading System. The existing sludge recirculation system, built over 50 years ago, consisted of a gravity thickening process, whose original purpose was to thicken sludge for placement on the Town's solid waste landfill. Approximately 30 years ago, the system was repurposed to help circulate the sludge to prevent it from freezing and further settling, during colder months. As the system aged, it was becoming more difficult and more expensive to repair or obtain parts for repairs. The system was instead simplified by adding piping and a more powerful loading pump that could also be used as a sludge recirculation pump. This allows all maintenance to be conducted in a modern, safe, and efficient work area.
- Emergency Reconstruction of the Fallon Drive Pump Station. A motor vehicle struck the Town's Fallon Drive Pump Station, damaging all electrical and control systems. Due to the intensity of the accident, the electrical pump connections 30 feet below ground required complete replacement. Without electrical or control systems, the Town manually pumped wastewater from the station's wet well via a Vac Truck 2 to 3 times a day, for 7 continuous days. The incident occurred on a Saturday and due to the swift action of the Town's contractors, the station was placed in full operation by the following Friday. All electrical and control systems were replaced successfully.
- Upgraded 'Mission' Units at All Town Pump Stations. Mission Units are defined as the Town's 'eyes and ears' when it comes to the operations processes being conducted at each of the nine (9) Town-owned Pump Stations. If there is an issue identified at a particular pump station, the Mission system will notify the Operators via telephone communication and through electronic mail messages so that Operations personnel may respond in a timely manner. Through the upgraded Mission Systems, the Operations personnel can log into the system via remote computers to assess in 'real time' how each pump station is operating and, more importantly, should anything appear out of order – address that issue as soon as practical. Operations personnel, through consistent monitoring of the Mission Systems, can assess an issue before an alarm occurs. This is especially valuable during heavy rain events or other extreme weather events. Due to the upgrade of cellular companies to 5G capacities, the Town, as a result, upgraded all of the Mission System's radios to 5G technologies.
- Sanitary Sewer Manhole Raising. Cerelli Construction on behalf of the Town raised sixty (60) sanitary sewer manhole covers as part of its UGAM compliance efforts.

Lastly, Sewer Use Fee invoices are transmitted annually to those properties which are connected to the Town's sanitary sewer system (i.e., 70% of all homes and businesses in Town). This includes residential properties, which receive invoices for payments due on October 1st and commercial/industrial properties, which receive invoices for payments due on October 1st and May 1st annually. Sewer Use Fee payments are accepted via U.S. Mail to the address provided on the invoice, online (via credit card) or in person at the Department of Public Works' office located in the Town Hall Annex on 5 Linsley Street.

*Engineering Office:* The Town Engineer provides technical assistance and support to various boards and commissions, including the Planning and Zoning Commission, Inland Wetlands Commission, and the Water Pollution Control Authority. The Town Engineer also works closely with the Director of Public Works and the Office of the First Selectman and supports other Town Departments and Divisions within the Department of Public Works as needed.

This assistance includes review of roadway and bridge designs, designs pertaining to drainage improvements and stormwater management, sanitary sewer installations, utilities, traffic control and property development issues.

Coordination with the State of Connecticut and Federal agencies, various consulting engineers, property developers, builders and the public is provided in order to resolve potential problems prior to and during construction/development.

The Town Engineer also plays a critical role on the Town's Stormwater Management Team and vigorously investigates those illicit discharges, which are reported through the Town's 'Illicit Discharge and Detection Hotline'.

Other services provided by the Engineering Department include professional engineering design, technical and administrative assistance, inspection of Town construction projects, coordination of Town mapping updates and the administration of the Town's flood plain ordinance/regulatory processes. The Office of the Town Engineer also administers the "Fats, Oils and Grease ("FOG") Program, associated with all establishments where grease traps are required.

Public inquiries are welcome at the Engineering Office, which is in the Town Hall Annex on 5 Linsley Street and is open Monday through Friday from 8:30 A.M. to 4:30 P.M. daily.

Here are just a few recent projects coordinated through the Engineering Office:

- Construction of the extension of Valley Service Road is fully completed, on time and under budget. The Town performed milling and paving of the balance of this over 50-year-old road in Spring 2022, in support of anticipated increased roadway use. The Town is currently working with Amazon and the CT DOT to perform signal modifications, and several other traffic improvements to allow for the diversion of a portion of Amazon truck and employee traffic from Route 5, improving traffic congestion.
- The Town Engineer continued oversight of the replacement of the Sackett Point Road bridge over the Quinnipiac River. The project has been subject to delays due to issues with an existing nearby sanitary sewer siphon beneath the Quinnipiac River. Modifications to construction phasing and changes in traffic patterns allowed the first two phases of the project to be completed simultaneously. The final phase involving reconstruction of the south side of the bridge is scheduled to be completed by the end of 2023. Residents can expect that two lanes of traffic will be available for travel throughout this final construction phase.
- The Engineering Office and the South-Central Regional Council of Government (SCRCOG) worked together to update the Town's Hazard Mitigation Plan. This plan identifies areas which experience impacts due to flooding. Participation in this FEMA-sponsored program makes the Town eligible for State and Federal funding for future flood control projects. The Engineering Office will be working closely with SCRCOG and State and Federal Agencies to secure funding for future channel improvements, dredging operations, and culvert upgrades as identified in this planning document.
- The Town Engineer developed, implemented, and assisted in the oversight of the milling and paving of over 11.3 miles of Town roadways over two phases throughout North Haven. Construction cost for this work exceeded \$2.65 Million, funded through a Town bond resolution as well as State and Federal grant sources.
- Efforts to modernize the Engineering Department continued, including on-going scanning and archiving of record documents, expanding Geographical Information Systems (GIS) content, and utilization, automating workflow, and improving document access and management.
- Investigated a variety of small drainage issues throughout Town and worked with Field Operations personnel to install additional drainage structures, perform re-grading operations, and install new curbing.
- The Town Engineer and consultant kicked off the WPCA's Sanitary Sewer Evaluation Study (SSES), which will further investigate several potential issues and recommend solutions for improvements to the Town's sanitary sewer collection system. As a follow up to the previously performed Infiltration and Inflow (I&I) study, this new study will identify illicit discharges into the sanitary sewer system that create capacity issues at the Wastewater Treatment Plant during heavy rains. Elimination of these illegal stormwater connections, and sealing of pipes and structures against groundwater infiltration will help to normalize flows in the system, reducing operating costs as well as the costs of future WWTP upgrades.
- Developed detailed design plans, conducted Public Information Meetings, coordinated regulatory approval, and worked to secure nearly a dozen construction easements for removal of trees and other obstruction in Five Mile Brook upstream of Spring Road. This project, which was awarded Federal Emergency funding, will be rebid in 2023.
- Secured State Local Bridge funding to reconstruct the failing Kings Highway Culvert over Pine Brook. This steel plate arch bridge has overtopped twice over the past five years due to hydraulic capacity, debris issues, and deformation of the culvert structure itself. Survey, hydraulic analysis, permitting, and design are already underway for a replacement structure at this location. Construction is currently slated for 2024.

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

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

*Parks:* The Parks Division, which is an integral part of the Department's Division of Field Operations, is responsible for maintaining nearly 200 acres of park land and other open space areas throughout Town including: 18 ball fields, 11 tennis and basketball courts, 7 playgrounds, and 8 passive or natural areas. Some of the Town's critical open spaces include: Peter's Rock, Hansen Park and Spring Road.

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

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

*Sanitation:* The Sanitation Division is responsible for the weekly collection of municipal solid waste (MSW) and recyclables for the approximate 10,000 homes in Town. On average, this amounts to approximately 24,000 tons per year or 1.1 tons per Town resident annually. The Town also removes twice annually bulky waste items such as refrigerators, ranges, tires and mattresses (upholstered items). These items can be disposed of at the Town's Transfer Station.

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

Beginning in July 1, 2010, disposal has been and will be made at the facility previously owned and operated by Covanta Projects of Wallingford, L.P. (Covanta) per a five-year agreement between the Town and Covanta dated June 2019 (the Covanta Agreement). This facility has now been purchased by Country Disposables and disposal continues at this location.

Municipal Disposal Fees shall be payable so long as the System is accepting solid waste delivery by or on behalf of the Town, whether or not such waste is processed at the facility. The Town's obligation to pay Municipal Disposal Fees, so long as the Authority is accepting the Town's solid waste, is absolute and unconditional, and shall not be subject to any set-off, counterclaim, recoupment, defense, or other right which the Town may have against the Authority or any other person for any reason. The Town has pledged its full faith and credit to the payment of the Municipal Disposal Fees and has also agreed to enforce or levy and collect all taxes, cost sharing or other assessment or charges and take all such other action as may be necessary to provide for the payment of Municipal Disposal Fees. The Municipal Disposal Fee for fiscal year 2024-2025 is \$115.60 and \$109 per ton for municipal solid waste and recyclables, respectively.

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

*Recycling Center:* The Recycling Center is located on Elm Street. Containers for metals; bulky waste, including brush, and mattresses; tires and white goods are available for use by residents only who present their driver's license to attendants.

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

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

Effective February 1, 2013, the Town has contracted with the John's Refuse to provide single-stream recyclables collection including the acceptance of plastics, labeled 1 through 7, mixed paper materials including junk mail and telephone books, glass and metal food and beverage containers, etc.

**Health:** The Quinnipiac Valley Health District is made up of the towns of North Haven, Hamden, Bethany and Woodbridge, which joined together in 1978 to form a District Department of Health under provisions of Section 19-106 of the Connecticut General Statutes, now Section 19a-241, as amended. The District participates in per capita grants from the State of Connecticut, which help to defray the total cost of public health services.

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

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

The Recreation Division of Community Services is responsible for the planning and execution of activities, programs, and special events designed to appeal to all ages. These include, but are not limited to a summer concert program, swim lessons, summer camps, and scheduling of fields. The Recreation Division is also responsible for the operation and maintenance of the Town's Community pool. The Recreation Division operates from the Mildred Wakely Community and Recreation Center, which is the site of a multiplicity of indoor recreational programs. The facility is also a site for public and government meetings.

**Library:** The North Haven Memorial Library is a full-service library open Monday-Saturday throughout the year. The library has over 100,000 physical items available to borrow including books, audiobooks, DVDs, CDs, Chromebooks, HotSpots, iPads, puzzles, cake pans, yard games, and much more! In addition, the library is part of LION, a group of 30 Connecticut libraries. This partnership provides a collective catalog which allows North Haven patrons to easily borrow items and get quick delivery from all 30 libraries.

In the library, there are public computers, a fax machine, and copier/printer, study rooms, plenty of space for quiet study, and an inviting Children's space for reading and inquisitive play. The library offers wireless printing, and library patrons can even send a print job from home then come to the library to pick it up. The library has free programs for Adults, Teens, and Children, which are available every week throughout the year.

In addition to the physical space, the library provides many digital services, available 24/7 with your North Haven library card, including a brand-new library app available in the App Store and Google Play, downloadable eBooks/eAudiobooks, databases to help patrons learn new skills and find reliable information, and streaming movies, documentaries, and television shows for entertainment.

**Utilities:** Electric service is provided by United Illuminating Company and Integrys Energy Services. Gas service is provided by Southern Connecticut Gas Company. Water service is provided by South Central Connecticut Regional Water Authority.

## **EDUCATIONAL SYSTEM**

The Town's school system services grades pre-kindergarten through twelve and is governed by the local Board of Education. The Town has a nine-member Board of Education elected to six-year staggered terms. The primary function of the Board is to establish policy. Some of the areas for which such policies are set include curriculum, budget requests submission, ensuring funds for education as appropriated by the Town are properly expended, implementation of both State and Federal laws, and planning for facilities needed by the system, including construction and renovation.

The Department of Education operates four elementary schools, each serving a quadrant of the Town for grades K-5. The middle school serves grades 6-8, and the high school serves grades 9-12, occupying buildings on adjacent campuses in the approximate geographic center of the community.

**EDUCATIONAL FACILITIES**

<u>Schools</u>	<u>Grades</u>	<u>Additions / Renovations</u>	<u>Number of Classroom</u>	<u>Enrollment 10/01/23</u>	<u>Capacity</u>
Clintonville.....	K-5	1969, 1995, 2001	27	342	594
Green Acres.....	K-5	1965, 1995, 2001	25	422	550
Montowese.....	K-5	1957, 1972, 1995, 1998, 2001	26	303	572
Ridge Road.....	K-5	1948, 1954, 1969, 1995, 2001	22	436	506
North Haven Middle School.....	6-8	2016	61	750	800
North Haven High School.....	9-12	2005	76	957	1,500
Total .....				<u>3,210</u>	<u>4,522</u>

**SCHOOL ENROLLMENTS (1)**

<u>School Year</u>	<u>Actual</u>			<u>Total</u>
	<u>K - 5</u>	<u>6 - 8</u>	<u>9 - 12</u>	
2014-15	1,454	793	1,044	3,291
2015-16	1,366	788	1,022	3,176
2016-17	1,366	747	1,012	3,125
2017-18	1,395	736	999	3,130
2018-19	1,368	731	1,034	3,133
2019-20	1,409	738	1,000	3,147
2020-21	1,371	732	941	3,044
2021-22	1,447	712	972	3,131
2022-23	1,515	725	927	3,167
2023-24	1,503	750	957	3,210

(1) Does not include out-placed special education students.

Source: Board of Education

**MUNICIPAL EMPLOYMENT (1)**

<u>Fiscal Year</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
General Government.....	217	214	208	192	205	205
Board of Education.....	528	516	508	515	516	523
Totals .....	<u>745</u>	<u>730</u>	<u>716</u>	<u>707</u>	<u>721</u>	<u>728</u>

Source: Town of North Haven, Connecticut

(1) Includes full-time and permanent part-time employees.

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**MUNICIPAL EMPLOYEES' BARGAINING ORGANIZATIONS (1)**

<u>Employees</u>	<u>Union Representation</u>	<u>Employees Represented</u>	<u>Current Contract Expiration Date</u>
<b><u>GENERAL GOVERNMENT</u></b>			
Clerical.....	Local 1303-265 Council #4 AFSCME, AFL-CIO.....	36	6/30/2025
Supervisors.....	Local 818, Council #4 AFSCME, AFL-CIO.....	16	6/30/2028
Public Works.....	Local UPSEC.....	38	6/30/2026
Police Department.....	The North Haven Police, UPSEC.....	54	6/30/2029
Fire Department.....	North Haven Professional Firefighters Assn. – IAFF Local 2987....	42	6/30/2026
Library.....	Local 1303-147 Council #4 AFSCME, AFL-CIO.....	7	6/30/2025
Social Workers.....	Local 1303-264 Council #4 AFSCME, AFL-CIO.....	4	6/30/2025
Dispatchers.....	Local UPSEC.....	8	6/30/2028
	Subtotal General Government.....	<u>205</u>	
<b><u>BOARD OF EDUCATION</u></b>			
Teachers.....	North Haven Education Association.....	335	6/30/2025
Administrators.....	North Haven Administrators Association.....	12	6/30/2027
Clerical.....	United Public Service Employees Union - Local 424-Unit 77.....	122	6/30/2024 (2)
Nurses.....	North Haven Federation of Teachers, Local #933.....	7	6/30/2024 (2)
Custodian/Maintenance.....	Local 1858, Council #4 AFSCME, AFL-CIO.....	26	6/30/2026
	Subtotal Board of Education.....	<u>502</u>	
	Total Organized Employees.....	707	
	Total Non-Union Employees.....	<u>38</u>	
	Total Employees.....	<u><u>745</u></u>	

- (1) The negotiation of collective bargaining agreements is subject to binding arbitration under Connecticut Statutes.
- (2) In negotiations.

Source: Town of North Haven

Connecticut General Statutes Sections 7-473c, 7-474 and 10-153a to 10-153n provide a procedure for binding arbitration of collective bargaining agreements between municipal employers and organizations representing municipal employees, including certified teachers and certain other employees. The legislative body of a municipality may reject an arbitration panel's decision by a two-thirds majority vote. The State and the employee organization must be advised in writing of the reasons for rejection. The State then appoints a new panel of either one or three arbitrators to review the decisions on each of the rejected issues. The panel must accept the last best offer of either party. In reaching its determination, the arbitration panel gives priority to the public interest and the financial capability of the municipal employer, including consideration of other demands on the financial capability of the municipal employer. For binding arbitration of contracts, in assessing the financial capability of a town, there is an irrefutable presumption that a budget reserve of (i) 5% or less with respect to teachers' contracts, and (ii) 15% or less with respect to municipal employees, is not available for payment of the cost of any item subject to arbitration. In light of the employer's financial capability, the panel considers prior negotiations between the parties, the interests and welfare of the employee group, changes in the cost of living, existing employment conditions, and the wages, salaries, fringe benefits, and other conditions of employment prevailing in the labor market, including developments in private sector wages and benefits.

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### III. ECONOMIC AND DEMOGRAPHIC INFORMATION

#### POPULATION TRENDS

<u>Year</u>	<u>Town of North Haven</u>	<u>South Central CT Planning Region (1)</u>	<u>State of Connecticut</u>
1970	22,194	744,948	3,032,217
1980	22,080	761,337	3,107,564
1990	22,247	804,219	3,287,116
2000	23,035	824,008	3,405,565
2022	24,179	571,298	3,611,317

(1) Starting with the 2018-2022 American Community Survey data, the area was adjusted to reflect the South Central CT Region. Previous to the 2022 data, New Haven County data is displayed.

Source: U.S. Census Bureau and 2018-2022 American Community Survey.

#### AGE CHARACTERISTICS OF POPULATION

<u>Age</u>	<u>Town of North Haven</u>		<u>South Central CT Planning Region (1)</u>		<u>State of Connecticut</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Under 5.....	939	3.9	28,437	5.0	182,768	5.1
5 - 9.....	1,070	4.4	29,671	5.2	196,600	5.4
10 - 14.....	2,003	8.3	33,928	5.9	222,267	6.2
15 - 19.....	1,243	5.1	41,770	7.3	247,501	6.9
20 - 24.....	1,059	4.4	41,680	7.3	241,391	6.7
25 - 34.....	2,155	8.9	74,893	13.1	449,466	12.4
35 - 44.....	3,222	13.3	68,416	12.0	445,052	12.3
45 - 54.....	3,494	14.5	72,280	12.7	475,109	13.2
55 - 59.....	1,799	7.4	40,348	7.1	266,117	7.4
60 - 64.....	1,630	6.7	39,900	7.0	255,938	7.1
65 - 74.....	2,936	12.1	57,673	10.1	362,365	10.0
75 - 84.....	2,066	8.5	28,042	4.9	178,746	4.9
85 and over.....	563	2.3	14,260	2.5	87,997	2.4
Total.....	<u>24,179</u>	<u>100.0</u>	<u>571,298</u>	<u>100.0</u>	<u>3,611,317</u>	<u>100.0</u>

(1) Starting with the 2018-2022 American Community Survey data, the area was adjusted to reflect the South Central CT Region. Previous to the 2022 data, New Haven County data is displayed.

Source: U.S. Census Bureau and 2018-2022 American Community Survey.

#### INCOME DISTRIBUTION

	<u>Town of North Haven</u>		<u>South Central CT Planning Region (1)</u>		<u>State of Connecticut</u>	
	<u>Families</u>	<u>Percent</u>	<u>Families</u>	<u>Percent</u>	<u>Families</u>	<u>Percent</u>
Less than \$10,000 .....	132	1.9	3,609	2.6	21,866	2.4
\$ 10,000 to 14,999 .....	64	0.9	2,249	1.6	13,844	1.5
\$ 15,000 to 24,999 .....	89	1.3	5,170	3.7	32,363	3.5
\$ 25,000 to 34,999 .....	192	2.8	6,429	4.6	38,177	4.2
\$ 35,000 to 49,999 .....	241	3.5	10,890	7.8	65,393	7.2
\$ 50,000 to 74,999 .....	568	8.4	18,019	13.0	112,628	12.4
\$ 75,000 to 99,999 .....	852	12.5	17,859	12.8	109,739	12.0
\$100,000 to 149,999 .....	1,712	25.2	28,336	20.4	184,504	20.2
\$150,000 to 199,999 .....	1,343	19.8	19,305	13.9	125,406	13.8
\$200,000 or more .....	1,607	23.6	27,198	19.6	207,948	22.8
Total .....	<u>6,800</u>	<u>100.0</u>	<u>139,064</u>	<u>100.0</u>	<u>911,868</u>	<u>100.0</u>

(1) Starting with the 2018-2022 American Community Survey data, the area was adjusted to reflect the South Central CT Region. Previous to the 2022 data, New Haven County data is displayed.

Source: U.S. Census Bureau and 2018-2022 American Community Survey.

## SELECTED WEALTH AND INCOME INDICATORS

	<b>Median Family Income</b>		<b>Per Capita Income</b>	
	<b>(2000)</b>	<b>(2022)</b>	<b>(2000)</b>	<b>(2022)</b>
Town of North Haven.....	\$ 73,041	\$ 137,978	\$ 29,919	\$ 58,801
South Central CT Planning Region (1)...	60,549	108,066	24,439	46,781
Connecticut.....	65,521	115,539	28,766	52,034
United States.....	49,600	92,148	21,690	41,804

(1) Starting with the 2018-2022 American Community Survey data, the area was adjusted to reflect the South Central CT Region. Previous to the 2022 data, New Haven County data is displayed.

Source: U.S. Census Bureau and 2018-2022 American Community Survey.

## EDUCATIONAL ATTAINMENT (Years of School Completed Age 25 & Over)

<b>Educational Attainment Group</b>	<b>Town of North Haven</b>		<b>South Central CT Planning Region (1)</b>		<b>State of Connecticut</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
Less than 9th grade.....	389	2.2	15,353	3.9	101,820	4.0
9th to 12th grade.....	511	2.9	18,584	4.7	118,256	4.7
High School graduate.....	4,849	27.1	112,403	28.4	650,788	25.8
Some college - no degree.....	2,694	15.1	62,392	15.8	414,533	16.4
Associates degree.....	1,059	5.9	27,180	6.9	192,167	7.6
Bachelor's degree.....	4,682	26.2	81,523	20.6	573,917	22.8
Graduate or professional degree.....	3,681	20.6	78,377	19.8	469,309	18.6
Total.....	<u>17,865</u>	<u>100.0</u>	<u>395,812</u>	<u>100.0</u>	<u>2,520,790</u>	<u>100.0</u>
Percentage of High School Graduates.....		95.0%		91.4%		91.3%
Percentage of College Graduates or Higher.....		46.8%		40.4%		41.4%

(1) Starting with the 2018-2022 American Community Survey data, the area was adjusted to reflect the South Central CT Region. Previous to the 2022 data, New Haven County data is displayed.

Source: U.S. Census Bureau and 2018-2022 American Community Survey.

## MAJOR EMPLOYERS (1)

<b>Name of Employer</b>	<b>Nature of Entity</b>	<b>Estimated Number of Employees</b>
Amazon.....	Retail Distribution.....	5,500
Medtronic Inc.....	Wound closer devices.....	1,834
Town of North Haven.....	Municipality.....	745
Quinnipiac University.....	Higher Education.....	437
Area Cooperative Education Services....	Educational.....	392
Brescome Barton.....	Liquor Distributor.....	350
Mossberg, OF & Sons.....	Firearms.....	207
XPO.....	Freight -Traffic Managers.....	178
Cowles Products.....	Manufacturer of PVC Polymers.....	175
HB Communications.....	Sale/Service audio and video equipment.....	175
United Aluminum.....	Custom Rolled Aluminum Coil.....	160

Source: Town of North Haven Annual Report

(1) Full-time, part-time and seasonal employees.

## EMPLOYMENT BY INDUSTRY

Employment Sector	Town of North Haven		South Central CT Planning Region (1)		State of Connecticut	
	Number	Percent	Number	Percent	Number	Percent
Agriculture, Forestry, Fishing, Hunting & Mining.....	17.0	0.1	760	0.3	7,460	0.4
Construction.....	428	3.3	16,785	5.8	112,421	6.1
Manufacturing.....	1,367	10.7	29,157	10.1	194,805	10.6
Wholesale Trade.....	121	0.9	6,104	2.1	40,518	2.2
Retail Trade.....	1,207	9.4	29,149	10.1	196,267	10.7
Transportation, Warehousing & Utilities.....	649	5.1	12,904	4.5	82,215	4.5
Information.....	174	1.4	5,975	2.1	36,440	2.0
Finance, Insurance & Real Estate.....	1,051	8.2	18,367	6.4	164,811	9.0
Professional, Scientific & Management.....	1,048	8.2	29,258	10.1	217,442	11.9
Educational Services & Health Care.....	4,506	35.2	93,004	32.2	485,013	26.5
Arts, Entertainment, Recreation & Food Services.....	712	5.6	24,219	8.4	148,594	8.1
Other Service (including nonprofit).....	672	5.2	12,295	4.3	80,864	4.4
Public Administration.....	862	6.7	10,576	3.7	65,675	3.6
<b>Total.....</b>	<b>12,814</b>	<b>100.0</b>	<b>288,553</b>	<b>100.0</b>	<b>1,832,525</b>	<b>100.0</b>

(1) Starting with the 2018-2022 American Community Survey data, the area was adjusted to reflect the South Central CT Region. Previous to the 2022 data, New Haven County data is displayed.

Source: U.S. Census Bureau and 2018-2022 American Community Survey.

## UNEMPLOYMENT RATE STATISTICS

Yearly Average	Town of North Haven Percent	New Haven Labor Market Percent	State of Connecticut Percent	United States Percent
2014	5.5	6.7	6.6	6.2
2015	4.8	5.8	5.7	5.3
2016	4.3	5.1	5.1	4.9
2017	3.8	4.4	4.4	4.4
2018	3.3	3.8	3.9	3.9
2019	3.1	3.5	3.6	3.7
2020	6.8	7.4	8.0	8.1
2021	5.0	6.1	6.4	5.4
2022	3.5	3.9	4.1	3.7
2023	3.3	3.5	3.8	3.6

### 2024 Monthly

January	4.3	4.7	5.0	4.1
February	4.4	5.0	5.4	4.2
March	3.5	3.9	4.2	3.9
April	2.8	3.3	3.5	3.5
May	3.3	3.9	4.1	3.7
June	2.2	2.7	2.8	4.3
July	2.9	3.3	3.5	4.5

Source: State of Connecticut, Department of Labor; United States Department of Labor, Bureau of Labor Statistics.

## CHARACTERISTICS OF HOUSING UNITS

Value of Owner Occupied Units	Town of North Haven		South Central CT Planning Region (1)		State of Connecticut	
	Number	Percent	Number	Percent	Number	Percent
Less than \$50,000 .....	218	2.8	3,243	2.4	24,707	2.6
\$ 50,000 to \$ 99,999 .....	14	0.2	2,808	2.0	15,660	1.6
\$ 100,000 to \$149,999 .....	14	0.2	6,591	4.8	35,444	3.7
\$ 150,000 to \$199,999 .....	200	2.5	14,499	10.5	74,994	7.9
\$ 200,000 to \$299,999 .....	2,318	29.4	38,784	28.1	226,313	23.8
\$ 300,000 to \$499,999 .....	4,144	52.5	50,258	36.4	332,554	35.0
\$ 500,000 to \$999,999 .....	920	11.7	18,511	13.4	182,537	19.2
\$1,000,000 and over .....	59	0.7	3,273	2.4	57,630	6.1
Total .....	<u>7,887</u>	<u>100.0</u>	<u>137,967</u>	<u>100.0</u>	<u>949,839</u>	<u>100.0</u>
Median Value.....	\$344,500		\$309,600		\$347,200	

(1) Starting with the 2018-2022 American Community Survey data, the area was adjusted to reflect the South Central CT Region. Previous to the 2022 data, New Haven County data is displayed.

Source: U.S. Census Bureau and 2018-2022 American Community Survey.

## AGE DISTRIBUTION OF HOUSING

Year Structure Built	Town of North Haven		South Central CT Planning Region (1)		State of Connecticut	
	Number	Percent	Number	Percent	Number	Percent
1939 or earlier.....	1,048	10.6	58,547	23.8	308,693	20.0
1940 to 1949.....	995	10.1	17,260	7.0	88,125	5.7
1950 to 1959.....	2,185	22.1	38,481	15.6	224,890	14.6
1960 to 1969.....	1,916	19.4	31,923	13.0	200,109	13.0
1970 to 1979.....	1,031	10.4	31,330	12.7	203,957	13.2
1980 to 1989.....	816	8.3	30,027	12.2	203,053	13.2
1990 to 1999.....	954	9.7	18,135	7.4	118,433	7.7
2000 to 2009.....	445	4.5	12,700	5.2	104,479	6.8
2010 to 2019.....	471	4.8	7,617	3.1	76,567	5.0
2020 or later.....	13	0.1	318	0.1	11,986	0.8
Total.....	<u>9,874</u>	<u>100</u>	<u>246,338</u>	<u>100</u>	<u>1,540,292</u>	<u>100</u>

(1) Starting with the 2018-2022 American Community Survey data, the area was adjusted to reflect the South Central CT Region. Previous to the 2022 data, New Haven County data is displayed.

Source: U.S. Census Bureau and 2018-2022 American Community Survey.

## NUMBER AND VALUE OF BUILDING PERMITS (000's omitted from value)

Fiscal Year (1)	Residential		Commercial/Industrial		Total	
	Number of Permits	Value	Number of Permits	Value	Number of Permits	Value
2024	1,778	\$ 48,323	760	\$ 86,747	2,538	\$ 135,070
2023	1,876	48,294	416	58,674	2,292	106,968
2022	1,776	35,951	368	54,275	2,144	90,226
2021	2,602	46,525	487	38,242	3,089	84,767
2020	1,657	23,975	471	74,654	2,128	98,629
2019	1,991	36,406	815	60,707	2,806	97,113
2018	1,764	25,023	534	148,645	2,298	173,668
2017	1,861	28,774	417	20,034	2,278	48,808
2016	2,155	45,135	435	82,365	2,590	127,500
2015	1,484	17,072	513	33,131	1,997	50,203

Source: Town of North Haven, Building Office

(1) Beginning in fiscal year 2014-15 building permit figures have been recorded differently. Other permits are now included in the Residential and Commercial/Industrial figures.

**BREAKDOWN OF LAND USE**

<u>Land Use Category</u>	<u>Total Acreage By Zoning</u>	<u>Percent</u>
Residential.....	6,112	52.6%
Commercial.....	1,382	11.9%
Industrial.....	1,208	10.4%
Vacant/Water.....	2,912	25.1%
Total Area.....	<u>11,614</u>	<u>100.0%</u>

Source: Town of North Haven

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## IV. TAX BASE DATA

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### ASSESSMENT PRACTICES

The Town last revalued its real property effective on the October 1, 2019 Grand List (fiscal year 2020-21). The Town is scheduled to conduct its next revaluation of all real property effective October 1, 2024 (fiscal year 2025-26). Section 12-62 of the Connecticut General Statutes establishes the revaluation cycle for Connecticut municipalities. The law requires a revaluation every five years, and the Assessor shall perform a full inspection of all parcels once every ten years. Section 12-62 also imposes a penalty on municipalities that fail to effect revaluations as required, with certain exceptions. Municipalities may choose to phase-in real property assessment increases resulting from a revaluation, but such phase-in must be implemented in less than five assessment years. The maintenance of an equitable tax base by locating and appraising all real and personal property within the Town for inclusion onto the grand list is the responsibility of the Assessor's Office. The grand list represents the total assessed values for all taxable and tax-exempt real estate and taxable personal property and motor vehicles located within the Town on October 1. Assessments for real estate are computed at 70% of the estimated market value at the time of the last revaluation, while assessments for motor vehicles and personal property are computed at 70% of the current fair market value. Every year the Board of Assessment Appeals ("BAA") determines whether each taxpayer petition for assessment reduction on the current grand list is warranted. BAA also has the authority to increase assessments.

When a new structure or modification to an existing structure is undertaken, the Assessor's Office receives a copy of the permit issued by the Building Official. A physical appraisal is then completed and the structure classified and priced from a schedule developed at the time of the last revaluation. Property depreciation and obsolescence factors are also considered when arriving at an equitable value.

All personal property (furniture, fixtures, equipment, and machinery) is revalued annually. An Assessor's check and audit is completed periodically. Assessments for personal property are computed at 70 percent of present value.

Motor vehicle lists are furnished to the Town by the State of Connecticut, and appraisals of motor vehicles are accomplished in accordance with an automobile price schedule developed by the Connecticut Association of Assessing Officials. Section 12-71b of the Connecticut General Statutes provides that motor vehicles which are registered with the Commissioner of Motor Vehicles after the October first assessment date but before the next July 1st are subject to a property tax as if the motor vehicle had been included on the October 1 Grand List. The tax is prorated, and the proration is based on the number of months of ownership between October 1 and the following July 31st. Motor vehicles purchased in August and September are not taxed until the next October 1 Grand List. If the motor vehicle replaces a motor vehicle that was taxed on the October 1 Grand List, the taxpayer is entitled to certain credits. Assessments for motor vehicles are computed at 70 percent of the annual appraisal of market value.

### PROPERTY TAX COLLECTION PROCEDURE

Property taxes are levied on all taxable assessed property on the grand list of October 1 prior to the beginning of the fiscal year. Real property taxes are payable in two installments on July 1 and January 1. Motor vehicle taxes are payable in one installment on July 1 with motor vehicle supplemental bills payable on January 1. Payments not received by August 1 and February 1, respectively, become delinquent, with interest charged at the rate of 1.5% per month from the due date of the tax. In accordance with State law, the oldest outstanding tax is collected first. Outstanding real estate tax accounts are liened each year prior to June 30 with legal demands and alias tax warrants used in the collection of personal property and motor vehicle tax bills. Delinquent motor vehicle and personal property accounts are transferred to a suspense account periodically at which time they cease to be carried as receivables. Real estate accounts are transferred to suspense 15 years after the due date in accordance with State statutes.

Section 12-124a of the Connecticut General Statutes permits a municipality, upon approval by its legislative body, to abate property taxes on owner-occupied residences to the extent that the taxes exceed eight percent of the owner's total income, from any source, adjusted for self-employed persons to reflect expenses allowed in determining adjusted gross income. The owner must agree to pay the amount of taxes abated with interest of 6% per annum, or at such a rate approved by the legislative body, at such time that the residence is sold or transferred or on the death of the last surviving owner. A lien for such amounts is recorded in the land records but does not take precedence over any mortgage recorded before the lien. The Town has not approved the use of this abatement provision to date.

**MOTOR VEHICLE PROPERTY TAX RATE**

Section 12-71e(a) of the Connecticut General Statutes (the “General Statutes”) has been amended whereby the mill rate for motor vehicles shall not exceed 32.46 mills for the assessment year commencing October 1, 2021, and each assessment year thereafter. Section 12-71e(b) of the General Statutes has been amended to state that no district or borough may set a motor vehicle mill rate that if combined with the motor vehicle mill rate of the town, city, consolidated town and city or consolidated town and borough in which such district or borough is located would result in a combined motor vehicle mill rate above 32.46 mills for the assessment year commencing October 1, 2021, and each assessment year thereafter. Section 4-66f of the General Statutes diverts a portion of State collected sales tax revenue to provide funding to municipalities to mitigate the revenue loss attributed to the motor vehicle property tax cap. The Town’s mill rate for motor vehicles for the assessment year commencing October 1, 2023 (the fiscal year ending June 30, 2025) is 32.46 mills.

**PROPERTY TAX LEVIES AND COLLECTIONS**

FY Ending 6/30	Net Taxable Grand List	Total Tax Rate (In Mills)	Adjusted Tax Levy	% Levy Collected	Uncollected Taxes	
					End of Each Fiscal Year	As of 6/30/2023
2025 (1)	\$ 3,271,170,593	34.64	\$ 113,045,522	In Process	In Process	In Process
2024 (1)	3,252,336,194	32.65	106,199,346	In Process	In Process	In Process
2023	3,219,183,624	30.71	99,491,844	98.7	\$ 1,271,483	\$ 1,271,483
2022	3,124,595,937	30.71	96,125,065	98.8	1,174,960	666,741
2021*	3,115,065,924	30.72	95,164,742	98.8	1,182,707	390,572
2020	2,886,587,315	31.18	90,728,416	98.7	1,200,321	200,925
2019	2,810,468,315	31.18	88,332,794	98.7	1,178,112	161,231
2018	2,809,254,369	30.53	85,547,698	98.7	1,092,859	100,090
2017	2,773,568,715	30.53	84,880,513	98.8	1,029,929	96,624
2016*	2,750,583,219	29.42	81,019,674	98.8	945,046	78,555

(1) Fiscal years 2023-24 and 2024-25 adopted budgets.

\* Indicates years of revaluations.

Source: Finance Office, Town of North Haven.

**TAXABLE GRAND LIST**

Grand List Dated	Industrial & Commercial			Motor Vehicles		Personal Property	Gross Taxable Grand List	Less Exemptions	Net Taxable Grand List
	(%) Residential Real Property	(%) Real Property	(%) Land	(%) Land	(%) Land				
10/01/23	52.4	22.9	0	9.3	15.4	\$ 3,494,348,148	\$ 223,177,555	\$ 3,271,170,593	
10/01/22	53.0	22.6	0.4	10.1	13.9	3,418,245,240	154,996,812	3,263,248,428	
10/01/21	53.1	22.8	0.4	9.5	14.3	3,394,065,805	174,882,181	3,219,183,624	
10/01/20	54.0	23.8	0.2	7.4	14.6	3,335,965,900	211,369,963	3,124,595,937	
10/01/19 (1)	54.0	24.0	0.2	7.3	14.5	3,311,950,115	196,884,191	3,115,065,924	
10/01/18	59.5	22.3	0.2	7.8	10.2	3,017,224,735	130,637,420	2,886,587,315	
10/01/17	60.9	21.3	0.3	7.6	9.9	2,936,123,943	125,655,628	2,810,468,315	
10/01/16	60.6	21.7	0.3	7.5	9.9	2,923,708,262	114,453,893	2,809,254,369	
10/01/15	62.1	20.1	0.3	7.6	9.8	2,907,899,055	134,330,340	2,773,568,715	
10/01/14 (1)	62.4	20.2	0.3	7.6	9.6	2,876,592,389	126,009,170	2,750,583,219	

(1) Indicates years of revaluations.

Source: Finance Office, Town of North Haven.

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## LARGEST TAXPAYERS

Name of Taxpayer	Nature of Business	Valuation as of 10/1/23	Rank	Percent of Total
Medtronic / Covidien.....	Manufacturing.....	\$ 171,717,290	1	5.25
Amazon.com.....	Retail Distribution.....	92,967,940	2	2.84
MDC Coastal (Amazon Property).....	Retail Distribution.....	73,850,000	3	2.26
United Illuminating Co.....	Public Utility.....	68,064,710	4	2.08
Stag North Haven LLC.....	Distribution.....	36,050,000	5	1.10
Price REIT.....	Retail / Shopping Center.....	28,040,330	6	0.86
August America.....	Retail / Shopping Center.....	20,650,160	7	0.63
A F A Washington Avenue Realty LLC....	Apartments.....	19,241,870	8	0.59
Ardenwood Apartments LLC.....	Apartments.....	16,745,070	9	0.51
North Haven Holdings.....	Retail / Shopping Center.....	14,000,000	10	0.43
Total.....		\$ 541,327,370		16.55

Source: Finance Office, Town of North Haven.

## EQUALIZED NET GRAND LIST

Grand List of 10/1	Equalized Net Grand List	% Growth
2022	\$ 6,119,152,059	5.66%
2021	5,791,127,993	15.91%
2020	4,996,037,259	12.32%
2019 (1)	4,448,012,262	1.32%
2018	4,390,105,930	5.47%
2017	4,162,286,378	-1.63%
2016	4,231,389,799	4.26%
2015	4,058,639,886	3.24%
2014 (1)	3,931,374,956	-1.36%
2013	3,985,694,949	4.49%

(1) Indicates years of revaluations.

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## V. FINANCIAL INFORMATION

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### FISCAL YEAR

The Town's fiscal year begins July 1 and ends June 30.

### ACCOUNTING POLICIES

The Town's accounting system is organized on a fund basis and uses funds and account groups to report its financial position and the results of operations. The Town's accounting records are maintained on a modified accrual basis, with major revenues recorded when earned and expenditures recorded when incurred. The accounting policies of the Town conform to generally accepted accounting principles as applied to governmental units. (See Appendix A – "Basic Financial Statements, Notes to Financial Statements" herein).

### ANNUAL AUDIT

Pursuant to the Municipal Auditing Act (Chapter 111 of the Connecticut General Statutes), the Town is obligated to undergo an annual examination by an independent certified public accountant. The audit must be conducted under the guidelines issued by the State of Connecticut, Office of Policy and Management, and a copy of said audit report must be filed with the Office of Policy and Management within six months of the end of the fiscal year. The Town is in full compliance with said provisions.

### BUDGET PROCEDURES

The Budget is prepared in accordance with Chapter VII of the Town of North Haven Charter according to the following schedule:

- 90 days or more prior to the Annual Budget Town Meeting, every Office, Board, Commission or Agency, except the Board of Education, submits a detailed estimate of expenditures and revenues for the ensuing fiscal year along with 5-year projected expenditures for the Board of Selectmen.
- 70 days or more prior to the Annual Budget Town Meeting, the Board of Selectmen submits a revised budget to the Board of Finance and the Board of Education submits their annual budget to the Board of Finance.
- 35 days or more before the Annual Budget Town Meeting, the Board of Finance shall finalize a proposed budget.
- 21 days or more prior to the Annual Budget Town Meeting, the Board of Finance holds one or more public hearings.
- An Annual Budget Meeting is held the second of Monday in May. By a majority of those voters present, the budget may be approved as presented or reduced.
- Within 15 days following the Annual Budget Town Meeting, the Board of Finance sets the mill rate.

For additional information see Appendix A – "Basic Financial Statements, Notes to Financial Statements" herein.

### MUNICIPAL BUDGET EXPENDITURE CAP

Connecticut General Statutes Section 4-661 creates a cap on adopted general budget expenditures for municipalities in Connecticut in order for municipalities to be eligible to receive the full amount of the State's municipal revenue sharing grant. Beginning in fiscal year ending June 30, 2018, and in each fiscal year thereafter, the Office of Policy and Management ("OPM") must reduce the municipal revenue sharing grant amount for those municipalities whose adopted general budget expenditures (with certain exceptions including but not limited to debt service, special education, implementation of court orders or arbitration awards, budgeting for an audited deficit, nonrecurring grants, capital expenditures of \$100,000 or more, or payments on unfunded pension liabilities, and certain major disaster or emergency expenditures) exceeds the spending limits specified in the statute. For each applicable fiscal year, OPM must determine the municipality's percentage growth in general budget expenditures over the prior fiscal year and reduce the grant if the growth rate is equal to or greater than 2.5% or the inflation rate, whichever is greater, each of those amounts adjusted by an amount proportionate to any increase in the municipality's population from the previous fiscal year. The reduction is generally equal to 50 cents for every dollar the municipality spends over this cap. Each municipality must annually certify to the Secretary of the OPM whether such municipality has exceeded the cap set forth in the statute and if so the amount by which the cap was exceeded.

**EMPLOYEE PENSION SYSTEMS**

The Town is the Administrator of five Single Employer Public Employee Retirement Systems ("PERS"), excluding public school teachers established and administered by the Town to provide pension benefits for its employees. The pension plans are single employer defined benefit plans. The PERS is considered to be part of the Town's financial reporting entity and is included in the Town's financial reports as a pension trust fund.

The Town has implemented Government Accounting Standards Board's (GASB) Statement No. 67 effective Fiscal Year 2014. Net position is based on fair market value as of June 30. For further information and descriptions of the plan see Appendix "A", Notes to Financial Statements, Note 9, "Pension Plans" herein.

In accordance with GASB Statement No. 67, the components of the net pension liability of the Town's pension plans as of June 30 were as follows:

	<b>General Employees</b>				
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total pension liability.....	\$ 77,335,446	\$ 72,802,753	\$ 71,720,461	\$ 71,690,598	\$ 70,173,874
Plan fiduciary net position.....	<u>63,176,086</u>	<u>61,346,488</u>	<u>67,192,052</u>	<u>57,769,863</u>	<u>59,131,148</u>
Net pension liability.....	<u>\$ 14,159,360</u>	<u>\$ 11,456,265</u>	<u>\$ 4,528,409</u>	<u>\$ 13,920,735</u>	<u>\$ 11,042,726</u>
Plan fiduciary net position as a % of total pension liability.....	81.7%	84.3%	93.7%	80.6%	84.3%
	<b>Police Department</b>				
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total pension liability.....	\$ 42,806,863	\$ 41,795,198	\$ 39,086,151	\$ 38,084,549	\$ 36,925,191
Plan fiduciary net position.....	<u>31,650,656</u>	<u>29,868,330</u>	<u>33,152,849</u>	<u>27,389,337</u>	<u>27,888,023</u>
Net pension liability.....	<u>\$ 11,156,207</u>	<u>\$ 11,926,868</u>	<u>\$ 5,933,302</u>	<u>\$ 10,695,212</u>	<u>\$ 9,037,168</u>
Plan fiduciary net position as a % of total pension liability.....	73.9%	71.5%	84.8%	71.9%	75.5%
	<b>Fire Department</b>				
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total pension liability.....	\$ 26,356,360	\$ 25,420,118	\$ 24,389,902	\$ 23,427,555	\$ 22,811,885
Plan fiduciary net position.....	<u>23,346,911</u>	<u>21,380,288</u>	<u>23,345,160</u>	<u>18,717,576</u>	<u>18,737,136</u>
Net pension liability.....	<u>\$ 3,009,449</u>	<u>\$ 4,039,830</u>	<u>\$ 1,044,742</u>	<u>\$ 4,709,979</u>	<u>\$ 4,074,749</u>
Plan fiduciary net position as a % of total pension liability.....	88.6%	84.1%	95.7%	79.9%	82.1%
	<b>Volunteer Firefighters'</b>				
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total pension liability.....	\$ 1,682,086	\$ 1,735,114	\$ 1,689,482	\$ 1,131,554	\$ 1,104,952
Plan fiduciary net position.....	<u>1,216,969</u>	<u>1,009,130</u>	<u>1,217,014</u>	<u>1,007,294</u>	<u>1,033,454</u>
Net pension liability.....	<u>\$ 465,117</u>	<u>\$ 725,984</u>	<u>\$ 472,468</u>	<u>\$ 124,260</u>	<u>\$ 71,498</u>
Plan fiduciary net position as a % of total pension liability.....	72.3%	58.2%	72.0%	89.0%	93.5%

	<b>Elected Officials</b>				
	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Total pension liability.....	\$ 2,421,494	\$ 2,380,934	\$ 2,709,004	\$ 2,879,132	\$ 2,407,095
Plan fiduciary net position.....	-	-	-	-	-
Net pension liability.....	<u>\$ 2,421,494</u>	<u>\$ 2,380,934</u>	<u>\$ 2,709,004</u>	<u>\$ 2,879,132</u>	<u>\$ 2,407,095</u>
Plan fiduciary net position as a % of total pension liability.....	0.0%	0.0%	0.0%	0.0%	0.0%

The following represents the net pension liability of the Town's pension plans, calculated using the discount rates listed below, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	<b>1% Decrease</b>	<b>Current Discount Rate</b>	<b>1% Increase</b>
Net Pension Liability - General Employees.....	<u>\$ 22,144,646</u>	<u>\$ 14,159,360</u>	<u>\$ 7,361,468</u>
	<b>6.00%</b>	<b>7.00%</b>	<b>8.00%</b>
Net Pension Liability - Police Department.....	<u>\$ 16,574,355</u>	<u>\$ 11,156,207</u>	<u>\$ 6,652,106</u>
	<b>5.75%</b>	<b>6.75%</b>	<b>7.75%</b>
Net Pension Liability - Fire Department.....	<u>\$ 6,297,988</u>	<u>\$ 3,009,449</u>	<u>\$ 258,696</u>
	<b>5.75%</b>	<b>6.75%</b>	<b>7.75%</b>
Net Pension Liability - Volunteer Firefighters'....	<u>\$ 676,353</u>	<u>\$ 465,117</u>	<u>\$ 291,775</u>
	<b>5.50%</b>	<b>6.50%</b>	<b>7.50%</b>
Net Pension Liability - Elected Officials.....	<u>\$ 2,703,422</u>	<u>\$ 2,421,494</u>	<u>\$ 2,185,259</u>
	<b>2.54%</b>	<b>3.54%</b>	<b>4.54%</b>

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Based upon the latest actuarial valuations, the actuarial value of assets and actuarial liabilities for the PERS plan were as follows:

**Schedule of Funding Progress**

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) (b)</b>	<b>Unfunded/ (Overfunded) AAL (UAAL) (b) - (a)</b>	<b>Funded Ratio (a) / (b)</b>	<b>Covered Payroll (c)</b>	<b>UAAL as a Percentage of Covered Payroll [(b) - (a) / (c)]</b>
<b><u>General Employees</u></b>						
7/1/2023	\$66,233,340	\$77,335,655	\$11,102,315	85.6%	\$ 4,933,067	225.1%
7/1/2021	63,974,100	71,720,670	7,746,570	89.2%	5,577,784	138.9%
7/1/2019	60,025,297	70,173,874	10,148,577	85.5%	6,483,853	156.5%
7/1/2017	56,798,982	66,767,969	9,968,987	85.1%	6,928,764	143.9%
7/1/2015	51,876,438	64,955,186	13,078,748	79.9%	7,512,900	174.1%
<b><u>Police Department</u></b>						
7/1/2022	\$32,138,621	\$41,795,197	\$ 9,656,576	76.9%	\$ 2,736,680	352.9%
7/1/2020	28,867,108	38,084,549	9,217,441	75.8%	2,747,092	335.5%
7/1/2018	26,821,124	35,840,433	9,019,309	74.8%	2,910,255	309.9%
7/1/2016	23,200,000	34,580,901	11,380,901	67.1%	3,044,642	373.8%
7/1/2014	19,965,207	31,920,883	11,955,676	62.5%	3,419,688	349.6%
<b><u>Fire Department</u></b>						
7/1/2022	\$22,169,784	\$25,420,119	\$ 3,250,335	87.2%	\$ 2,374,531	136.9%
7/1/2020	19,456,360	23,427,555	3,971,195	83.0%	2,397,448	165.6%
7/1/2018	17,068,136	21,873,087	4,804,951	78.0%	2,320,579	207.1%
7/1/2016	14,472,343	21,022,240	6,549,897	68.8%	2,273,343	288.1%
7/1/2014	12,621,098	18,466,914	5,845,816	68.3%	2,182,842	267.8%
<b><u>Volunteer Fire</u></b>						
7/1/2023	\$ 1,216,969	\$ 1,682,086	\$ 465,117	72.3%	N/A	N/A
7/1/2021	1,217,024	1,689,482	472,458	72.0%	N/A	N/A
7/1/2019	1,033,463	1,104,952	71,489	93.5%	N/A	N/A
7/1/2017	961,016	881,611	(79,405)	109.0%	N/A	N/A
7/1/2015	892,409	922,562	30,153	96.7%	N/A	N/A

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### Schedule of Employer Contributions

<u>Year Ended June 30</u>	<u>Actuarial Determined Contribution</u>	<u>Actual Contribution</u>	<u>Percentage Contributed</u>
<b><u>General Employees</u></b>			
2025 (1)	\$ 2,248,591	\$ 2,248,591	100.0%
2024 (1)	1,918,554	1,918,554	100.0%
2023	1,918,554	2,013,622	105.0%
2022	2,241,383	2,217,670	98.9%
2021	2,241,383	1,884,186	84.1%
<b><u>Police Department</u></b>			
2025 (1)	\$ 2,045,556	\$ 2,045,556	100.0%
2024 (1)	2,023,776	2,023,776	100.0%
2023	1,670,859	1,861,884	111.4%
2022	1,653,267	1,524,066	92.2%
2021	1,586,586	1,397,939	88.1%
<b><u>Fire Department</u></b>			
2025 (1)	\$ 934,108	\$ 934,108	100.0%
2024 (1)	926,777	926,777	100.0%
2023	906,861	952,841	105.1%
2022	899,281	870,881	96.8%
2021	962,841	953,504	99.0%
<b><u>Volunteer Fire</u></b>			
2025 (1)	\$ 162,503	\$ 162,503	100.0%
2024 (1)	202,345	202,345	100.0%
2023	202,345	202,345	100.0%
2022	28,773	28,773	100.0%
2021	28,773	28,773	100.0%

(1) As budgeted for fiscal years 2023-24 and 2024-25.

Please refer to Appendix A "Basic Financial Statements, Note 9 to Financial Statements" herein for additional information on the Town's Pension Plans.

### **OTHER POST-EMPLOYMENT BENEFITS**

The Town provides post-retirement benefits for certain employees for current and future health and life insurance benefit expenses through a single-employer defined benefit plan. The post-retirement plan does not issue stand-alone financial reports.

From an accrual accounting perspective, the cost of post-employment healthcare benefits, like the cost of pension benefits, generally should be associated with the periods in which the cost occurs, rather than in the future year when it will be paid. In adopting the requirements of GASB Statement No. 45 during the year ended June 30, 2013, the Town recognizes the cost of post-employment healthcare in the year when the employee services are received, reports the accumulated liability from prior years, and provides information useful in assessing potential demands on the Town's future cash flows. Recognition of the liability accumulated from prior years will be phased in over 30 years, commencing with the 2009 liability.

The contribution requirements of plan members and the Town are established and may be amended by the Town. The Town funds its contributions to the plan under the pay-as-you-go method. The Town determines the required contribution using the Entry Age Normal as a Level Percent of Pay (previously projected unit credit).

For fiscal year 2016-17, the Town implemented Government Accounting Standards Board's ("GASB") Statement No. 74. In accordance with GASB Statement No. 74, the net position is based on the fair market value as of the end of the fiscal year and the total OPEB liability is based on the actuarial assumptions as of the prior valuation date updated to the end of the fiscal year. The components of the net OPEB liability of the Town as of June 30 were as follows:

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total OPEB liability.....	\$ 97,010,066	\$ 94,642,408	\$ 92,433,591	\$ 82,204,388	\$ 68,496,162
Plan fiduciary net position.....	916,532	563,380	464,773	-	-
Net OPEB liability.....	<u>\$ 96,093,534</u>	<u>\$ 94,079,028</u>	<u>\$ 91,968,818</u>	<u>\$ 82,204,388</u>	<u>\$ 68,496,162</u>
Plan fiduciary net position as a % of total OPEB liability.....	0.9%	0.6%	0.5%	0.0%	0.0%

The following represents the net OPEB liability of the Town, calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

	<u>1% Decrease</u> <u>2.65%</u>	<u>Current</u> <u>Discount Rate</u> <u>3.65%</u>	<u>1% Increase</u> <u>4.65%</u>
Net OPEB Liability.....	\$ 110,924,649	\$ 96,093,534	\$ 84,009,998

The following represents the net OPEB liability of the Town, calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rate:

	<u>1% Decrease in</u> <u>Health Care Cost</u> <u>Trend Rates</u>	<u>Current</u> <u>Health Care Cost</u> <u>Trend Rates</u>	<u>1% Increase in</u> <u>Health Care Cost</u> <u>Trend Rates</u>
Net OPEB Liability.....	\$ 81,194,000	\$ 96,093,534	\$ 115,134,611

## INVESTMENT POLICIES AND PROCEDURES

The deposit of public funds is controlled by the Connecticut General Statutes (Section 7-402). Deposits may be made in a "qualified public depository" as defined by Statute, or, in amounts not exceeding the Federal Deposit Insurance Corporation insurance limit in an "out of state bank", as defined by the Statutes, which is not a "qualified public depository".

The Connecticut General Statutes ("CGS") (Section 7-400) permit municipalities to invest in obligations of the United States and its agencies, highly rated obligations of any state of the United States or of any political subdivision, authority or agency thereof, and shares or other interests in custodial arrangements or pools maintaining constant net asset values and in highly rated investment companies (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. CGS Sections 3-27d and 3-27f also provide for investment in shares of the Connecticut Short Term Investment Fund ("STIF"). Other provisions of the Statutes cover specific municipal funds with particular investment authority. The provisions of the statutes regarding the investment of municipal pension funds do not specify permitted investments. Therefore, investment of such funds is generally controlled by the laws applicable to fiduciaries and the provisions of the applicable plan.

**PROPERTY TAX REVENUES (1)**

<b>Fiscal Year</b>	<b>General Fund Revenues</b>	<b>Property Tax Revenues</b>	<b>Property Tax As a % of General Fund</b>
2025 (Adopted Budget)	\$128,080,331	\$114,699,899	89.6
2024 (Estimated Actuals)	121,239,236	107,733,140	88.9
2023	121,475,953	100,518,638	82.7
2022	117,209,352	96,763,402	82.6
2021	114,642,377	96,098,000	83.8
2020	108,510,020	91,248,922	84.1
2019	106,449,552	59,005,054	55.4
2018	104,529,510	85,795,155	82.1
2017	104,695,831	84,624,119	80.8
2016	96,126,185	81,149,464	84.4

(1) Fiscal years 2023-24 and 2024-25 are presented on a budgetary basis, all other fiscal years are presented on a GAAP basis.

Source: Annual audited financial statements, fiscal year 2023-24 estimated actuals and 2024-25 adopted budget.

**INTERGOVERNMENTAL REVENUES (1)**

<b>Fiscal Year</b>	<b>General Fund Revenues</b>	<b>Intergovernmental Revenues</b>	<b>Aid As a % of General Fund</b>
2025 (Adopted Budget)	\$128,080,331	\$ 7,842,119	6.1
2024 (Estimated Actuals)	121,239,236	7,573,642	6.2
2023	121,475,953	17,084,341	14.1
2022	117,209,352	15,911,105	13.6
2021	114,642,377	14,667,439	12.8
2020	108,510,020	12,828,891	11.8
2019	106,449,552	13,225,380	12.4
2018	104,529,510	14,591,953	14.0
2017	104,695,831	14,995,758	14.3
2016	96,126,185	11,075,271	11.5

((1) Fiscal years 2023-24 and 2024-25 are presented on a budgetary basis, all other fiscal years are presented on a GAAP basis.

Source: Annual audited financial statements, fiscal year 2023-24 estimated actuals and 2024-25 adopted budget.

**EXPENDITURES (1)**

<b>Fiscal Year</b>	<b>Board of Education %</b>	<b>Employee Benefits %</b>	<b>Public Safety %</b>	<b>Debt Service %</b>	<b>Public Works %</b>	<b>General Government %</b>
2025 (Adopted Budget)	49.8	14.1	12.5	7.9	6.5	5.7
2024 (Estimated Actuals)	50.9	13.6	12.4	7.7	6.3	5.7
2023	55.8	11.8	11.2	7.4	5.0	7.6
2022	56.1	11.7	11.2	7.2	4.8	7.7
2021	56.0	11.3	10.8	7.5	4.7	7.5
2020	56.8	11.3	10.4	7.1	4.4	7.7
2019	57.2	11.0	10.1	6.2	4.5	8.3
2018	58.9	11.1	9.9	6.4	4.3	7.5
2017	58.4	11.5	9.7	6.4	4.1	6.0
2016	57.0	11.9	9.3	6.5	4.5	6.6

(1) Fiscal years 2023-24 and 2024-25 are presented on a budgetary basis, all other fiscal years are presented on a GAAP basis.

Source: Annual audited financial statements, fiscal year 2023-24 estimated actuals and 2024-25 adopted budget.

**COMPARATIVE GENERAL FUND OPERATING STATEMENT**  
(Budget and Actual – Budgetary Basis)

	<b>Fiscal Year 2022-23</b>			<b>2023-24 Estimated Actuals</b>	<b>2024-25 Adopted Budget</b>
	<b>Final Budget</b>	<b>Actual Operations</b>	<b>Variance Favorable (Unfavorable)</b>		
<b>Revenues</b>					
Property taxes.....	\$100,290,939	\$ 100,518,638	\$ 227,699	\$ 107,733,140	\$ 114,699,899
Education grants.....	4,874,016	4,136,349	(737,667)	4,168,482	4,408,221
Other government grants.....	3,524,282	3,991,940	467,658	3,405,160	3,433,898
Investment income.....	150,000	13,955	(136,045)	1,268,916	850,000
Charges for services.....	3,334,360	3,441,940	107,580	3,255,971	1,597,313
Other.....	200,000	417,079	217,079	1,407,567	3,091,000
<b>Total Revenues.....</b>	<b>112,373,597</b>	<b>112,519,901</b>	<b>146,304</b>	<b>121,239,236</b>	<b>128,080,331</b>
<b>Expenditures</b>					
Current:					
General government.....	8,155,827	7,824,526	331,301	6,855,379	7,313,273
Public safety.....	13,790,652	13,729,457	61,195	15,060,071	16,112,316
Public works.....	6,564,191	6,133,369	430,822	7,655,825	8,373,556
Health and human services.....	1,070,961	914,366	156,595	977,085	1,185,884
Recreation.....	615,071	615,070	1	644,293	700,558
Employee benefits.....	14,541,868	14,514,831	27,037	16,471,171	18,145,307
Education.....	59,725,295	59,409,214	316,081	61,643,954	64,022,728
Miscellaneous.....	1,604,985	1,587,517	17,468	1,699,457	1,749,985
Capital.....	-	-	-	723,533	854,668
Debt service.....	9,141,762	9,141,762	-	9,294,709	10,122,056
<b>Total Expenditures.....</b>	<b>115,210,612</b>	<b>113,870,112</b>	<b>1,340,500</b>	<b>121,025,477</b>	<b>128,580,331</b>
Revenues over (under) expenditures.....	(2,837,015)	(1,350,211)	1,486,804	213,759	(500,000)
Other financing sources (uses):					
Operating transfers in.....	2,220,000	1,670,000	(550,000)	-	-
Operating transfers out.....	(812,985)	(812,985)	-	-	-
Other.....	5,000	26,910	21,910	-	-
Appropriated fund balance.....	1,425,000	-	(1,425,000)	-	500,000
Total other financing sources (uses).....	2,837,015	883,925	(1,953,090)	-	500,000
Net change in fund balances.....	\$ -	\$ (466,286)	\$ (466,286)	\$ 213,759	\$ -

Source: Annual audited financial statements, fiscal year 2023-24 estimated actuals and 2024-25 adopted budget.

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**COMPARATIVE GENERAL FUND BALANCE SHEET**  
(Summary of Assets and Liabilities)  
(GAAP BASIS)

Fiscal Year Ended:	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<b>Assets</b>					
Cash and cash equivalents.....	\$16,225,478	\$19,182,963	\$23,609,180	\$25,095,604	\$30,633,914
Receivables, net:					
Property taxes.....	2,877,602	2,929,278	2,849,980	1,915,456	2,138,957
Leases.....	-	-	-	2,372,164	2,234,361
Assessments and user charges.....	285,980	165,495	165,495	165,495	114,005
Intergovernmental.....	-	34,902	-	-	-
Other .....	399,474	85,996	32,363	137,737	9,562
Due from other funds.....	9,370,330	6,416,417	4,565,516	4,644,850	4,773,758
Prepaid expenses / Other.....	12,696	-	173,306	-	-
<b>Total Assets.....</b>	<b><u>\$29,171,560</u></b>	<b><u>\$28,815,051</u></b>	<b><u>\$31,395,840</u></b>	<b><u>\$34,331,306</u></b>	<b><u>\$39,904,557</u></b>
<b>Liabilities</b>					
Accounts payables .....	\$ 4,674,699	\$ 5,048,294	\$ 2,618,272	\$ 2,535,756	\$ 1,826,826
Accrued payroll.....	784,758	200,307	277,573	2,559,652	3,342,982
Unearned revenue.....	32,250	32,250	32,250	-	-
Due to other funds.....	7,737,863	8,325,391	13,015,534	12,027,769	17,264,703
Overpayments.....	-	-	-	354,103	27,305
Performance bonds.....	1,245,633	1,047,189	1,073,611	1,110,384	1,971,308
Other.....	217,430	212,003	303,688	260,977	212,663
<b>Total Liabilities.....</b>	<b><u>14,692,633</u></b>	<b><u>14,865,434</u></b>	<b><u>17,320,928</u></b>	<b><u>18,848,641</u></b>	<b><u>24,645,787</u></b>
<b>Deferred Inflows of Resources</b>					
Advanced tax collections.....	2,610,996	2,722,979	2,632,632	1,612,317	1,630,791
Sewer assessments.....	285,980	165,495	165,495	165,495	114,005
Lease related.....	-	-	-	2,309,957	2,133,410
<b>Total Deferred Inflows of Resources....</b>	<b><u>2,896,976</u></b>	<b><u>2,888,474</u></b>	<b><u>2,798,127</u></b>	<b><u>4,087,769</u></b>	<b><u>3,878,206</u></b>
<b>Fund Balances</b>					
Nonspendable.....	-	-	-	62,207	100,951
Restricted.....	-	-	-	-	153,851
Committed.....	-	557,718	-	-	456,068
Assigned.....	3,512,011	2,299,012	2,388,756	1,447,653	1,443,539
Unassigned.....	8,069,940	8,204,413	8,888,029	9,885,036	9,226,155
<b>Total Fund Balances.....</b>	<b><u>11,581,951</u></b>	<b><u>11,061,143</u></b>	<b><u>11,276,785</u></b>	<b><u>11,394,896</u></b>	<b><u>11,380,564</u></b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances.....</b>	<b><u>\$29,171,560</u></b>	<b><u>\$28,815,051</u></b>	<b><u>\$31,395,840</u></b>	<b><u>\$34,331,306</u></b>	<b><u>\$39,904,557</u></b>

**ANALYSIS OF GENERAL FUND EQUITY**  
(GAAP BASIS)

	<u>Actual 2018-19</u>	<u>Actual 2019-20</u>	<u>Actual 2020-21</u>	<u>Actual 2021-22</u>	<u>Actual 2022-23</u>
Nonspendable.....	\$ -	\$ -	\$ -	\$ 62,207	\$ 100,951
Restricted.....	-	-	-	-	153,851
Committed.....	-	557,718	-	-	456,068
Assigned.....	3,512,011	2,299,012	2,388,756	1,447,653	1,443,539
Unassigned.....	8,069,940	8,204,413	8,888,029	9,885,036	9,226,155
<b>Total Fund Balance.....</b>	<b><u>\$ 11,581,951</u></b>	<b><u>\$ 11,061,143</u></b>	<b><u>\$ 11,276,785</u></b>	<b><u>\$ 11,394,896</u></b>	<b><u>\$ 11,380,564</u></b>
Total Fund Balance as % of					
Total Expenditures & Transfers.....	10.76%	10.11%	9.82%	9.59%	9.22%

Source: Annual audited financial statements.

**COMPARATIVE GENERAL FUND REVENUES AND EXPENDITURES**  
(Summary of Audited Revenues and Expenditures)  
**(GAAP BASIS)**

<b>Fiscal Year Ended:</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Revenues</b>					
Property taxes.....	\$89,005,054	\$91,248,922	\$96,098,000	\$96,763,402	\$100,518,638
Intergovernmental.....	13,225,380	12,828,891	14,667,439	15,911,105	17,084,341
Investment income.....	500,351	225,381	134,398	262,107	527,749
Charges for services.....	3,094,519	3,482,742	2,675,139	3,262,799	3,441,940
Net change in fair value.....	-	-	-	-	(513,794)
Other.....	624,248	724,084	1,067,401	1,009,939	417,079
<b>Total Revenues.....</b>	<b>106,449,552</b>	<b>108,510,020</b>	<b>114,642,377</b>	<b>117,209,352</b>	<b>121,475,953</b>
<b>Expenditures</b>					
General government.....	8,953,346	8,351,340	8,589,996	9,024,638	9,416,157
Public safety.....	10,834,504	11,364,974	12,346,711	13,106,812	13,729,457
Public works.....	4,884,583	4,813,788	5,421,056	5,596,026	6,133,369
Health and welfare.....	1,007,448	1,003,448	1,019,303	1,005,450	914,366
Culture and recreation.....	538,677	529,401	565,839	577,713	615,070
Benefits and insurance.....	11,855,785	12,357,604	12,929,862	13,751,371	14,514,831
Education.....	61,608,229	62,008,577	64,078,108	65,834,195	68,659,714
Other.....	-	-	-	-	-
Debt service.....	6,654,290	7,740,003	8,578,004	8,453,853	9,141,762
Capital outlay.....	1,281,197	921,042	962,832	-	-
<b>Total Expenditures.....</b>	<b>107,618,059</b>	<b>109,090,177</b>	<b>114,491,711</b>	<b>117,350,058</b>	<b>123,124,726</b>
Revenues over (under) expenditures	(1,168,507)	(580,157)	150,666	(140,706)	(1,648,773)
Other financing sources (uses)					
Transfers in.....	500,000	330,000	400,000	1,657,993	1,670,000
Transfers out.....	-	(282,875)	(350,000)	(1,462,150)	(371,950)
Sale of capital assets.....	-	12,224	14,976	62,974	26,910
Total other financing sources (uses)....	500,000	59,349	64,976	258,817	1,324,960
Net change in fund balances.....	(668,507)	(520,808)	215,642	118,111	(323,813)
Fund Balance - July 1.....	12,250,458	11,581,951	11,061,143	11,276,785	11,704,377 (1)
Fund Balance - June 30.....	\$11,581,951	\$11,061,143	\$11,276,785	\$11,394,896	\$ 11,380,564

(1) As restated.

Source: Annual audited financial statements.

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**VI. DEBT SUMMARY**

**PRINCIPAL AMOUNT OF INDEBTEDNESS**

As of November 1, 2024 (Pro Forma)

**Long-Term Debt: Bonds**

<u>Date of Issue</u>	<u>Purpose</u>	<u>Rate %</u>	<u>Original Issue Amount</u>	<u>Principal Outstanding as of 11/1/24</u>	<u>Date of Fiscal Year Maturity</u>
<b><u>General Purpose</u></b>					
4/26/2006	General Purpose .....	3.875 - 5.00	\$ 935,000	\$ 65,000	2026
11/10/2016	General Purpose .....	2.00 - 4.00	3,000,000	675,000	2028
8/13/2019	Refunding - General Purpose .....	5.00	10,472,000	4,175,000	2029
11/7/2019	General Purpose .....	2.50 - 5.00	15,000,000	13,200,000	2030
7/21/2020	Refunding - General Purpose .....	0.415 - 2.40	1,541,000	1,478,000	2037
11/5/2020	General Purpose .....	2.00 - 4.00	5,500,000	4,900,000	2041
11/4/2021	General Purpose .....	2.00 - 5.00	2,000,000	1,920,000	2042
11/3/2022	General Purpose .....	4.00 - 5.00	1,200,000	1,200,000	2033
11/2/2023	General Purpose.....	4.00 - 5.00	2,000,000	2,000,000	2044
11/1/2024	General Purpose (This Issue).....	TBD	4,750,000	4,750,000	2045
			<b>\$ 46,398,000</b>	<b>\$ 34,363,000</b>	
<b><u>Schools</u></b>					
4/26/2006	Schools .....	3.875 - 5.00	\$ 22,445,000	\$ 1,425,000	2026
1/23/2007	Schools .....	3.875 - 4.75	21,850,000	2,300,000	2027
11/10/2016	Schools .....	2.00 - 4.00	7,000,000	1,350,000	2028
11/9/2017	Schools .....	2.25 - 5.00	7,500,000	5,850,000	2038
11/8/2018	Schools .....	2.25 - 5.00	7,500,000	3,600,000	2033
7/21/2020	Refunding - Schools .....	0.415 - 2.40	31,434,000	24,807,000	2039
11/4/2021	Schools .....	2.00 - 5.00	3,700,000	3,555,000	2042
11/2/2023	Schools .....	4.00 - 5.00	3,500,000	3,500,000	2044
11/1/2024	Schools (This Issue).....	TBD	1,890,000	1,890,000	2045
			<b>\$106,819,000</b>	<b>\$ 48,277,000</b>	
<b><u>Sewers</u></b>					
4/20/2006	Clean Water Fund Loan #489-C....	2.00	\$ 889,772	\$ 80,298	2037
			<b>\$ 889,772</b>	<b>\$ 80,298</b>	
	<b>Total .....</b>		<b>\$154,106,772</b>	<b>\$ 82,720,298</b>	

**Short-Term Debt: Notes**

<u>Date of Issue</u>	<u>Purpose</u>	<u>Rate %</u>	<u>Original Issue Amount</u>	<u>Principal Outstanding as of 11/1/24</u>	<u>Date of Fiscal Year Maturity</u>
<b><u>General Purpose</u></b>					
11/1/2024	General Purpose (This Issue).....	TBD	\$ 8,905,000	\$ 8,905,000	10/30/2025
			<b>8,905,000</b>	<b>8,905,000</b>	
<b><u>Sewers</u></b>					
11/1/2024	Sewers (This Issue).....	TBD	815,000	815,000	10/30/2025
			<b>815,000</b>	<b>815,000</b>	
	<b>Total .....</b>		<b>\$ 9,720,000</b>	<b>\$ 9,720,000</b>	

**Other Long-Term Commitments: Lease Liabilities**

<b>Fiscal Year Ended June 30</b>	<b>Principl</b>	<b>Interest</b>
2024	\$ 100,994	\$ 33,672
2025	82,296	30,116
2026	74,108	26,990
2027	64,141	23,998
2028	65,176	21,187
2029	74,149	18,254
2030	77,486	14,918
2031	80,973	11,431
2032	84,617	7,787
2033	88,426	3,979
Total lease payments	<u>\$ 792,366</u>	<u>\$ 192,332</u>

**COMBINED SCHEDULE OF LONG-TERM DEBT**

As of November 1, 2024

(Pro Forma)

<b>Fiscal Year</b>	<b>Principal Payments</b>	<b>Interest Payments</b>	<b>Total Debt Service</b>	<b>The Bonds Principal Payments</b>	<b>All Issues Principal (1)</b>
2024-25	\$ 7,932,911	\$ 2,317,623	\$ 10,250,534	\$ -	\$ 7,932,911
2025-26	8,184,907	1,912,454	10,097,361	-	8,184,907
2026-27	7,620,000	1,637,820	9,257,820	300,000	7,920,000
2027-28	6,475,000	1,413,932	7,888,932	300,000	6,775,000
2028-29	6,030,000	1,233,375	7,263,375	300,000	6,330,000
2029-30	5,250,000	1,093,199	6,343,199	300,000	5,550,000
2030-31	5,220,000	977,392	6,197,392	300,000	5,520,000
2031-32	5,190,000	859,992	6,049,992	300,000	5,490,000
2032-33	5,185,000	740,648	5,925,648	300,000	5,485,000
2033-34	4,805,000	626,648	5,431,648	300,000	5,105,000
2034-35	4,775,000	517,548	5,292,548	300,000	5,075,000
2035-36	4,690,000	407,583	5,097,583	300,000	4,990,000
2036-37	3,190,000	310,825	3,500,825	300,000	3,490,000
2037-38	2,805,000	231,510	3,036,510	300,000	3,105,000
2038-39	2,350,000	162,713	2,512,713	340,000	2,690,000
2039-40	1,900,000	105,156	2,005,156	450,000	2,350,000
2040-41	1,000,000	64,969	1,064,969	450,000	1,450,000
2041-42	675,000	40,188	715,188	450,000	1,125,000
2042-43	350,000	22,094	372,094	450,000	800,000
2043-44	350,000	7,438	357,438	450,000	800,000
2044-45	-	-	-	450,000	450,000
	<u>\$83,977,817</u>	<u>\$14,683,107</u>	<u>\$ 98,660,924</u>	<u>\$ 6,640,000</u>	<u>\$90,617,817</u>

(1) Does not reflect fiscal year 2024-25 principal payments of \$7,897,520 made as of November 1, 2024.

Source: Town of North Haven.

**THE TOWN OF NORTH HAVEN, CONNECTICUT HAS NEVER DEFAULTED IN THE PAYMENT OF PRINCIPAL OR INTEREST ON ITS BONDS OR NOTES.**

**OVERLAPPING AND UNDERLYING INDEBTEDNESS**

The Town has no overlapping or underlying indebtedness.

**DEBT STATEMENT**  
As of November 1, 2024  
(Pro Forma)

<b>Long-Term Indebtedness (1)</b>	
The Bonds (This Issue).....	\$ 6,640,000
General Purpose.....	29,613,000
Schools.....	46,387,000
State of Connecticut CWF Project Loan Obligation.....	<u>80,298</u>
<b>Total Long-Term Indebtedness.....</b>	<b>82,720,298</b>
<b>Short-Term Indebtedness</b>	
The Notes (This Issue).....	<u>9,720,000</u>
<b>Total Direct Indebtedness.....</b>	<b>92,440,298</b>
<b>Exclusions.....</b>	<u>-</u>
<b>Total Net Direct Indebtedness.....</b>	<b><u>\$ 92,440,298</u></b>

(1) Does not include authorized but unissued debt of \$11,176,080. See "Authorized but Unissued Debt" herein for a complete list of all projects currently authorized by the Town.

**CURRENT DEBT RATIOS**  
As of November 1, 2024  
(Pro Forma)

Total Direct Indebtedness.....	\$ 92,940,298
Total Net Direct Indebtedness.....	\$ 92,940,298
Population (1).....	24,179
Net Taxable Grand List (10/1/23).....	\$3,271,170,593
Estimated Full Value.....	\$4,673,100,847
Equalized Net Taxable Grand List (2022) (2).....	\$6,119,152,059
Per Capita Income (2022) (1).....	\$ 58,801
<b>Total Direct Indebtedness:</b>	
Per Capita.....	\$3,843.84
To Net Taxable Grand List .....	2.84%
To Estimated Full Value .....	1.99%
To Equalized Net Taxable Grand List.....	1.52%
Per Capita to Per Capita Income.....	6.54%
<b>Total Net Direct Indebtedness:</b>	
Per Capita.....	\$3,843.84
To Net Taxable Grand List.....	2.84%
To Estimated Full Value.....	1.99%
To Equalized Net Taxable Grand List.....	1.52%
Per Capita to Per Capita Income.....	6.54%

(1) U.S. Department of Commerce, 2018-2022 American Community Survey.  
 (2) Office of Policy and Management, State of Connecticut

**LEGAL REQUIREMENTS FOR APPROVAL OF BORROWING**

The Town has the power to incur indebtedness as provided by the Connecticut General Statutes and the Town Charter. The issuance of bonds and notes is authorized by the Town Meeting following recommendation by the Board of Finance, except for refunding bonds which are authorized by the Board of Selectmen.

**TEMPORARY FINANCING**

When general obligation bonds have been authorized, bond anticipation notes may be issued maturing in not more than two years (CGS Sec. 7-378). Temporary notes may be renewed up to ten years from their original date of issue as long as all project grant payments are applied toward payment of project costs or temporary notes when they become due and payable, and the legislative body schedules principal reductions by the end of the third year and for each subsequent year during which such temporary notes remain outstanding, in an amount equal to a minimum of 1/20<sup>th</sup> (1/30<sup>th</sup> for sewer projects and certain school projects) of the estimated net project cost (CGS Sec. 7-378a). The term of the bond issue is reduced by the amount of time temporary financing exceeds two years.

Temporary notes must be permanently funded no later than ten years from their initial borrowing date, except sewer notes issued in anticipation of State and/or Federal grants. If written commitment exists, the municipality may renew the sewer notes from time to time in terms not to exceed six months until such time that the final grant payments are received (CGS Sec. 7-378b).

Temporary notes may also be issued for up to 15 years for certain capital projects associated with the operation of a waterworks system (CGS Sec. 7-244a) or a sewage system (CGS Sec. 7-264a). In the first year following the completion of the project(s), or in the sixth year following the original date of issue (whichever is sooner), and in each year thereafter, the notes must be reduced by 1/15<sup>th</sup> of the total amount of the notes issued by funds derived from sources of payment specified by statute. Temporary notes may be issued in one-year maturities for up to 15 years in anticipation of sewer assessments receivable, such notes to be reduced annually by the amount of assessments received during the preceding year (CGS Sec. 7-269a).

**SCHOOL BUILDING GRANT REIMBURSEMENTS**

Pursuant to Section 10-287i of the Connecticut General Statutes, the State of Connecticut will provide proportional progress payments for eligible school construction expenses on projects approved after July 1, 1996 (the "Current Program").

Under the Current Program, the State of Connecticut is making proportional progress payments for eligible construction costs during project construction. The State grants are paid directly to the municipality after it submits its request for progress payments, and accordingly, the municipality issues its bonds only for its share of project costs.

<u>Project</u>	<u>Amount of Total Authorization</u>	<u>Estimated Non-reimbursable Costs</u>	<u>Estimated Eligible Cost For Reimbursement</u>	<u>Reimbursement Rate (%)</u>	<u>Estimated Grant</u>
North Haven Middle School.....	\$ 69,814,452	\$ 21,596,364	\$ 48,218,088	39.64	\$19,113,650

**CLEAN WATER FUND PROGRAM**

The Town is a participant in the State of Connecticut Clean Water Fund Program (Connecticut General Statutes Section 22a-475 et seq., as amended) which provides financial assistance through a combination of grants and loans bearing interest at a rate of 2% per annum. All participating municipalities receive a grant of 20% and a loan of 80% of total eligible costs (with the exception of combined sewer overflow correction projects which are financed with a 50% grant and a 50% loan and denitrification projects which are financed by a 30% grant and 70% loan.)

Loans to each municipality are made pursuant to Project Grant and Project Loan Agreements (the "Loan Agreement"). Each municipality is obligated to repay only that amount which it draws down for the payment of project costs (Interim Funding Obligations). Each municipality must deliver to the State an obligation secured by the full faith and credit of the municipality, and/or a dedicated source of revenue of such municipality.

Amortization of each loan is required to begin one year from the earlier of the project completion date specified in the Loan Agreement or the actual project completion date. The final maturity of each loan is twenty years from the scheduled completion date. Principal and interest payments are made (1) in equal monthly installments commencing one month after the scheduled completion date, or (2) in single annual installments representing 1/20 of total principal not later than one year from the project completion date specified in the Loan Agreement repayable thereafter in monthly installments. Loans made under loan agreements entered into prior to July 1, 1989 are repayable in annual installments. Borrowers may elect to make level debt service payments or level principal payments. Borrowers may prepay their loans at any time prior to maturity without penalty.

The Town has the following Clean Water Project Loan Obligation ("PLO") outstanding:

<u>Project</u>	<u>Original 2% Loan Amount</u>	<u>Amount Outstanding As of November 1, 2024</u>
CWF PLO 489-C.....	\$ 889,772	\$ 80,298

**LIMITATION OF INDEBTEDNESS**

Municipalities shall not incur indebtedness through the issuance of bonds or notes which will cause aggregate indebtedness by class to exceed the following:

General Purposes:	2.25 times annual receipts from taxation
School Purposes:	4.50 times annual receipts from taxation
Sewer Purposes:	3.75 times annual receipts from taxation
Urban Renewal Purposes:	3.25 times annual receipts from taxation
Unfunded Pension Liability Purposes:	3.00 times annual receipts from taxation

In no case however, shall total indebtedness exceed seven times the base. "Annual receipts from taxation," (the "base") are defined as total tax collections including interest, penalties and late payment of taxes and state payments for revenue loss under CGS Sections 12-129d and 7-528.

Section 7-374 of the Connecticut General Statutes also provides for exclusion from the debt limit calculation debt (i) issued in anticipation of taxes; (ii) issued for the supply of water, gas, electricity, electric demand response, conservation and load management, distributed generation and renewable energy projects; for the construction of subways for cables, wires and pipes; for the construction of underground conduits for cables, wires and pipes; for the construction and operation of a municipal community antenna television system and for two or more of such purposes; (iii) issued in anticipation of the receipt of proceeds from assessments levied upon property benefited by any public improvement; (iv) issued in anticipation of the receipt of proceeds from State or Federal grants evidenced by a written commitment or for which allocation has been approved by the State Bond Commission or from a contract with the state, state agencies or another municipality providing for the reimbursement of costs but only to the extent such indebtedness can be paid from such proceeds; (v) issued for certain water pollution control projects; and (vi) upon placement in an escrow of the proceeds of refunding bonds, notes or other obligations or other funds of the municipality in an amount sufficient to provide for the payment when due of principal of and interest on such bond, note or other evidence of indebtedness.

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**STATEMENT OF STATUTORY DEBT LIMITATION**

As of November 1, 2024

(Pro Forma)

Total tax collections (including interest and lien fees) - Base for Establishing Debt Limit (1) \$ 96,285,224

<u>Debt Limitation</u>	<u>General Purpose</u>	<u>Schools</u>	<u>Sewers</u>	<u>Urban Renewal</u>	<u>Past Pension</u>	<u>Total Debt</u>
(2.25 times base).....	\$ 216,641,754					
(4.50 times base).....		\$ 433,283,508				
(3.75 times base).....			\$ 361,069,590			
(3.25 times base).....				\$ 312,926,978		
(3.00 times base).....					\$ 288,855,672	
(7.00 times base).....						\$ 673,996,568
<b>Indebtedness (Including the Bonds and Notes)</b>						
Bonds Payable.....	\$ 29,613,000	\$ 46,387,000	\$ -	\$ -	\$ -	\$ 76,000,000
The Bonds (This Issue)....	4,750,000	1,890,000	-	-	-	6,640,000
The Notes (This Issue)....	8,905,000	-	815,000	-	-	9,720,000
State of Connecticut Clean Water Fund Project Loan Obligation ("PLO").....	-	-	80,298	-	-	80,298
Authorized but Unissued Debt.....	11,065,278	110,802	-	-	-	11,176,080 (2)
Total Indebtedness	54,333,278	48,387,802	895,298	-	-	103,616,378
Less receivable:						
Grants receivable (2).....	(11,065,278)	-	(447,550)	-	-	(11,512,828)
Total Net Indebtedness....	43,268,000	48,387,802	447,748	-	-	92,103,550
Excess of Limit Over Outstanding and Authorized Debt.....	\$ 173,373,754	\$ 384,895,706	\$ 360,621,842	\$ 312,926,978	\$ 288,855,672	\$ 581,893,018

(1) Fiscal year ending June 30, 2024 tax collections are not yet available, however the Town expects fiscal year 2024 tax collections will exceed the amount collected in fiscal year 2023. As a result, the Town expects that its statutory debt limit will increase.

(2) It is estimated that the Town will receive grants for the balance of the authorizations and does not expect to finance the authorized but unissued amounts.

Source: Town Officials.

**AUTHORIZED BUT UNISSUED DEBT**

<u>Projects</u>	<u>Amount Authorized</u>	<u>Prior Financings</u>	<u>Notes Maturing November 1, 2024</u>	<u>Paydowns/ Grants (1)</u>	<u>The Bonds (This Issue)</u>	<u>The Notes (This Issue)</u>	<u>Authorized But Unissued</u>
Sackett Point Bridge.....	\$ 15,000,000	\$ 1,200,000	\$ -	\$ 9,980,722	\$ -	\$ 3,000,000	\$ 819,278 (2)
Valley Service Road.....	2,150,000	-	2,150,000	-	2,150,000	-	-
North Haven Middle School.....	69,814,452	50,700,000	-	19,113,650	-	-	802
2020 School Security Improvements.....	2,000,000	-	1,890,000	-	1,890,000	-	110,000
2022 Road Milling and Paving Project.....	2,600,000	-	2,600,000	-	2,600,000	-	-
Recycling/Transfer Center Improvements...	355,000	-	355,000	-	-	355,000	-
Water Pollution Control Facility Studies.....	815,000	-	815,000	-	-	815,000	- (3)
Town Roads and Bridges Improvements..	6,407,000	-	3,135,000	-	-	3,135,000	3,272,000 (3)
The Five Mile Brook Channel Clearing Conservation Project.....	193,000	-	45,000	-	-	45,000	148,000 (3)
Town Sports and Recreation Facilities Repairs and Improvements.....	751,000	-	469,000	-	-	469,000	282,000 (3)
Temple Pines Senior Housing Facility Repairs and Improvements.....	5,700,000	-	-	-	-	-	5,700,000 (3)
Town Buildings Repairs, Improvements and Replacements.....	2,745,000	-	1,901,000	-	-	1,901,000	844,000 (3)
Total.....	\$ 108,530,452	\$ 51,900,000	\$ 13,360,000	\$ 29,094,372	\$ 6,640,000	\$ 9,720,000	\$ 11,176,080

(1) Over the life of the authorization.

(2) It is estimated the Town will receive State and Federal grants in the amount of \$13,500,000 during the construction of the Sackett Point Bridge project. As of November 1, 2024, the Town has received \$9,980,722 in grants. The Notes are expected to be paid for by the expected grants.

(3) It is estimated that the Town will receive grants for the balance of the authorizations and does not expect to finance the authorized but unissued amounts.

Source: Town Officials.

## HISTORICAL DEBT STATEMENT

	<u>2023-24 (1)</u>	<u>2022-23</u>	<u>2021-22</u>	<u>2020-21</u>	<u>2019-20</u>
Population (2).....	24,179	24,179	24,179	24,179	24,179
Net taxable grand list.....	\$3,263,248,428	\$3,219,183,624	\$3,124,595,937	\$3,115,065,924	\$2,886,587,315
Estimated full value.....	\$4,661,783,469	\$4,598,833,749	\$4,463,708,481	\$4,450,094,177	\$4,123,696,164
Equalized net taxable grand list (3).....	\$6,119,152,059	\$5,791,127,993	\$4,996,037,259	\$4,448,012,262	\$4,390,105,930
Per capita income (2).....	\$ 58,801	\$ 58,801	\$ 58,801	\$ 58,801	\$ 58,801
Short-term debt.....	\$ 13,360,000	\$ 16,250,000	\$ 7,820,000	\$ 9,700,000	\$ 11,200,000
Long-term debt.....	<u>83,977,817</u>	<u>85,289,681</u>	<u>90,580,519</u>	<u>90,555,351</u>	<u>89,123,222</u>
Total Direct Indebtedness.....	\$ 97,337,817	\$ 101,539,681	\$ 98,400,519	\$ 100,255,351	\$ 100,323,222
Net Direct Indebtedness.....	\$ 97,337,817	\$ 101,539,681	\$ 98,400,519	\$ 100,255,351	\$ 100,323,222

(1) Unaudited estimates.

(2) U.S. Department of Commerce, 2018-2022 American Community Survey.

(3) Office of Policy and Management, State of Connecticut.

## HISTORICAL DEBT RATIOS

	<u>2023-24 (1)</u>	<u>2022-23</u>	<u>2021-22</u>	<u>2020-21</u>	<u>2019-20</u>
<b>Total Direct Indebtedness:</b>					
Per capita.....	\$4,025.72	\$4,199.50	\$4,069.67	\$4,146.38	\$4,149.19
To net taxable grand list.....	2.98%	3.15%	3.15%	3.22%	3.48%
To estimated full value.....	2.09%	2.21%	2.20%	2.25%	2.43%
To equalized net taxable grand list.....	1.59%	1.75%	1.97%	2.25%	2.29%
Debt per capita to per capita income.....	6.85%	7.14%	6.92%	7.05%	7.06%
<b>Net Direct Indebtedness:</b>					
Per capita.....	\$4,025.72	\$4,199.50	\$4,069.67	\$4,146.38	\$4,149.19
To net taxable grand list.....	2.98%	3.15%	3.15%	3.22%	3.48%
To estimated full value.....	2.09%	2.21%	2.20%	2.25%	2.43%
To equalized net taxable grand list.....	1.59%	1.75%	1.97%	2.25%	2.29%
Debt per capita to per capita income.....	10.33%	10.77%	10.44%	10.64%	10.65%

(1) Unaudited estimates.

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**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES TO TOTAL GENERAL FUND  
EXPENDITURES AND TRANSFERS OUT**

<b>Fiscal Year Ended 6/30</b>	<b>Annual Debt Service</b>	<b>Total General Fund Expenditures and Transfers out</b>	<b>Ratio of General Fund Debt Service to Total General Fund Expenditures and Transfers Out %</b>
2024 (1)	\$ 9,775,986	\$ 121,500,383	8.05%
2023 (1)	9,109,970	116,023,597	7.85%
2022	8,453,853	118,812,208	7.12%
2021	8,578,004	114,841,711	7.47%
2020	7,685,747	103,785,950	7.41%
2019	6,654,290	107,618,059	6.18%
2018	6,790,890	106,468,449	6.38%
2017	6,650,021	103,822,324	6.41%
2016	6,315,065	97,609,813	6.47%
2015	6,436,326	95,920,586	6.71%

(1) Fiscal years 2023-24 and 2024-25 adopted budget are presented on a budgetary basis, all other fiscal years are presented on a GAAP basis.

Source: Annual audited financial statements, fiscal year 2023-24 estimated actuals and 2024-25 adopted budget.

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## VII. LEGAL AND OTHER LITIGATION

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### LITIGATION

The Town, its officers, employees, boards and commissions are defendants in a number of lawsuits. Following consultation with the Town Attorney, it is the opinion of Town Officials that such pending litigation will not be finally determined so as to result individually or in the aggregate in a final judgment against the Town which would materially adversely affect its financial position.

### MUNICIPAL ADVISOR

The Town has retained Munistat Services, Inc. (the "Municipal Advisor") to serve as its municipal advisor in connection with the issuance of the Bonds and the Notes. The Municipal Advisor has not independently verified any of the information contained in this Official Statement and makes no guarantee as to its completeness or accuracy.

### DOCUMENTS ACCOMPANYING DELIVERY OF THE BONDS AND THE NOTES

Upon delivery of the Bonds and the Notes, the original purchaser(s) will be furnished with the following:

1. Signature and No Litigation Certificate stating that at the time of delivery no litigation is pending or threatened affecting the validity of the Bonds and the Notes or the levy or collection of taxes to pay them.
2. A certificate on behalf of the Town, signed by the First Selectman and Town Treasurer, which will be dated the date of delivery and which will certify to the best of said officials' knowledge and belief, that at the time bids were accepted on the Bonds and the Notes, the descriptions and statements in the Official Statement relating to the Town and its finances were true and correct in all material respects and did not contain any untrue statements of a material fact or omit to state a material fact necessary to make the statement therein, in the light of the circumstances under which they were made, not misleading, and that there has been no material adverse change in the financial condition of the Town from that set forth in or contemplated by the Official Statement;
3. Receipts for the purchase price of the Bonds and the Notes;
4. The approving opinions of Pullman & Comley, LLC, Bond Counsel in substantially in the forms attached as Appendices B and C;
5. Executed Continuing Disclosure Agreements for the Bonds and the Notes in substantially the forms attached hereto as Appendices D and E; and
6. Within seven business days of the bid opening, the Town will furnish the purchaser of the Bonds and each purchaser of the Notes a reasonable number of copies of the Official Statement, as prepared by the Town.

A record of the proceedings taken by the Town in authorizing Bonds and the Notes will be kept on file at the principal office of U.S. Bank Trust Company, National Association, CityPlace I, 185 Asylum St., 27th Floor, Hartford, Connecticut, and will be available for examination upon reasonable request.

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**CONCLUDING STATEMENT**

Additional information may be obtained upon request from the office of the First Selectman at (203) 239-5321 or from Munistat Services, Inc. at (203) 421-2087.

Any statements in this Official Statement involving matters of opinion or estimates, whether or not expressly so stated, are intended as such and as representations of fact. No representation is made that any of such statements will be realized. This Official Statement is not to be construed as a contract or agreement between the Town and the purchasers or holders of any of the Bonds and the Notes.

This Official Statement has been duly authorized and approved by the Town and duly executed and delivered on its behalf by the Town.

**TOWN OF NORTH HAVEN, CONNECTICUT**

**BY:** \_\_\_\_\_  
**MICHAEL J. FREDA**  
*First Selectman*

**BY:** \_\_\_\_\_  
**DONALD CLARK**  
*Town Treasurer*

**Dated: October 4, 2024**

**APPENDIX A - AUDITED FINANCIAL STATEMENTS**

**TOWN OF NORTH HAVEN, CONNECTICUT**

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**Appendix A - Financial Statements** - is taken from the Annual Financial Report of the Town of North Haven for the Fiscal Year ended June 30, 2023 as presented by the Auditors. This appendix does not include all of the schedules made in such report. A copy of the complete report is available upon request to the Director of Finance/Administration, Town of North Haven, Connecticut.

The independent auditors for the Town are not passing upon and do not assume responsibility for the sufficiency, accuracy or completeness of the financial information presented in this Official Statement, and make no representation that they have independently verified the same. The auditors have not been engaged nor performed audit procedures regarding the post audit period. The auditors have not provided their consent for the use of the audit report in this Official Statement.



## **Independent Auditors' Report**

**Board of Finance  
Town of North Haven, Connecticut**

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of North Haven, Connecticut ("Town"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town, as of June 30, 2023, 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.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

#### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists.

**Board of Finance  
Town of North Haven, Connecticut**

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The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Town's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

***Required Supplementary Information***

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

**Board of Finance  
Town of North Haven, Connecticut**

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***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Information***

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

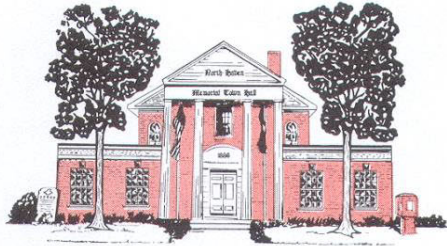
In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 6, 2024 on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

*PKF O'Connor Davies, LLP*

Wethersfield, Connecticut  
September 6, 2024



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



REPLY TO:

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

**Management's Discussion and Analysis  
 For the Year Ended June 30, 2023**

As management of the Town of North Haven, Connecticut ("Town"), we offer readers of the financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2023. Please read it in conjunction with the Town's financial statements immediately following this section.

**Financial highlights**

- The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Change in net position	\$ 8,565,056	\$ (115,947)	\$ 8,449,109
Total net position	62,869,857	28,194,306	91,064,163
Unrestricted net position	(96,873,325)	6,367,564	(90,505,761)

- The significant factors for the change in net position are as follows:

Governmental and enterprise fund activity:

➤ negative operations in the capital nonrecurring fund of	\$ (677,300)
➤ positive operations in other governmental funds of	801,871
➤ negative operations of the WPCA fund of	(115,947)

Conversion to accrual basis on Exhibit E:

➤ capital outlay net of depreciation/amortization expense of	9,437,773
➤ net principal debt activity of	735,730
➤ change in net pension liability of	(681,746)
➤ change in net OPEB liability of	(2,014,506)
➤ change in pension and OPEB deferred inflows/outflows of	(1,075,878)
➤ operations of the internal service funds of	186,533

- The Town's governmental funds reported combined fund balance of \$15,734,687 a decrease of \$67,462 compared to the prior year. The change is based on the operating results of each major fund noted above and described in further detail in the Financial Analysis of the Town's Funds section.

## Management's Discussion and Analysis (continued)

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- At the end of the current fiscal year, the unassigned fund balance in the General Fund was \$9,226,155 or 8.04% of total budgetary general fund expenditures and transfers out.
- The Town's total debt decreased by \$957,998 or 0.97% as the result of the issuance of \$6,550,020 of long-term debt, net of scheduled principal payments on outstanding debt of \$7,508,010.
- Net capital assets increased by \$9,408,263 during the current fiscal year. The increase is attributable to capital asset additions, primarily in construction in progress, in excess of depreciation/amortization expense.
- During the year, the Town implemented GASB No. 96 – Subscription-Based Information Technology Arrangements. The implementation of this statement has no impact on beginning equity, but has the following impact on the Town's financial statements.

	<u>Governmental Activities</u>
Capital assets:	
Intangible right-to-use subscription assets	\$ 266,674
Long-term liabilities:	
Subscription payable	266,674

### **Overview of the basic financial statements**

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

### **Government-wide financial statements**

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

The *statement of net position* presents information on all of the Town's assets, deferred outflows, liabilities and deferred inflows, with the difference being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of the Town's financial health. Other non-financial events such as the impact of changes in the Town's tax base or infrastructure should also be considered when evaluating the Town's financial health.

The *statement of activities* presents information showing how the Town's net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of when the cash is actually received or paid. Therefore, revenues and expenses are reported in this statement for some items whose cash flow may occur in a future fiscal period. Taxes uncollected but levied or vacation leave unused but earned are examples of this.

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenue (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Town include general government, public works, public safety, health and welfare, culture and recreation, and education. The business-type activities of the Town include the Water Pollution Control Authority.

The government-wide financial statements can be found on Exhibits A and B of this report.

## Management's Discussion and Analysis (continued)

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### **Fund financial statements**

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

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

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

For governmental funds, the Town presents separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Bonded Projects Fund and Capital Nonrecurring Fund, all of which are considered to be major funds. The remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the other governmental funds is provided in the form of combining statements elsewhere in this report.

**Proprietary funds** - The Town uses two different types of proprietary funds. Enterprise funds are used to report the functions presented as business-type activities in the government-wide financial statements. The Town uses an enterprise fund to report the activities of the Water Pollution Control Authority. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Town's various functions.

The Town uses internal service funds to account for its employees and retirees' self-insured medical benefits as well as other liability insurances. Because these services predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water Pollution Control Authority. The Water Pollution Control Authority is considered a major fund.

The basic proprietary fund financial statements can be found on Exhibits F, G, and H.

**Fiduciary funds** - Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Town's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on Exhibits I and J.

## **Management's Discussion and Analysis (continued)**

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### **Notes to financial statements**

The notes to financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to financial statements can be found on Exhibit K of this report.

### **Required supplementary information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information as follows:

- A budgetary comparison schedule for the General Fund to demonstrate compliance with this budget.
- Schedules to demonstrate the Town's progress in funding its obligation to provide pension benefits.
- Schedules to demonstrate the Town's progress in funding its obligation to provide other post-employment benefits.

### **Other information**

The combining statements referred to earlier in connection with other governmental funds are presented immediately following the required supplementary information.

### **Government-wide financial analysis**

As noted earlier, net position may, over time, serve as a useful indicator of a government's financial position. In the case of the Town, the assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$91,064,163.

By far, the largest portion of the Town's net position is its investment in capital assets. The amount is calculated using total capital assets less any related debt and other liabilities used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town'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.

An additional portion of the Town's net position represents resources that are subject to restrictions on how they may be used. Restricted net position is \$2,477,848.

## Management's Discussion and Analysis (continued)

The analysis below focuses on the net position and changes in net position. Unrestricted net position at year-end totaled \$(90,505,761). This is a increase of \$13,719,977 from the prior year.

### Summary Statement of Net Position June 30

	Governmental Activities		Business-Type Activities		Totals	
	2023	2022 (as restated)	2023	2022	2023	2022 (as restated)
Current and other assets	\$46,722,903	\$ 40,618,477	\$ 7,702,080	\$ 6,400,685	\$54,424,983	\$ 47,019,162
Capital assets (net)	267,402,815	258,135,363	21,826,742	21,952,605	289,229,557	280,087,968
<b>Total assets</b>	<b>314,125,718</b>	<b>298,753,840</b>	<b>29,528,822</b>	<b>28,353,290</b>	<b>343,654,540</b>	<b>327,107,130</b>
Deferred outflows of resources	33,069,463	26,973,249	-	-	33,069,463	26,973,249
Long-term liabilities outstanding	225,505,824	225,316,090	-	-	225,505,824	225,316,090
Other liabilities	32,282,875	26,492,265	1,334,516	43,037	33,617,391	26,535,302
<b>Total liabilities</b>	<b>257,788,699</b>	<b>251,808,355</b>	<b>1,334,516</b>	<b>43,037</b>	<b>259,123,215</b>	<b>251,851,392</b>
Deferred inflows of resources	26,536,625	19,613,933	-	-	26,536,625	19,613,933
Net investment in capital assets	157,265,334	150,662,682	21,826,742	21,952,605	179,092,076	172,615,287
Restricted	2,477,848	14,225,505	-	-	2,477,848	14,225,505
Unrestricted	(96,873,325)	(110,583,386)	6,367,564	6,357,648	(90,505,761)	(104,225,738)
<b>Total net position</b>	<b>\$62,869,857</b>	<b>\$ 54,304,801</b>	<b>\$28,194,306</b>	<b>\$28,310,253</b>	<b>\$91,064,163</b>	<b>\$ 82,615,054</b>

## Management's Discussion and Analysis (continued)

As detailed below, the Town's total net position increased by \$8,449,109 during the current fiscal year:

### Statement of Changes in Net Position For the Year Ended June 30

	Governmental Activities		Business-Type Activities		Totals	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program revenues:						
Charges for services	\$ 7,058,631	\$ 5,602,882	\$ 4,222,335	\$ 3,602,671	\$ 11,280,966	\$ 9,205,553
Operating grants and contributions	17,455,803	18,688,087	-	-	17,455,803	18,688,087
Capital grants and contributions	10,223,202	7,382,823	-	-	10,223,202	7,382,823
General revenues:						
Property taxes	100,686,517	96,959,513	-	-	100,686,517	96,959,513
Grants and contributions not restricted to specific programs	1,739,513	1,272,434	-	-	1,739,513	1,272,434
Income from investments	34,824	403,736	-	-	34,824	403,736
Other	417,079	1,011,036	-	-	417,079	1,011,036
Total revenues	<u>137,615,569</u>	<u>131,320,511</u>	<u>4,222,335</u>	<u>3,602,671</u>	<u>141,837,904</u>	<u>134,923,182</u>
Expenses:						
General government	11,287,888	11,326,366	-	-	11,287,888	11,326,366
Public safety	22,881,149	19,379,643	-	-	22,881,149	19,379,643
Health and human services	2,854,925	1,277,786	-	-	2,854,925	1,277,786
Public works	10,807,758	9,215,257	-	-	10,807,758	9,215,257
Recreation	2,710,362	2,428,003	-	-	2,710,362	2,428,003
Education	76,221,574	75,338,332	-	-	76,221,574	75,338,332
Interest	2,286,857	2,653,212	-	-	2,286,857	2,653,212
WPCA	-	-	4,338,282	2,671,404	4,338,282	2,671,404
Total expenses	<u>129,050,513</u>	<u>121,618,599</u>	<u>4,338,282</u>	<u>2,671,404</u>	<u>133,388,795</u>	<u>124,290,003</u>
Change in net position	8,565,056	9,701,912	(115,947)	931,267	8,449,109	10,633,179
Net position - July 1	<u>54,304,801</u>	<u>44,602,889</u>	<u>28,310,253</u>	<u>27,378,986</u>	<u>82,615,054</u>	<u>71,981,875</u>
Net position - June 30	<u>\$62,869,857</u>	<u>\$ 54,304,801</u>	<u>\$ 28,194,306</u>	<u>\$28,310,253</u>	<u>\$ 91,064,163</u>	<u>\$ 82,615,054</u>

The increase in the Town's net position was \$8,449,109. Of the total increase, \$8,565,056 was for governmental activities and \$(115,947) was for business-type activities. The detailed discussion of reasons for the results are discussed below.

## Management's Discussion and Analysis (continued)

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### Governmental activities

#### Revenues

Governmental activities revenues totaled \$137,615,569. This represents an increase of \$6,295,058 from the prior year. Property taxes are the largest revenue source for the Town and represent 73.17% of revenues.

Charges for services	5.13%
Operating grants and contributions	12.68%
Capital grants and contributions	7.43%
Property taxes	73.17%
Grants and contributions not restricted to specific programs	1.26%
Income from investments	0.03%
Other	0.30%
Total	<u>100.00%</u>

The most significant fluctuations from the prior year were as follows:

- Charges for services increased by \$1,455,749 primarily due to an increase in charges for police outside services of \$382,573, school lunch revenues of \$382,573 and recreation fees of \$140,176. The increases were related to the relaxing of COVID-related restrictions as compared to the prior year.
- Operating grants and contributions decreased by \$1,232,284 primarily due to a decrease in school cafeteria grants of \$763,539 and ESSER grants of \$989,644.
- Capital grants and contributions increased by \$2,840,379 primarily due to an increase in capital related ARPA projects and the highway planning grant of \$1,827,756, offset by a decrease in the FEMA grant of \$898,443.
- Property taxes increased by \$3,727,004 due to the increase in the tax levy necessary to support the adopted budget.

#### Expenses

Governmental activity expenses totaled \$129,050,513 for the fiscal year, an increase of \$7,431,914. Of the expenses, \$76,221,574 or 59.07% is related to education. Details for the other categories are as follows:

General government	8.75%
Public safety	17.73%
Health and human services	2.21%
Public works	8.37%
Recreation	2.10%
Education	59.07%
Interest	1.77%
Total	<u>100.00%</u>

## **Management's Discussion and Analysis (continued)**

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The most significant fluctuations from the prior year were as follows:

- Public safety expenses increased by \$3,501,506 primarily due to the increase in the annual operating budget of \$518,754 and an increase in OPEB pension of \$2,279,333
- Health and human services expenses increased by \$1,577,139 primarily due to a increase in pension expense of \$1,628,099
- Public works expenses increased by 1,592,501 due to an increase in pension expense of \$1,514,426
- Education expenses increased by \$883,242 primarily due to the following:
  - Increase in education expenses of \$1,383,664 resulting from an increase in the education budget
  - Increase in OPEB expense of \$616,347
  - Decrease in ESSER grant expenses of \$989,644
  - Decrease in medical insurance claim expenses of \$291,644

### **Business-type activities**

General revenues do not support the Town's business-type activities; thus, the only source of revenues is from charges for services. The Town's only business-type activity, the Water Pollution Control Authority's operation resulted in a decrease in net position of \$115,947 due to an increase in revenues of \$619,664, a decrease in repairs and maintenance of \$700,719 and an increase in contracted services of \$2,019,900. Unrestricted net position of the Water Pollution Control Authority was \$6,367,564 at year end.

### **Financial analysis of the Town's funds**

As stated earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

### **Governmental funds**

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

As of the end of the current fiscal year, the Town's governmental funds reported a combined ending fund balance of \$15,734,687, a decrease of \$67,462 in comparison with the prior year.

The components of fund balance were as follows:

Nonspendable	\$ 302,673
Restricted	2,276,126
Committed	6,174,768
Assigned	1,965,073
Unassigned	<u>5,016,047</u>
Total	<u>\$ 15,734,687</u>

## **Management's Discussion and Analysis (continued)**

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The decrease is a result of the following funds activity:

**General fund.** The general fund is the chief operating fund of the Town. At the end of the current fiscal year, unassigned fund balance was \$9,226,155. As a measure of the general fund's liquidity, it may be useful to compare unassigned fund balance to total general fund expenditures. Unassigned fund balance represents 8.04% of total general fund budgetary expenditures and transfers out, while total fund balance represents 9.92% of that same amount.

The Town's total fund balance in the general fund decreased by \$323,813 during the current fiscal year. This was primarily due to budgeted transfers in from special revenue funds not occurring for \$550,000 and the appropriation of fund balance of \$1,425,000. The shortfall in revenues was offset by spending savings of \$1,340,500. The details for these amounts are discussed in the budgetary highlights section.

### **General fund budgetary highlights**

On a budgetary basis, expenditures and other financing uses exceeded revenues and other financing sources by \$466,286. Overall, revenues and other financing sources were \$1,806,786 less than anticipated and expenditures and transfers out were \$1,340,500 less than budgeted.

The most significant budget variances were as follows:

#### **Revenues**

- The Town budgeted \$1,425,000 of fund balance to balance the 2023 budget. Due substantially to spending savings, only \$323,813 of the amount budgeted was used.
- Special revenue fund transfer in was under budget by \$550,000
- Intergovernmental revenues were under budget by \$270,009 primarily due to the ESSER grant being recorded in the education grants fund of \$998,083 offset by increases in the equal cost sharing grant exceeding the budget by \$266,606 and the Tiered PILOT exceeding the budget by \$467,978.

#### **Expenditures**

- Insurance was under budget by \$174,672 due to lower-than-expected insurance costs
- Parks was underbudget by \$190,773 due to lower maintenance and utility costs due to the construction at Vanacore field
- Education was under budget by \$316,081 due to savings in salary lines due to unfilled positions and the medical insurance line due to lower than expected claims.

Significant budget transfers were as follows:

- Personal policy was increased by \$236,169 due to unexpected retirements
- Engineering was decreased by \$109,000 due to unfilled positions

**Bonded projects fund.** The Bonded Projects Fund's net change in fund balance was an increase of \$131,780 for the fiscal year. This is primarily the result of timing of the funding and spending for projects. The ending fund balance was a deficit of \$3,349,649.

## Management's Discussion and Analysis (continued)

**Capital nonrecurring fund.** The Capital Nonrecurring Fund's net change in fund balance was a decrease of \$677,300 for the fiscal year mostly due to spending of the ARPA and municipal aid grants that were received in prior years.

### Proprietary funds

The Town's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The Town has two proprietary funds: Water Pollution Control Authority and the Internal Service Fund used for workers' compensation and various types of medical related claims.

**Water pollution control authority.** This fund is used to account for the Town's sewer operations. Operations resulted in a decrease in net position of \$115,947. The details for the change are discussed above under business-type activities.

**Internal service funds.** The internal service funds are used to account for dental, medical and workers' compensation claims. The internal service funds had an increase in net position of \$186,533. This is a result of increased expenses during the fiscal year for both the Town and Education workers compensation funds, while the funding remained comparable to the prior year. This was offset by the positive operations of both the Town and Education dental and medical funds. Total unrestricted net position of \$2,424,973 at year end.

### Capital asset and debt administration

**Capital assets** - The Town's investment in capital assets (net of accumulated depreciation/amortization) for its governmental and business-type activities amounted to \$267,402,815 and \$21,826,742, respectively. The net increase in the Town's investment in capital assets for the current fiscal year was \$9,408,263. This is mainly attributable to increases in construction in progress, machinery and equipment, and vehicles offset by depreciation/amortization expense.

#### Capital Assets - Net June 30

Category	Governmental Activities		Business-Type Activities		Totals	
	2023	2022 (as restated)	2023	2022 (as restated)	2023	2022 (as restated)
Land	\$ 3,681,628	\$ 3,681,628	\$ 21,000	\$ 21,000	\$ 3,702,628	\$ 3,702,628
Construction in progress	20,039,323	16,894,209	250,899	345,000	20,290,222	17,239,209
Intangible right-to-use assets	1,047,306	631,110	-	-	1,047,306	631,110
Land improvements	4,391,211	4,576,807	258,916	268,191	4,650,127	4,844,998
Buildings and improvements	181,453,831	183,535,286	10,793,735	10,597,425	192,247,566	194,132,711
Machinery and equipment	7,253,347	6,240,468	1,846,238	1,856,844	9,099,585	8,097,312
Vehicles	8,031,510	7,355,544	56,914	65,197	8,088,424	7,420,741
Distribution and collection system	-	-	8,599,040	8,798,948	8,599,040	8,798,948
Infrastructure	41,504,659	34,953,637	-	-	41,504,659	34,953,637
<b>Total</b>	<b>\$ 267,402,815</b>	<b>\$ 257,868,689</b>	<b>\$ 21,826,742</b>	<b>\$ 21,952,605</b>	<b>\$ 289,229,557</b>	<b>\$ 279,821,294</b>

## Management's Discussion and Analysis (continued)

Major capital asset events during the current fiscal year included the following:

### Governmental activities

Construction in progress:

➤ Sacket Point bridge	\$ 4,679,421
➤ Vancore field improvements	2,108,993
➤ Road reconstruction	3,410,757

Building and improvements additions:

➤ Vancore concessions building	509,735
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Machinery and equipment:

➤ Education technology equipment	576,549
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Vehicles:

➤ Crane carrier	321,761
➤ Police department van	137,500

Infrastructure:

➤ Roads	7,622,644
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### Business-type activities

Building and improvements:

➤ High school sewer system improvements	345,000
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Buildings and improvements:

➤ Grit collector	198,948
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Additional information on the Town's capital assets can be found in Note III.D.

**Long-term debt** - At the end of the year, the Town had long-term debt outstanding of \$97,870,202 backed by the full faith and credit of the Town.

	<u>Governmental Activities</u>	
	<u>2023</u>	<u>2022</u> (as restated)
General obligation bonds	\$ 85,140,000	\$ 91,275,000
Bond anticipation notes (permanently financed)	5,500,000	-
Equipment financing notes	5,994,189	6,446,943
Clean water loans	149,682	203,298
Leases	792,366	636,285
Subscriptions	293,965	266,674
Total	<u>\$ 97,870,202</u>	<u>\$ 98,828,200</u>

The Town's total debt decreased by \$957,998 during the current fiscal year. The decrease is the result of the issuance of \$6,550,020 of long-term debt, net of scheduled principal payments on outstanding debt of \$7,508,018.

## **Management's Discussion and Analysis (continued)**

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The Town maintained an AAA rating by Standard & Poor's and Fitch during the fiscal year for general obligation debt.

The overall statutory debt limit for the Town is equal to seven times annual receipts from prior year taxation or \$673,996,568, which is significantly in excess of the Town's outstanding general obligation debt

Additional information on the Town's long-term debt can be found in Note III.G.

### **Economic factors and next year's budgets and rates**

The 2023-2024 general fund adopted budget totaled \$121,500,383. The following economic factors currently affect the Town of North Haven and were considered in developing the 2023-2024 fiscal year budget:

- As of June 2023, the national unemployment rate was 3.6% and the State was 3.7%. The Town's unemployment rate was 3.3% as compared to 3.4% in the prior year.
- Inflationary trends in the region compare favorably to national indices.

### **Requests for information**

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

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**Basic  
Financial  
Statements**

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Town of North Haven, Connecticut

Statement of Net Position  
June 30, 2023

<u>Assets</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Current assets:			
Cash	\$ 23,860,013	\$ 2,591,869	\$ 26,451,882
Investments	17,518,513	-	17,518,513
Receivables (net):			
Property taxes	1,414,163	-	1,414,163
Assessments and usage	114,005	786,370	900,375
Intergovernmental	1,460,907	-	1,460,907
Leases	144,352	-	144,352
Other	168,964	-	168,964
Internal balances	(4,323,841)	4,323,841	-
Other	67,277	-	67,277
Total current assets	<u>40,424,353</u>	<u>7,702,080</u>	<u>48,126,433</u>
Noncurrent assets:			
Restricted assets:			
Temporarily restricted:			
Cash	2,157,394	-	2,157,394
Investments	289,939	-	289,939
Permanently restricted:			
Investments	201,722	-	201,722
Total restricted assets	<u>2,649,055</u>	<u>-</u>	<u>2,649,055</u>
Receivables (net):			
Property taxes	1,559,486	-	1,559,486
Leases	2,090,009	-	2,090,009
Total receivables (net)	<u>3,649,495</u>	<u>-</u>	<u>3,649,495</u>
Capital assets (net of accumulated depreciation/amortization):			
Land	3,681,628	21,000	3,702,628
Construction in progress	20,039,323	250,899	20,290,222
Intangible right-to-use assets	1,047,306	-	1,047,306
Land improvements	4,391,211	258,916	4,650,127
Buildings and improvements	181,453,831	10,793,735	192,247,566
Machinery and equipment	7,253,347	1,846,238	9,099,585
Vehicles	8,031,510	56,914	8,088,424
Distribution and collection system	-	8,599,040	8,599,040
Infrastructure	41,504,659	-	41,504,659
Total capital assets (net of accumulated depreciation/amortization)	<u>267,402,815</u>	<u>21,826,742</u>	<u>289,229,557</u>
Total noncurrent assets	<u>273,701,365</u>	<u>21,826,742</u>	<u>295,528,107</u>
Total assets	<u>314,125,718</u>	<u>29,528,822</u>	<u>343,654,540</u>
<u>Deferred Outflows of Resources</u>			
Deferred charge on refunding	673,992	-	673,992
Pension related	7,642,428	-	7,642,428
OPEB related	24,753,043	-	24,753,043
Total deferred outflows of resources	<u>33,069,463</u>	<u>-</u>	<u>33,069,463</u>

(Continued)

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

Town of North Haven, Connecticut

Statement of Net Position  
June 30, 2023

	Governmental Activities	Business-type Activities	Total
<u>Liabilities</u>			
Current liabilities:			
Accounts payable	\$ 2,101,202	\$ 1,334,516	\$ 3,435,718
Retainage payable	60,494	-	60,494
Accrued payroll and related liabilities	3,342,982	-	3,342,982
Accrued interest payable	667,768	-	667,768
Unearned revenue	1,346,637	-	1,346,637
Bond anticipation notes	10,750,000	-	10,750,000
Other	212,663	-	212,663
Overpayments	27,305	-	27,305
Long-term debt	7,769,780	-	7,769,780
Compensated absences	1,230,048	-	1,230,048
Landfill liability	10,000	-	10,000
Risk management claims payable	2,280,690	-	2,280,690
Net pension liability	119,000	-	119,000
Net OPEB liability	2,364,306	-	2,364,306
	<u>32,282,875</u>	<u>1,334,516</u>	<u>33,617,391</u>
Total current liabilities			
Noncurrent liabilities:			
Performance bonds	1,971,308	-	1,971,308
Long-term debt and related liabilities	92,025,404	-	92,025,404
Compensated absences	4,920,193	-	4,920,193
Landfill liability	10,000	-	10,000
Risk management claims payable	1,757,064	-	1,757,064
Net pension liability	31,092,627	-	31,092,627
Net OPEB liability	93,729,228	-	93,729,228
	<u>225,505,824</u>	<u>-</u>	<u>225,505,824</u>
Total noncurrent liabilities			
Total liabilities	<u>257,788,699</u>	<u>1,334,516</u>	<u>259,123,215</u>
<u>Deferred Inflows of Resources</u>			
Pension related	852,703	-	852,703
OPEB related	23,550,512	-	23,550,512
Lease related	2,133,410	-	2,133,410
	<u>26,536,625</u>	<u>-</u>	<u>26,536,625</u>
Total deferred inflows of resources			
<u>Net Position</u>			
Net investment in capital assets	157,265,334	21,826,742	179,092,076
Restricted for:			
Endowments:			
Nonexpendable	101,722	-	101,722
Expendable	22,969	-	22,969
Perpetual care:			
Nonexpendable	100,000	-	100,000
Expendable	124,144	-	124,144
Public safety	158,099	-	158,099
Education	1,153,072	-	1,153,072
Public works	663,991	-	663,991
Sewer debt service	153,851	-	153,851
Unrestricted	(96,873,325)	6,367,564	(90,505,761)
	<u>\$ 62,869,857</u>	<u>\$ 28,194,306</u>	<u>\$ 91,064,163</u>
Total net position			

(Concluded)

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

Town of North Haven, Connecticut

Statement of Activities  
For the Year Ended June 30, 2023

Functions/Programs	Expenses	Program Revenues			Net Revenues (Expenses) and Change in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Governmental activities:</b>							
General government	\$ 11,287,888	\$ 768,289	\$ 22,418	\$ -	\$ (10,497,181)	\$ -	\$ (10,497,181)
Public safety	22,881,149	2,134,149	3,670	-	(20,743,330)	-	(20,743,330)
Health and human services	2,854,925	297,128	128,424	-	(2,429,373)	-	(2,429,373)
Public works	10,807,758	2,154,328	-	9,967,913	1,314,483	-	1,314,483
Recreation	2,710,362	284,611	12,576	-	(2,413,175)	-	(2,413,175)
Education	76,221,574	1,420,126	17,288,715	255,289	(57,257,444)	-	(57,257,444)
Interest	2,286,857	-	-	-	(2,286,857)	-	(2,286,857)
<b>Total governmental activities</b>	<b>129,050,513</b>	<b>7,058,631</b>	<b>17,455,803</b>	<b>10,223,202</b>	<b>(94,312,877)</b>	<b>-</b>	<b>(94,312,877)</b>
<b>Business-type activities:</b>							
Water pollution control authority	4,338,282	4,222,335	-	-	-	(115,947)	(115,947)
<b>Total</b>	<b>\$ 133,388,795</b>	<b>\$ 11,280,966</b>	<b>\$ 17,455,803</b>	<b>\$ 10,223,202</b>	<b>(94,312,877)</b>	<b>(115,947)</b>	<b>(94,428,824)</b>
<b>General revenues:</b>							
Property taxes					100,686,517	-	100,686,517
Grants and contributions not restricted to specific programs					1,739,513	-	1,739,513
Net income from investments					34,824	-	34,824
Other					417,079	-	417,079
<b>Total general revenues</b>					<b>102,877,933</b>	<b>-</b>	<b>102,877,933</b>
<b>Change in net position</b>					<b>8,565,056</b>	<b>(115,947)</b>	<b>8,449,109</b>
<b>Net position - July 1, 2022</b>					<b>54,304,801</b>	<b>28,310,253</b>	<b>82,615,054</b>
<b>Net position - June 30, 2023</b>					<b>\$ 62,869,857</b>	<b>\$ 28,194,306</b>	<b>\$ 91,064,163</b>

Town of North Haven, Connecticut

Governmental Funds  
Balance Sheet  
June 30, 2023

	General Fund	Bonded Projects Fund	Capital Nonrecurring Fund	Other Governmental Funds	Total Governmental Funds
<u>Assets</u>					
Cash	\$11,296,318	\$ 1,029,492	\$ 992,572	\$1,791,282	\$ 15,109,664
Restricted cash	1,971,308	-	-	186,086	2,157,394
Investments	17,366,288	152,225	-	-	17,518,513
Restricted investments	-	-	-	491,661	491,661
Receivables (net):					
Property taxes	2,138,957	-	-	-	2,138,957
Intergovernmental	-	12,755	1,141,406	306,746	1,460,907
Leases	2,234,361	-	-	-	2,234,361
Assessments	114,005	-	-	-	114,005
Other	9,562	-	-	-	9,562
Due from other funds	4,773,758	23,275	10,319,442	2,240,050	17,356,525
Other	-	-	-	67,277	67,277
<b>Total assets</b>	<b>\$39,904,557</b>	<b>\$ 1,217,747</b>	<b>\$ 12,453,420</b>	<b>\$5,083,102</b>	<b>\$58,658,826</b>
<u>Liabilities</u>					
Accounts payable	\$ 1,826,826	\$ 103,249	\$ 102,546	\$ 138,952	\$ 2,171,573
Retainage payable	-	-	60,494	-	60,494
Accrued payroll and related liabilities	3,342,982	-	-	-	3,342,982
Due to other funds	17,264,703	1,864,147	23,275	10,846	19,162,971
Unearned revenue	-	-	395,582	951,055	1,346,637
Bond anticipation notes	-	2,600,000	8,150,000	-	10,750,000
Other	212,663	-	-	-	212,663
Overpayments	27,305	-	-	-	27,305
Performance bonds	1,971,308	-	-	-	1,971,308
<b>Total liabilities</b>	<b>24,645,787</b>	<b>4,567,396</b>	<b>8,731,897</b>	<b>1,100,853</b>	<b>39,045,933</b>
<u>Deferred Inflows of Resources</u>					
Unavailable revenue:					
Property taxes	1,630,791	-	-	-	1,630,791
Assessments	114,005	-	-	-	114,005
Lease related	2,133,410	-	-	-	2,133,410
<b>Total deferred inflows of resources</b>	<b>3,878,206</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,878,206</b>
<u>Fund Balances</u>					
Nonspendable	100,951	-	-	201,722	302,673
Restricted	153,851	-	663,991	1,458,284	2,276,126
Committed	456,068	-	3,917,991	1,800,709	6,174,768
Assigned	1,443,539	-	-	521,534	1,965,073
Unassigned	9,226,155	(3,349,649)	(860,459)	-	5,016,047
<b>Total fund balances</b>	<b>11,380,564</b>	<b>(3,349,649)</b>	<b>3,721,523</b>	<b>3,982,249</b>	<b>15,734,687</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$39,904,557</b>	<b>\$ 1,217,747</b>	<b>\$ 12,453,420</b>	<b>\$5,083,102</b>	<b>\$58,658,826</b>

(Continued)

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

Town of North Haven, Connecticut

Reconciliation of Fund Balance  
to Net Position of Governmental Activities  
June 30, 2023

Amounts reported for governmental activities in the statement of net position (Exhibit A) are different from the government fund balance sheet due to:

Total fund balance (Exhibit C, Page 1 of 2)	<u>\$ 15,734,687</u>
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:

Beginning capital assets (net)	258,135,363
Capital asset additions (net of construction in progress)	15,241,804
Depreciation/amortization expense	(5,804,031)
Disposal of capital assets	<u>(170,321)</u>
Total	<u>267,402,815</u>

Other long-term assets are not available resources and, therefore, are not reported in the funds:

Property tax interest and lien accrual	1,539,692
Allowance for doubtful accounts	<u>(705,000)</u>
Total	<u>834,692</u>

Other long-term assets and deferred outflows of resources are not available to pay for current period expenditures and therefore, are unavailable in the funds:

Property taxes - accrual basis change	1,630,791
Assessments - accrual basis change	114,005
Deferred charge on refunding	673,992
Deferred outflows related to pensions	7,642,428
Deferred outflows related to OPEB	<u>24,753,043</u>
Total	<u>34,814,259</u>

Internal service funds are used by management for risk financing activities:

The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	<u>2,424,973</u>
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Some liabilities and deferred inflows of resources, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:

Bonds and notes payable	(96,783,871)
Leases payable	(792,366)
Subscription payable	(293,965)
Premium	(1,924,982)
Compensated absences	(6,150,241)
Landfill liability	(20,000)
Net pension liability	(31,211,627)
Net OPEB liability	(96,093,534)
Accrued interest payable	(667,768)
Deferred inflows related to pensions	(852,703)
Deferred inflows related to OPEB	<u>(23,550,512)</u>
Total	<u>(258,341,569)</u>

Net position of governmental activities (Exhibit A)	<u>\$ 62,869,857</u>
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The notes to financial statements are an integral part of this statement. (Concluded)

**Town of North Haven, Connecticut**  
**Governmental Funds**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**For the Year Ended June 30, 2023**

	General Fund	Bonded Projects Fund	Capital Nonrecurring Fund	Other Governmental Funds	Total Governmental Funds
Revenues:					
Property taxes	\$ 100,518,638	\$ -	\$ -	\$ -	\$ 100,518,638
Intergovernmental	17,084,341	223,981	7,715,486	4,297,967	29,321,775
Charges for services	3,441,940	2,450	597,271	3,068,460	7,110,121
Interest and dividends	527,749	8,349	97	12,423	548,618
Net change in fair value	(513,794)	-	-	-	(513,794)
Contributions	-	-	-	96,743	96,743
Other	417,079	-	-	-	417,079
<b>Total revenues</b>	<b>121,475,953</b>	<b>234,780</b>	<b>8,312,854</b>	<b>7,475,593</b>	<b>137,499,180</b>
Expenditures:					
Current:					
General government	9,416,157	250	-	15,287	9,431,694
Public safety	13,729,457	-	-	1,207,479	14,936,936
Health and human services	914,366	-	-	55,739	970,105
Public works	6,133,369	-	-	-	6,133,369
Recreation	615,070	-	-	328,927	943,997
Employee benefits	14,514,831	-	-	-	14,514,831
Education	68,659,714	-	15,383	5,288,558	73,963,655
Debt service	9,141,762	-	339,049	-	9,480,811
Capital outlay	-	2,102,750	11,414,221	473,471	13,990,442
<b>Total expenditures</b>	<b>123,124,726</b>	<b>2,103,000</b>	<b>11,768,653</b>	<b>7,369,461</b>	<b>144,365,840</b>
Excess (deficiency) of revenues over expenditures	(1,648,773)	(1,868,220)	(3,455,799)	106,132	(6,866,660)
Other financing sources (uses):					
Issuance of debt	-	2,000,000	4,076,549	473,471	6,550,020
Proceeds from sale of capital assets	26,910	-	-	-	26,910
Premium	-	-	-	222,268	222,268
Transfers in	1,670,000	-	371,950	54,804	2,096,754
Transfers out	(371,950)	-	(1,670,000)	(54,804)	(2,096,754)
<b>Net other financing sources (uses)</b>	<b>1,324,960</b>	<b>2,000,000</b>	<b>2,778,499</b>	<b>695,739</b>	<b>6,799,198</b>
<b>Net change in fund balances</b>	<b>(323,813)</b>	<b>131,780</b>	<b>(677,300)</b>	<b>801,871</b>	<b>(67,462)</b>
Fund balances - July 1, 2022 (as restated)	11,704,377	(3,481,429)	4,398,823	3,180,378	15,802,149
<b>Fund balances - June 30, 2023</b>	<b>\$ 11,380,564</b>	<b>\$ (3,349,649)</b>	<b>\$ 3,721,523</b>	<b>\$ 3,982,249</b>	<b>\$ 15,734,687</b>

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

**Town of North Haven, Connecticut**

**Reconciliation of the Statement of Revenues, Expenditures and Changes  
in Fund Balances of Governmental Funds to the Statement of Activities  
For the Year Ended June 30, 2023**

Amounts reported for governmental activities in the statement of activities (Exhibit B) are due to:

Net change in fund balances - total governmental funds (Exhibit D) \$ (67,462)

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/amortization expense.

Capital outlay	15,241,804
Depreciation/amortization expense	<u>(5,804,031)</u>

Total	<u>9,437,773</u>
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The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins and donations) is to increase/decrease net position. In the statement of activities, only the *loss* on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the capital assets sold or donated:

Disposal of capital assets	<u>(170,321)</u>
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds and revenues recognized in the fund financial statements are not recognized in the statement of activities:

Change in property tax receivable - accrual basis change	18,474
Change in sewer assessment - accrual basis change	(51,490)
Change in property tax interest and lien revenue	<u>149,405</u>

Total	<u>116,389</u>
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The issuance of long-term debt (e.g., bonds, notes) 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 these differences in the treatment of long-term debt and related items are as follows:

Debt issued or incurred:	
Issuance of bonds and notes	(6,076,549)
Issuance of leases	(337,380)
Issuance of subscriptions	(136,091)
Premium	(222,268)

Principal repayments:	
Bonds and notes	7,217,919
Leases	181,299
Subscriptions	<u>108,800</u>

Total	<u>735,730</u>
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(Continued)

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

Town of North Haven, Connecticut

Reconciliation of the Statement of Revenues, Expenditures and Changes  
in Fund Balances of Governmental Funds to the Statement of Activities  
For the Year Ended June 30, 2023

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:

Change in amortization of:	
Accrued interest payable	\$ 1,457,839
Premium	378,786
Compensated absences	179,066
Landfill liability	10,000
Net pension liability	(681,746)
Net OPEB liability	(2,014,506)
Deferred charge on refunding	72,853
Deferred outflows related to pension	(2,147,724)
Deferred inflows related to pension	1,238,702
Deferred outflows related to OPEB	8,171,085
Deferred inflows related to OPEB	<u>(8,337,941)</u>
Total	<u>(1,673,586)</u>
Internal service funds are used by management for risk financing activities:	
The net revenue (expense) of the activities of the internal service funds are reported with governmental activities	<u>186,533</u>
Change in net position of governmental activities (Exhibit B)	<u><u>\$ 8,565,056</u></u>
	(Concluded)

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

## Town of North Haven, Connecticut

**Proprietary Funds  
Statement of Net Position  
June 30, 2023**

	<u>Business-type Activities Enterprise Fund</u>	<u>Governmental Activities</u>
<u>Assets</u>	<u>Water Pollution Control Authority</u>	<u>Internal Service Funds</u>
Current assets:		
Cash	\$ 2,591,869	\$ 8,750,349
Usage receivable (net)	786,370	-
Accounts receivable	-	159,402
Due from other funds	<u>4,323,841</u>	<u>341,190</u>
Total current assets	<u>7,702,080</u>	<u>9,250,941</u>
Capital assets (net):		
Land	21,000	-
Construction in progress	250,899	-
Land improvements	258,916	-
Buildings and improvements	10,793,735	-
Machinery and equipment	1,846,238	-
Vehicles	56,914	-
Distribution and collection system	<u>8,599,040</u>	<u>-</u>
Total capital assets (net)	<u>21,826,742</u>	<u>-</u>
Total assets	<u>29,528,822</u>	<u>9,250,941</u>
<u>Liabilities</u>		
Current liabilities:		
Accounts payable	1,334,516	2,450
Due to other funds	-	2,785,764
Claims payable	<u>-</u>	<u>2,280,690</u>
Total current liabilities	1,334,516	5,068,904
Noncurrent liabilities:		
Claims payable	<u>-</u>	<u>1,757,064</u>
Total liabilities	<u>1,334,516</u>	<u>6,825,968</u>
<u>Net Position</u>		
Net investment in capital assets	21,826,742	-
Unrestricted	<u>6,367,564</u>	<u>2,424,973</u>
Total net position	<u>\$ 28,194,306</u>	<u>\$ 2,424,973</u>

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

## Town of North Haven, Connecticut

**Proprietary Funds**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**For the Year Ended June 30, 2023**

	<u>Business-type Activities Enterprise Fund</u>	<u>Governmental Activities</u>
	<u>Water Pollution Control Authority</u>	<u>Internal Service Funds</u>
Operating revenues:		
Charges for services	<u>\$ 4,222,335</u>	<u>\$ 18,355,079</u>
Operating expenses:		
Salaries	21,853	-
Contracted services	3,259,208	-
Repairs and maintenance	72,360	-
Utilities	277,221	-
Materials and supplies	106,041	-
Insurance	64,409	-
Claims incurred	-	15,701,258
Administration	-	2,467,288
Depreciation	<u>537,190</u>	<u>-</u>
Total operating expenses	<u>4,338,282</u>	<u>18,168,546</u>
Change in net position	(115,947)	186,533
Total net position - July 1, 2022	<u>28,310,253</u>	<u>2,238,440</u>
Total net position - June 30, 2023	<u><u>\$ 28,194,306</u></u>	<u><u>\$ 2,424,973</u></u>

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

## Town of North Haven, Connecticut

**Proprietary Funds**  
**Statement of Cash Flows**  
**For the Year Ended June 30, 2023**

	Business-type Activities <u>Enterprise Fund</u>	Governmental Activities <u>Internal Service Funds</u>
	<u>Water Pollution Control Authority</u>	
Cash flows from (used in) operating activities:		
Receipts from customers and premiums	\$ 4,097,007	\$ 18,721,381
Claims paid	-	(15,119,518)
Administration paid	-	(2,464,838)
Payments to employees	(21,853)	-
Payments to suppliers	<u>(1,704,691)</u>	<u>-</u>
Net cash from (used in) operating activities	2,370,463	1,137,025
Cash flows from (used in) capital and related financing activities:		
Purchase of capital assets	<u>(411,327)</u>	<u>-</u>
Increase (decrease) in cash	1,959,136	1,137,025
Cash - July 1, 2022	<u>632,733</u>	<u>7,613,324</u>
Cash - June 30, 2023	<u><u>\$ 2,591,869</u></u>	<u><u>\$ 8,750,349</u></u>
Reconciliation of operating income (loss) to net cash from (used in) operating activities:		
Operating income (loss)	\$ (115,947)	\$ 186,533
Adjustments to reconcile operating income (loss) to net cash from (used in) operating activities:		
Depreciation	537,190	-
(Increase) decrease in:		
Usage receivable	(125,328)	-
Due from other funds	783,069	-
Increase (decrease) in:		
Accounts payable	1,291,479	2,450
Due to other funds	-	366,302
Claims payable	<u>-</u>	<u>581,740</u>
Net cash from (used in) operating activities	<u><u>\$ 2,370,463</u></u>	<u><u>\$ 1,137,025</u></u>

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

## Town of North Haven, Connecticut

**Fiduciary Funds**  
**Statement of Fiduciary Net Position**  
**June 30, 2023**

	<u>Pension and OPEB Trust Funds</u>
<u>Assets</u>	
Cash	<u>\$ 1,119,172</u>
Investments:	
Mutual funds:	
Money market	21,323,174
Equity	43,542,173
Exchange traded funds	16,984,104
Equity - domestic	4,650,418
U.S. government agency obligations	690,492
Municipal bonds	4,541,269
Corporate bonds	547,138
Alternative investments:	
Real estate limited partnerships	4,589,079
Private equity funds	<u>22,388,890</u>
Total investments	<u>119,256,737</u>
Accrued interest	<u>4,066</u>
Due from other funds	<u>40,223</u>
Total assets	<u>120,420,198</u>
<u>Liabilities</u>	
Due to other funds	<u>113,044</u>
<u>Net Position</u>	
Restricted for:	
Pensions	119,390,622
OPEB	<u>916,532</u>
Total net position	<u><u>\$ 120,307,154</u></u>

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

**Town of North Haven, Connecticut**  
**Fiduciary Funds**  
**Statement of Changes in Fiduciary Net Position**  
**For the Year Ended June 30, 2023**

	Pension and OPEB Trust Funds
Additions:	
Contributions:	
Employer	\$ 8,611,530
Plan members	86,695
	8,698,225
Total contributions	8,698,225
Investment income (loss):	
Change in fair value of investments	9,528,590
Interest and dividends	473,320
	10,001,910
Total investment income (loss)	10,001,910
Less investment expenses	594,784
	9,407,126
Net investment income (loss)	9,407,126
Total additions	18,105,351
Deductions:	
Benefits	11,782,664
Administration	183,149
	11,965,813
Total deductions	11,965,813
Change in net position	6,139,538
Net position - July 1, 2022	114,167,616
Net position - June 30, 2023	\$ 120,307,154

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

## Town of North Haven, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023**History and organization**

The Town of North Haven, Connecticut ("Town"), was incorporated in 1786 under the provisions of the Home Rule Law of the State of Connecticut. It operates under a Board of Selectmen form of government and provides services as authorized by its charter including public safety (police and fire), sanitation, health and social services, recreation, education and general administrative services.

The accompanying financial statements present the Town and its component units, entities for which the Town is considered to be financially accountable. The Town is financially accountable for the pension and OPEB trust funds and therefore, they are considered fiduciary component units. The financial statements of the fiduciary component units are reported as pension and OPEB trust funds in the fiduciary fund financial statements. The pension and OPEB trust funds do not issue separate financial statements.

**I. Summary of significant accounting policies****A. 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 nonfiduciary activities of the primary government. *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.

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 and the major individual enterprise funds are reported as separate columns in the fund financial statements.

**B. Measurement focus, basis of accounting and financial statement presentation**

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Town of North Haven, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023

**B. Measurement focus, basis of accounting and financial statement presentation (continued)**

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, pension and OPEB benefits, claims and judgments, and certain other long-term liabilities are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds.

Property taxes collected within 60 days, expenditure-type reimbursement grants, certain intergovernmental revenues, charges for services, transfers and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items, including property taxes, are considered to be measurable and available only when cash is received by the Town.

The Town reports the following major governmental funds:

General Fund	The Town's primary operating fund. It accounts for all financial resources of the general government, except those funds required to be accounted for in another fund
Bonded Projects Fund	Accounts for revenues to be used for major capital asset construction and/or purchases
Capital Nonrecurring Fund	Accounts for revenues to be used for major capital improvements and equipment

The Town reports the following major proprietary fund:

Water Pollution Control Authority Fund	Accounts for the operations of the Town's sewer and water services. The major source of revenue is user fees.
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Additionally, the Town reports the following fund types:

Special Revenue Funds	Accounts for and reports the proceeds of specific revenue resources that are restricted or committed to expenditures for specified purposes other than debt
Debt Service Funds	Accounts for and reports resources and expenditures that are assigned for the repayment of debt
Permanent Funds	Accounts for resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the Town's programs
Internal Service Funds	Accounts for risk financing activities for workers' compensation and medical, dental and related employee benefits

## Town of North Haven, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**B. Measurement focus, basis of accounting and financial statement presentation (continued)**

Pension Trust Funds	Accounts for the activity of the Town's defined benefit pension plans, which accumulate resources for pension benefit payments to qualified employees
OPEB Trust Funds	Accounts for the activities of the Town's OPEB Plan, which accumulates resources for OPEB benefit payments to qualified employees

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are other charges between the Town's sewer and water operations and various other functions of the Town. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise fund and of the Town's internal service fund are charges to customers for sales and services. The enterprise fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for the enterprise fund and internal service fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

For purposes of measuring the net pension and OPEB asset and liability, deferred outflows of resources and deferred inflows of resources related to pensions and OPEB, and pension and OPEB expense, information about the fiduciary net position and additions to/deductions from fiduciary net position of the Town's pension and OPEB plans, the Connecticut State Teachers' Retirement System ("TRS") and the Connecticut Retiree Health Insurance Plan ("RHIP") have been determined on the same basis as they are reported by the Town's Pension and OPEB plans, TRS, and RHIP. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms.

**C. Assets, liabilities, deferred outflows/inflows of resources and equity****1. Cash and investments****a. Cash**

The Town considers cash as cash on hand and demand deposits.

For cash flow purposes, the Town's cash consists of cash on hand, demand deposits, money market accounts and short-term investments with original maturities of three months or less from the date of acquisition.

## Town of North Haven, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**C. Assets, liabilities, deferred outflows/inflows of resources and equity (continued)****b. Investments**

In general, State of Connecticut Statutes allow the Town to invest in obligations of the United States of America or United States government sponsored corporations, in shares or other interests in any custodial arrangement, pool or no-load, open-end management type investment company or investment trust (as defined), in obligations of any State or political subdivision rated within the top two rating categories of any nationally recognized rating service, or in obligations of the State of Connecticut or political subdivision rated within the top three rating categories of any nationally recognized rating service. For the capital nonrecurring fund, not more than 31.00% can be invested in equity securities. Investment income is recorded in the fund in which it was earned.

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

The Town's pension and OPEB plans have adopted a formal investment policy that defines allowable investments, prohibited investments, prohibited transactions, asset allocation guidelines and diversification guidelines and fixed income and cash equivalent guidelines.

The investment guidelines are as follows:

Asset Class	Target Allocation				
	Employee Retirement	Police Retirement	Fire Retirement	Volunteer Fire Retirement	OPEB
Domestic equity	35.00%	35.00%	38.00%	33.00%	65.00%
International equity	20.00%	20.00%	21.00%	27.00%	0.00%
Fixed income	25.00%	25.00%	26.00%	40.00%	35.00%
Alternative	15.00%	15.00%	15.00%	0.00%	0.00%
Cash	5.00%	5.00%	0.00%	0.00%	0.00%
Totals	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

**c. Method used to value investments**

Investments are reported at fair value except as described below. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

The pension funds allow for investments in certain alternative investments. Alternative investments may include private equity fund, 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 that represents the net assets of the fund. These estimated values do not necessarily represent the amounts that will be ultimately realized upon disposition of the assets, which may be materially higher or lower than the values determined if a readily available market for the securities existed.

Town of North Haven, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023

C. Assets, liabilities, deferred outflows/inflows of resources and equity (continued)

Fair value of investments

The Town measures and records its investments using fair value measurement guidelines established by accounting principles generally accepted in the United States of America (GAAP). These guidelines recognize a three-tiered fair value hierarchy, as follows:

Level 1	Quoted prices for identical investments in active markets
Level 2	Quoted prices for identical investments in markets that are not active
Level 3	Unobservable inputs

d. Risk policies

Interest rate risk	Interest rate risk is the risk that the government will incur losses in fair value caused by changing interest rates. The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates
Credit risk	Credit risk is the risk that an issuer or other counterparty will not fulfill its specific obligation even without the entity's complete failure. The Town has no investment policy that would limit its investment choices due to credit risk other than State Statutes governing investments in obligations of any State or political subdivision or in obligations of the State of Connecticut or political subdivision
Concentration of credit risk	Concentration of credit risk is the risk attributed to the magnitude of an entity's investments in a single issuer. The Town follows the limitations specified in the Connecticut General Statutes. Generally, the Town's deposits cannot be 75% or more of the total capital in any one depository
Custodial credit risk	Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The Town does not have a formal policy with respect to custodial credit risk
Foreign currency risk	Foreign currency risk is the risk that the value of the investment may be affected by changes in the rate of exchange. The Town does not have a formal policy with respect to foreign currency risk

Town of North Haven, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023

C. Assets, liabilities, deferred outflows/inflows of resources and equity (continued)

2. Receivables and payables

a. Interfunds

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

b. Property taxes and other receivables

In the government-wide financial statements, all trade and property tax receivables are shown net of an allowance for uncollectibles. Allowance percentages range from 11.00% to 65.00% of outstanding receivable balances and are calculated based upon prior collections.

In the fund financial statements, all property taxes receivable at June 30, which have not been collected within 60 days of June 30, have been recorded as deferred inflows of resources since they are not considered to be available to finance expenditures of the current year. Property taxes are assessed on property as of October 1. Taxes are billed in the following July and are due in two installments, July 1 and January 1. Personal property and motor vehicle taxes are billed in July and are due in one installment, July 1, and supplemental motor vehicle taxes are due in full January 1. Liens are effective on the assessment date and are continued by filing before the end of the fiscal year following the due date.

c. Leases receivable

The Town recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the Town initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments related to leases include:

Discount rate	The Town uses its estimated incremental borrowing rate as the discount rate used to discount the expected lease receipts to present value.
Term	The lease term includes the noncancellable period of the lease.
Payments	Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The Town monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

## Town of North Haven, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**C. Assets, liabilities, deferred outflows/inflows of resources and equity (continued)****3. Restricted assets**

The restricted assets for the Town are temporarily restricted for performance bonds, scholarships, perpetual care and endowment purposes. Performance bonds are restricted until the monies are returned to the vendor after satisfactory completion of contract or the Town calls the bond for nonperformance. The trust agreement restricts the expenditure of the investment income only for the designated purpose.

**4. Capital assets**

Capital assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements and proprietary fund financial statements. Capital assets are defined by the Town as assets with an initial, individual cost as noted in the table below and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

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

<u>Asset Type</u>	<u>Years</u>	<u>Threshold</u>
Land improvements	25-45	\$ 20,000
Buildings and improvements	40-75	20,000
Machinery and equipment	5-40	5,000
Vehicles	20-40	5,000
Distribution and collection system	30-75	100,000
Infrastructure	50-80	100,000
Intangible right-to-use leased assets	Lease term	25,000
Intangible right-to-use subscription assets	Subscription term	25,000

**5. 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 assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

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 assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

## Town of North Haven, Connecticut

**Notes to Financial Statements  
As of and for the Year Ended June 30, 2023****C. Assets, liabilities, deferred outflows/inflows of resources and equity (continued)**

The Town reports deferred outflows and inflows of resources related to pensions and OPEB in the government-wide statements for differences between expected and actual experience, changes in assumptions and net difference between projected and actual earnings on plan investments. The deferred outflow or inflow related to differences between expected and actual experience and changes in assumptions will be amortized over the average remaining service life of all plan members. The deferred outflow or inflow related to the net difference between projected and actual earnings on plan investments will be amortized over a five-year period.

Deferred outflows of resources also include deferred outflows related to advance refunding of debt. These amounts are deferred and are amortized over the shorter life of the new debt or the old debt.

Advance tax collections, if any, represent taxes associated with a future period. This amount is recognized during the period in which the revenue is associated.

Deferred inflows of resources include deferred inflows relating to the lease receivable. These amounts are deferred and are amortized to lease revenue in a systematic and rational manner over the term of the lease.

For governmental funds, the Town reports unavailable revenue, which arises only under the modified accrual basis of accounting. Accordingly, unavailable revenue is reported only in the governmental funds' balance sheet. The governmental funds report unavailable revenues from several sources: property taxes (including advance collections, if any) and sewer assessments. These amounts are recognized as an inflow of resources in the period that the amounts become available.

**6. Compensated absences**

Employees of the Town and the Board of Education earn sick leave, which can accumulate, and vacation leave based on the provisions of negotiated contracts or other personnel policies. In no case do these sick leave rights vest with the employee. The payment of non-vesting accumulated sick pay benefits depends on the future illness of the employee and, therefore, no liability has been accrued in these financial statements for such payments.

Vacation leave vests with the employee and is accrued in the government-wide fund financial statements at current salary rates when earned.

**7. Long-term liabilities**

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term liabilities 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 applicable bond premium or discount. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenses.

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

Town of North Haven, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023

C. Assets, liabilities, deferred outflows/inflows of resources and equity (continued)

8. Lease and subscription liabilities

The Town recognizes a lease/subscription liability and an intangible right-to-use lease/subscription asset (lease/subscription asset) in the government-wide financial statements.

At the commencement of a lease/subscription, the Town initially measures the lease/subscription liability at the present value of payments expected to be made during the term. Subsequently, the lease/subscription liability is reduced by the principal portion of payments made. The lease/subscription asset is initially measured as the initial amount of the lease/subscription liability, adjusted for payments made at or before the commencement date, plus certain initial direct costs. Subsequently, the lease/subscription asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases and subscriptions include:

Discount rate	The Town uses the interest rate charged by the lessor/subscription vendor as the discount rate to discount the expected payments to the present value. When the interest rate charged is not provided, the Town generally uses its estimated incremental borrowing rate as the discount rate.
Term	The lease/subscription term includes the noncancellable period of the lease/agreement.
Payments	Lease/subscription payments included in the measurement of the liability are composed of fixed payments and any purchase option price that the Town is reasonably certain to exercise.

The Town monitors changes in circumstances that would require a remeasurement of its lease or subscriptions and will remeasure the lease/subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the lease/subscription liability.

Lease/subscription assets are reported with other capital assets and lease/subscription liabilities are reported with long-term debt on the statement of net position.

9. Fund equity and net position

In the government-wide financial statements, net position is classified into the following categories:

Net investment in capital assets	This category presents the net position that reflects capital assets net of depreciation/amortization and net of only the debt applicable to the acquisition or construction of these assets. Debt issued for non-capital purposes, and unspent bond proceeds, are excluded
Restricted net position	This category presents the net position restricted by external parties (creditors, grantors, contributors or laws and regulations)
Unrestricted net position	This category presents the net position of the Town which is not classified in the preceding two categories

Town of North Haven, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023

**C. Assets, liabilities, deferred outflows/inflows of resources and equity (continued)**

Sometimes the Town will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

In the fund financial statements, fund balances are classified into the following categories:

Nonspendable	This category presents amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact
Restricted	This category presents amounts that can be spent only for specific purposes because of enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments
Committed	This category presents amounts that can be used only for specific purposes determined by a formal action at the highest level of decision-making authority for the Town. Commitments may be established, modified, or rescinded only through resolutions approved by the Board of Finance
Assigned	This category presents amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Intent is expressed by the passage of a resolution by the Board of Finance or by a properly approved purchase order
Unassigned	This category presents amounts that do not meet the criteria above and are available for any purpose. This category is only reported in the general fund for positive amounts and in any other fund that has a fund balance deficit

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Town considers restricted funds to have been spent first.

When an expenditure is incurred for which committed, assigned or unassigned fund balances are available, the Town considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds, as needed, unless the Board of Finance has provided otherwise in its commitment or assignment actions.

## Town of North Haven, Connecticut

**Notes to Financial Statements  
As of and for the Year Ended June 30, 2023****C. Assets, liabilities, deferred outflows/inflows of resources and equity (continued)****10. Use of estimates**

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, deferred outflows and inflows of resources including disclosures of contingent assets and liabilities and reported revenues, expenses and expenditures during the fiscal year. Actual results could differ from those estimates.

**11. Reclassifications**

Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

**II. Stewardship, compliance and accountability****A. Basis of budgeting**

Only the General Fund has a legally adopted annual budget.

The Town uses a basis of budgeting under which purchase orders for contracts or other commitments are recorded in order to reserve that portion of the applicable appropriation. Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order, contract or other commitment is issued and, accordingly, encumbrances outstanding at year end are reported in the budgetary statements included as required supplementary information.

Appropriations for capital projects are continued until completion of applicable projects, even when projects extend more than one fiscal year.

**B. Donor-restricted endowments**

The Town has received certain endowments for the public library and the cemetery. The amounts are reflected in fund balance as restricted for permanent funds. Investment income (including appreciation) is approved for expenditure by the Library Board and the Cemetery Board, respectively. At year end, the amount of appreciation included in restricted fund balance for the library and cemetery funds totaled \$19,565 and \$124,144, respectively.

The Town allocates investment income of donor-restricted endowments in accordance with donor restrictions and Connecticut law, which has adopted the provisions of the Uniform Prudent Management of Institutional Funds Act ("UPMIFA"). Under UPMIFA, investment income earned on donor-restricted endowment funds is considered to be unrestricted in the absence of explicit donor restrictions. Further, in the absence of explicit donor restrictions regarding investment appreciation, such appreciation is treated the same as the related investment income. Investment losses that reduce the value of endowment investments below the original principal amount serve to reduce restricted net position or unrestricted net position, depending upon the applicable donor's stipulations regarding the treatment of investment income and appreciation.

## Town of North Haven, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**C. Capital projects authorizations**

The following is a summary of certain capital projects:

<u>Project</u>	<u>Project Authorization</u>	<u>Cumulative Expenditures</u>	<u>Balance</u>
Sackett Point bridge	\$ 12,000,000	\$ 12,105,689	\$ (105,689)
North Haven middle school	78,000,000	70,663,819	7,336,181
Police Department renovations and communication equipment	<u>18,000,000</u>	<u>17,989,509</u>	<u>10,491</u>
Totals	<u>\$108,000,000</u>	<u>\$100,759,017</u>	<u>\$ 7,240,983</u>

**III. Detailed notes****A. Cash and investments****1. Deposits - Custodial Credit Risk**

At year end, the Town's bank balance, including certificates of deposit accounts and money markets classified as investments, was exposed to custodial credit risk as follows:

Bank balance	<u>\$ 36,174,442</u>
Uninsured and uncollateralized	\$ 23,962,475
Uninsured and collateral held by the pledging bank's trust department, not in the Town's name	<u>9,461,967</u>
Total amount subject to custodial credit risk	<u>\$ 33,424,442</u>

Financial instruments that potentially subject the Town to significant concentrations of credit risk consist primarily of cash. From time to time, the Town's cash account balances exceed the Federal Deposit Insurance Corporation limit. The Town reduces its credit risk by maintaining its cash deposits with major financial institutions and monitoring their credit ratings.

## Town of North Haven, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**A. Cash and investments (continued)****2. Investments**

- a. The Town's investments (including restricted investments) consisted of the following types and maturities. Specific identification was used to determine the maturities.

Type of Investment	Fair Value	Investment Maturities (In Years)				
		N/A	Less Than 1	1-5 Years	5-10 Years	Over 10
Mutual funds:						
Money market	\$ 21,323,174	\$ -	\$ 21,323,174	\$ -	\$ -	\$ -
Equity	43,542,173	43,542,173	-	-	-	-
Exchange traded funds	16,984,104	16,984,104	-	-	-	-
Bank money market	4,706,750	-	4,706,750	-	-	-
Certificates of deposit	1,010,993	-	-	1,010,993	-	-
Guaranteed investment contract	3,997,418	-	-	3,997,418	-	-
Pooled fixed income	8,295,013	-	8,295,013	-	-	-
Equity - domestic	4,650,418	4,650,418	-	-	-	-
U.S. government agency obligations	690,492	-	-	349,227	341,265	-
Municipal bonds	4,541,269	-	176,732	1,185,130	2,912,104	267,303
Corporate bonds	547,138	-	-	309,112	238,026	-
Alternative investments:						
Real estate limited partnerships	4,589,079	4,589,079	-	-	-	-
Private equity funds	22,388,890	22,388,890	-	-	-	-
Total	137,266,911	<u>\$ 92,154,664</u>	<u>\$ 34,501,669</u>	<u>\$6,851,880</u>	<u>\$3,491,395</u>	<u>\$ 267,303</u>
Less fiduciary funds	<u>(119,256,737)</u>					
Other funds	<u>\$18,010,174</u>					

## Town of North Haven, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**A. Cash and investments (continued)**

b. The Town had the following recurring fair value measurements:

	Amount	Quoted Market Prices in Active Markets Level 1	Significant Observable Inputs Level 2
<u>Investments by fair value level:</u>			
Mutual funds:			
Money market	\$ 21,323,174	\$ 21,323,174	\$ -
Equity	43,542,173	43,542,173	-
Exchange traded funds	16,984,104	16,984,104	-
Equity - domestic	4,650,418	4,650,418	-
U.S. government agency obligations	690,492	-	690,492
Municipal bonds	4,541,269	-	4,541,269
Corporate bonds	547,138	-	547,138
Total investments by fair value level	<u>92,278,768</u>	<u>\$ 86,499,869</u>	<u>\$5,778,899</u>
<u>Investments measured at the net asset value (NAV):</u>			
Alternative investments:			
Real estate limited partnerships	4,589,079		
Private equity funds	<u>22,388,890</u>		
Total investment measured at NAV	<u>26,977,969</u>		
<u>Other investments:</u>			
Bank money market	4,706,750		
Certificates of deposit	1,010,993		
Guaranteed investment contract	3,997,418		
Pooled fixed income	<u>8,295,013</u>		
Total other investments	<u>18,010,174</u>		
Total investments	<u>\$ 137,266,911</u>		

Level 1: Quoted prices for identical investments in active markets

Level 2: Observable inputs: quoted prices for identical securities in markets that are not active. The fair value was determined based on quoted prices in less active, dealer or broker markets. Fair values are primarily obtained from third party pricing services for identical or comparable assets.

Town of North Haven, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023

A. Cash and investments (continued)

c. 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 limited partnership consists of equity interests in non-publicly traded entities that may not be readily marketable. The underlying investments of such funds, whether invested in stock or securities, may include investments in companies that are not currently traded in public market and may be subject to restrictions on resale. Values determined by the Funds’ investment managers and general partners of underlying securities that are thinly traded or not traded in an active market may be based on historical cost, appraisal, a review of the investees’ financial results, financial condition and prospects, together with comparisons to similar companies for which market prices are available or other estimates that require varying degrees of judgment. The Town 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 estimated from the most recently available valuation taking into account subsequent calls and distributions.

The following table represents the unfunded commitments, redemption frequency (if currently eligible), and the redemption notice period for the Town’s alternative investments measured at the NAV:

Investment Description	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Alternative investments:				
Real estate limited partnerships	1 \$ 4,589,079	\$ 847,693	Quarterly	90 days
Private equity funds	2 22,388,890	5,000,592	Not available	Not available
Total investments measured at the NAV	\$ 26,977,969	\$ 5,848,285		

1. Real estate limited partnerships - This type includes 4 real estate funds that invests primarily in U.S. commercial real estate. The funds permit redemptions quarterly with 90 days notice. Currently, there is no estimate of when underlying investments will be liquidated. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the Town’s ownership interest in partners’ capital.

2. Private equity funds - This type includes 19 private equity funds that invest primarily in private equity limited partnerships. These investments can never be redeemed but instead, the nature of the investments in this type is that distributions are received through the liquidation of the underlying assets of the fund. Currently, there is no estimate of when underlying investments will be liquidated. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the investment.

## Town of North Haven, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**A. Cash and investments (continued)**

- d. The Town's investments subject to credit risk had average ratings by Standard & Poor's as follows:

Type of Investment	Ratings						Total
	AAA	AA	A	BBB	BB	Unrated	
Mutual funds:							
Money market	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,323,174	\$ 21,323,174
Pooled fixed income	8,295,013	-	-	-	-	-	8,295,013
U.S. government agency obligations	690,492	-	-	-	-	-	690,492
Municipal bonds	264,982	3,021,917	480,725	29,240	-	744,405	4,541,269
Corporate bonds	-	-	47,940	334,865	117,318	47,015	547,138
<b>Total</b>	<b>\$ 9,250,487</b>	<b>\$ 3,021,917</b>	<b>\$ 528,665</b>	<b>\$ 364,105</b>	<b>\$ 117,318</b>	<b>\$ 22,114,594</b>	<b>\$ 35,397,086</b>

- e. Certain investments are covered by the Securities Investor Protection Corporation ("SIPC") up to \$500,000, including \$250,000 of cash from sale or for purchase of investments, but not cash held solely for the purpose of earning interest. SIPC protects securities such as notes, stocks, debentures, certificates of deposit and money funds.

The following Town investments are held by the counterparty's trust department or agent but not in the Town's name and, therefore, are subject to custodial credit risk.

	Total	Less Insured Amounts	Amount Subject to Custodial Credit Risk
Equity - domestic	\$ 4,650,418	\$ 500,000	\$ 4,150,418
U.S. government agency obligations	690,492	-	690,492
Municipal bonds	4,541,269	-	4,541,269
Corporate bonds	547,138	-	547,138
<b>Total</b>	<b>\$ 10,429,317</b>	<b>\$ 500,000</b>	<b>\$ 9,929,317</b>

Town of North Haven, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023

**B. Receivables**

1. Receivable balances have been disaggregated by type and presented separately in the financial statements. Only receivables for the Town’s government-wide financial statements with allowances for uncollectible accounts, including the applicable allowances for uncollectible accounts, are presented below.

Governmental Activities:

	Property Taxes		
	Taxes	Interest and Lien Fees	Total
Current portion	\$ 1,022,423	\$ 391,740	\$ 1,414,163
Long-term portion	2,152,805	1,147,952	3,300,757
Less allowance for uncollectibles	(1,036,271)	(705,000)	(1,741,271)
Net long-term portion	1,116,534	442,952	1,559,486
Total receivable (net)	<u>\$ 2,138,957</u>	<u>\$ 834,692</u>	<u>\$ 2,973,649</u>

Business-Type Activities:

	WPCA Use Charges		
	Sewer Use Charges	Interest and Lien Fees	Total
Receivable amount	\$ 657,386	\$ 570,156	\$ 1,227,542
Less allowance for uncollectibles	(72,172)	(369,000)	(441,172)
Net receivable	<u>\$ 585,214</u>	<u>\$ 201,156</u>	<u>\$ 786,370</u>

**2. Leases receivable**

The Town reports the following lease balances and activity:

Description	Lease Receivable	Deferred Inflows of Resources	Lease Revenue	Lease Interest Revenue
Buildings and land	\$ 2,234,361	<u>\$ 2,133,410</u>	<u>\$ 176,546</u>	<u>\$ 46,494</u>
Less: current portion	(144,352)			
Long-term portion	<u>\$ 2,090,009</u>			

Description	Terms
Buildings and land	The Town is lessor for 3 buildings and one piece of land. One of the leases includes the option to extend for two additional 10-year periods. The lease will mature in 2046.

## Town of North Haven, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**C. Interfund accounts****1. Interfund payables and receivables**

A summary of interfund balances is as follows:

	<u>Corresponding Fund</u>	<u>Due From</u>	<u>Due To</u>
Major Funds:			
General Fund:			
Bonded Projects	N/A	\$ 1,864,147	\$ -
Capital Nonrecurring	N/A	-	10,319,442
General Government	N/A	-	177,408
Public Safety	N/A	-	465,367
Health and Welfare	N/A	-	91,493
Culture and Recreation	N/A	-	168,355
School Activity	N/A	9,500	-
Education Grants	N/A	-	737,642
State/Federal Grants	N/A	-	78,251
Debt Service	N/A	-	521,534
Library	N/A	1,346	-
Water Pollution Control Authority	N/A	-	4,323,841
Dental and Medical - Town	N/A	2,215,220	-
Workers' Compensation - Town	N/A	473,159	-
Dental and Medical - Education	N/A	-	341,190
Workers' Compensation - Education	N/A	97,342	-
Employee Plan	N/A	642	-
Police Plan	N/A	-	40,180
Fire Plan	N/A	106,944	-
Volunteer Plan	N/A	5,458	-
Total General Fund		<u>4,773,758</u>	<u>17,264,703</u>
Bonded Projects Funds:			
General Fund	N/A	-	1,864,147
Capital Nonrecurring	N/A	23,275	-
Total Bonded Projects Funds		<u>23,275</u>	<u>1,864,147</u>
Capital Nonrecurring Fund:			
General Fund	N/A	10,319,442	-
Bonded Projects	N/A	-	23,275
Total Capital Nonrecurring Fund		<u>10,319,442</u>	<u>23,275</u>

## Town of North Haven, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**C. Interfund accounts (continued)**

	<u>Corresponding Fund</u>	<u>Due From</u>	<u>Due To</u>
Other Governmental Funds:			
General Government	General Fund	\$ 177,408	\$ -
Public Safety	General Fund	465,367	-
Health and Welfare	General Fund	91,493	-
Culture and Recreation	General Fund	168,355	-
School Activity	General Fund	-	9,500
Education Grants	General Fund	737,642	-
State/Federal Grants	General Fund	78,251	-
Debt Service	General Fund	521,534	-
Library	General Fund	-	1,346
		<u>2,240,050</u>	<u>10,846</u>
Total Other Governmental Funds			
		<u>17,356,525</u>	<u>19,162,971</u>
Enterprise Funds:			
Water Pollution Control Authority	General Fund	4,323,841	-
Internal Service Funds:			
Dental and Medical - Town	General Fund	-	2,215,220
Dental and Medical - Town	Employees Plan	-	43
Workers' Compensation - Town	General Fund	-	473,159
Dental and Medical - Education	General Fund	341,190	-
Workers' Compensation - Education	General Fund	-	97,342
		<u>341,190</u>	<u>2,785,764</u>
Total Internal Service Funds			
Fiduciary Funds:			
Employees Plan	Dental and Medical - Town	43	-
Employees Plan	General Fund	-	642
Police Plan	General Fund	40,180	-
Fire Plan	General Fund	-	106,944
Volunteer Plan	General Fund	-	5,458
		<u>40,223</u>	<u>113,044</u>
Total Fiduciary Funds			
		<u>\$ 22,061,779</u>	<u>\$ 22,061,779</u>
Total			

All interfund balances resulted from the time lag between the dates payments occurred between funds for interfund goods, payroll and services provided or in instances where certain funds do not have a bank account.

Town of North Haven, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023

C. Interfund accounts (continued)

2. Interfund transfers

A summary of interfund transfers is as follows:

	<u>Corresponding Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Major Funds:			
General Fund:			
Capital Nonrecurring	N/A	\$ 1,670,000	\$ 371,950
Capital Nonrecurring:			
General Fund	N/A	371,950	1,670,000
Other Governmental Funds:			
Culture and Recreation	Health and Welfare	54,804	-
Health and Welfare	Culture and Recreation	-	54,804
Total Other Governmental Funds		<u>54,804</u>	<u>54,804</u>
Grand Total		<u>\$ 2,096,754</u>	<u>\$ 2,096,754</u>

Transfers were used to account for ARPA funding for revenue loss to the general fund and for funding of the capital nonrecurring fund.

## Town of North Haven, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**D. Capital assets**

Capital asset activity for the year was as follows:

<u>Governmental activities:</u>	Balance July 1, 2022 (as restated)	Increases	Decreases	Balance June 30, 2023
Capital assets, not being depreciated/amortized:				
Land	\$ 3,681,628	\$ -	\$ -	\$ 3,681,628
Construction in progress	16,894,209	11,360,338	8,215,224	20,039,323
Total capital assets, not being depreciated/ amortized	<u>20,575,837</u>	<u>11,360,338</u>	<u>8,215,224</u>	<u>23,720,951</u>
Capital assets, being depreciated/amortized:				
Intangible right-to-use assets	1,096,667	473,471	173,321	1,396,817
Land improvements	6,660,232	71,613	-	6,731,845
Buildings and improvements	213,015,900	667,622	-	213,683,522
Machinery and equipment	12,031,081	2,064,136	199,654	13,895,563
Vehicles	10,872,706	1,197,204	412,807	11,657,103
Infrastructure	47,820,852	7,622,644	-	55,443,496
Total capital assets, being depreciated/amortized	<u>291,497,438</u>	<u>12,096,690</u>	<u>785,782</u>	<u>302,808,346</u>
Total capital assets	<u>312,073,275</u>	<u>23,457,028</u>	<u>9,001,006</u>	<u>326,529,297</u>
Less accumulated depreciation/amortization:				
Intangible right-to-use assets	198,883	323,949	173,321	349,511
Land improvements	2,083,425	257,209	-	2,340,634
Buildings and improvements	29,480,614	2,749,077	-	32,229,691
Machinery and equipment	5,790,613	948,800	97,197	6,642,216
Vehicles	3,517,162	453,374	344,943	3,625,593
Infrastructure	12,867,215	1,071,622	-	13,938,837
Total accumulated depreciation/amortization	<u>53,937,912</u>	<u>5,804,031</u>	<u>615,461</u>	<u>59,126,482</u>
Total capital assets, being depreciated/ amortized, net	<u>237,559,526</u>	<u>6,292,659</u>	<u>170,321</u>	<u>243,681,864</u>
Capital assets, net	<u>\$ 258,135,363</u>	<u>\$ 17,652,997</u>	<u>\$ 8,385,545</u>	<u>\$ 267,402,815</u>

Intangible right-to-use assets by category are as follows:

Type	Asset	Accumulated Amortization
Intangible right-to-use leased buildings and improvements	\$ 764,035	\$ 135,396
Intangible right-to-use leased machinery and equipment	169,816	67,052
Intangible right-to-use leased vehicles	60,201	40,134
Intangible right-to-use subscription assets	402,765	106,929
Total intangible right-to-use assets	<u>\$ 1,396,817</u>	<u>\$ 349,511</u>

## Town of North Haven, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**D. Capital assets (continued)**

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

General government	\$ 714,952
Public safety	786,737
Public works	1,371,554
Health and welfare	16,958
Culture and recreation	44,598
Education	<u>2,869,232</u>
Total depreciation/amortization expense	<u>\$ 5,804,031</u>

<u>Business-Type Activities:</u>	<u>Balance</u> <u>July 1, 2022</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2023</u>
Capital assets, not being depreciated/ amortized:				
Land	\$ 21,000	\$ -	\$ -	\$ 21,000
Construction in progress	<u>345,000</u>	<u>250,899</u>	<u>345,000</u>	<u>250,899</u>
Total capital assets, not being depreciated/amortized	<u>366,000</u>	<u>250,899</u>	<u>345,000</u>	<u>271,899</u>
Capital assets, being depreciated/amortized:				
Land improvements	370,984	-	-	370,984
Buildings and improvements	16,417,677	409,624	-	16,827,301
Machinery and equipment	6,752,689	95,804	-	6,848,493
Vehicles	321,272	-	-	321,272
Distribution and collection system	<u>18,434,752</u>	<u>-</u>	<u>-</u>	<u>18,434,752</u>
Total capital assets, being depreciated/ amortized	<u>42,297,374</u>	<u>505,428</u>	<u>-</u>	<u>42,802,802</u>
Total capital assets	<u>42,663,374</u>	<u>756,327</u>	<u>345,000</u>	<u>43,074,701</u>
Less accumulated depreciation/ amortization for:				
Land improvements	102,793	9,275	-	112,068
Buildings and improvements	5,820,252	213,314	-	6,033,566
Machinery and equipment	4,895,845	106,410	-	5,002,255
Vehicles	256,075	8,283	-	264,358
Distribution and collection system	<u>9,635,804</u>	<u>199,908</u>	<u>-</u>	<u>9,835,712</u>
Total accumulated depreciation/amortization	<u>20,710,769</u>	<u>537,190</u>	<u>-</u>	<u>21,247,959</u>
Total capital assets, being depreciated/ amortized, net	<u>21,586,605</u>	<u>(31,762)</u>	<u>-</u>	<u>21,554,843</u>
Capital assets, net	<u>\$ 21,952,605</u>	<u>\$ 219,137</u>	<u>\$ 345,000</u>	<u>\$ 21,826,742</u>

## Town of North Haven, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**D. Capital assets (continued)**

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

Water Pollution Control Authority	<u>\$ 537,190</u>
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**E. Construction commitments**

The Town has the following construction commitments:

Sackett Point Road	<u>\$ 3,917,991</u>
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**F. Short-term liabilities - bond anticipation notes**

The Town uses bond anticipation notes during the construction period of various public projects prior to the issuance of the bonds at the completion of the project.

Short-term liability activity for the year was as follows:

Purpose	Maturity Date	Interest Rates	Balance July 1, 2022	Additions	Reductions	Permanently Financed	Balance June 30, 2023
Sackett Point Bridge	11/2/2023	4.25%	\$4,620,000	\$ 6,000,000	\$ 4,620,000	\$ -	\$ 6,000,000
Valley Service Road	11/2/2023	4.25%	-	2,150,000	-	-	2,150,000
2021 Road Milling and Paving Project	11/2/2023	4.25%	2,000,000	2,000,000	2,000,000	2,000,000	-
2022 Athletic Fields Improvements	11/2/2023	4.25%	-	7,000,000	3,500,000	3,500,000	-
2022 Road Milling and Paving Project	11/2/2023	4.25%	-	2,600,000	-	-	2,600,000
<b>Total</b>			<u>\$6,620,000</u>	<u>\$19,750,000</u>	<u>\$10,120,000</u>	<u>\$5,500,000</u>	<u>\$10,750,000</u>

The Town issued the following debt subsequent to year end:

Type of Obligation/ Purpose	Issue Date	Maturity Date	Interest Rate	Amount
<u>Bond anticipation notes:</u>				
Schools	9/14/2023	11/2/2023	6.00%	\$ 1,890,000
General purpose	11/2/2023	11/1/2024	5.00%	11,470,000
Schools	11/2/2023	11/1/2024	5.00%	1,890,000
<u>Bonds:</u>				
General purpose	11/2/2023	11/1/2043	4.00-5.00%	2,000,000
Schools	11/2/2023	11/1/2043	4.00-5.00%	3,500,000

The bonds issued permanently financed a portion of the short-term debt outstanding at year end.

**Town of North Haven, Connecticut**  
**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**G. Changes in long-term liabilities**

Bonds, notes, leases, and subscriptions are direct obligations and pledge the full faith and credit of the Town.

**1. Summary of changes**

The following is a summary of changes in long-term liabilities during the fiscal year:

Governmental Activities:

Description	Original Amount	Date of Issue	Date of Maturity	Interest Rate	Balance July 1, 2022 (as restated)	Additions	Deductions	Balance June 30, 2023	Current Portion	Long-Term Portion
<u>General obligation bonds:</u>										
General purpose:										
Debt issue	\$ 935,000	04/26/06	07/15/25	3.88%-5.00%	\$ 265,012	\$ -	\$ 50,000	\$ 215,012	\$ 60,000	\$ 155,012
Debt issue	3,000,000	11/10/16	11/01/36	2.00%-4.00%	151,250	-	145,000	6,250	1,250	5,000
Debt issue	7,500,000	11/09/17	11/01/37	2.25%-5.00%	6,900,000	-	300,000	6,600,000	300,000	6,300,000
Debt issue	15,000,000	10/23/19	11/01/39	2.75%-5.00%	15,000,000	-	600,000	14,400,000	600,000	13,800,000
Refunding issue	10,565,000	07/30/19	08/01/28	5.00%	7,290,000	-	995,000	6,295,000	1,035,000	5,260,000
Refunding issue	1,541,000	07/21/20	10/01/38	0.42%-2.40%	1,423,234	-	55,378	1,367,856	53,742	1,314,114
Debt issue	5,500,000	11/05/20	11/05/40	2.00%-4.00%	5,500,000	-	-	5,500,000	300,000	5,200,000
Debt issue	2,000,000	11/04/21	11/04/41	2.00%-5.00%	2,000,000	-	-	2,000,000	-	2,000,000
Debt issue	1,200,000	11/03/22	11/03/32	4.00%-5.00%	1,200,000	-	-	1,200,000	-	1,200,000
<b>Total general purpose</b>	<b>47,241,000</b>				<b>39,729,496</b>	<b>-</b>	<b>2,145,378</b>	<b>37,584,118</b>	<b>2,349,992</b>	<b>35,234,126</b>
Schools:										
Debt issue	22,445,000	04/26/06	07/15/25	3.88%-5.00%	5,644,988	-	1,410,000	4,234,988	1,415,000	2,819,988
Debt issue	21,850,000	01/23/07	07/15/26	3.88%-4.75%	5,750,000	-	1,150,000	4,600,000	1,150,000	3,450,000
Debt issue	7,000,000	11/10/16	11/01/36	2.00%-4.00%	3,218,750	-	300,000	2,918,750	448,750	2,470,000
Debt issue	7,500,000	11/01/18	11/01/37	2.25%-5.00%	4,200,000	-	-	4,200,000	300,000	3,900,000
Refunding issue	31,434,000	07/21/20	10/01/38	0.42%-2.40%	29,031,766	-	1,129,622	27,902,144	1,096,258	26,805,886
Debt issue	3,700,000	11/04/21	11/04/41	2.00%-5.00%	3,700,000	-	-	3,700,000	-	3,700,000
<b>Total schools</b>	<b>93,929,000</b>				<b>51,545,504</b>	<b>-</b>	<b>3,989,622</b>	<b>47,555,882</b>	<b>4,410,008</b>	<b>43,145,874</b>
<b>Total general obligation bonds</b>	<b>141,170,000</b>				<b>91,275,000</b>	<b>-</b>	<b>6,135,000</b>	<b>85,140,000</b>	<b>6,760,000</b>	<b>78,380,000</b>
Bond anticipation notes - permanently financed					-	5,500,000	-	5,500,000	-	5,500,000

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**Town of North Haven, Connecticut**  
**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**G. Changes in long-term liabilities (continued)**

Description	Original Amount	Date of Issue	Date of Maturity	Interest Rate	Balance July 1, 2022 (as restated)	Additions	Deductions	Balance June 30, 2023	Current Portion	Long-Term Portion
<b>Notes (direct borrowings):</b>										
<b>Equipment financing notes:</b>										
Energy performance contract	\$ 6,338,681	07/02/15	07/02/35	2.61%	\$ 5,270,368	\$ -	\$ 265,477	\$ 5,004,891	\$ 284,631	\$ 4,720,260
Fire truck	1,209,060	09/28/17	09/28/22	1.85%	207,027	-	207,027	-	-	-
		10/29/20-	10/29/23-							
Education technology equipment	1,741,581	03/07/23	02/23/27	2.70%-8.50%	585,023	576,549	374,357	787,215	378,272	408,943
Video recording equipment	51,858	05/01/19	05/01/24	4.32%	22,383	-	10,955	11,428	11,428	-
Education computers	489,980	05/20/20	04/30/23	4.32%	25,005	-	25,005	-	-	-
Education phone system	344,964	05/20/20	04/30/23	4.77%	86,242	-	86,242	-	-	-
Jet vac truck	375,326	06/18/20	08/01/25	2.70%	250,895	-	60,240	190,655	61,866	128,789
<b>Sewer:</b>										
CWF 489C	889,772	04/20/06	03/31/26	2.00%	203,298	-	53,616	149,682	53,181	96,501
<b>Total notes</b>	<b>11,441,222</b>				<b>6,650,241</b>	<b>576,549</b>	<b>1,082,919</b>	<b>6,143,871</b>	<b>789,378</b>	<b>5,354,493</b>
<b>Total bonds and notes</b>	<b>152,611,222</b>				<b>97,925,241</b>	<b>6,076,549</b>	<b>7,217,919</b>	<b>96,783,871</b>	<b>7,549,378</b>	<b>89,234,493</b>
Leases payable	994,850				636,285	337,380	181,299	792,366	100,994	691,372
Subscription payable	402,765				266,674	136,091	108,800	293,965	119,408	174,557
<b>Total long-term debt</b>	<b>\$ 154,008,837</b>				<b>98,828,200</b>	<b>6,550,020</b>	<b>7,508,018</b>	<b>97,870,202</b>	<b>7,769,780</b>	<b>90,100,422</b>
Premium					2,081,500	222,268	378,786	1,924,982	-	1,924,982
<b>Total long-term debt and related liabilities</b>					<b>100,909,700</b>	<b>6,772,288</b>	<b>7,886,804</b>	<b>99,795,184</b>	<b>7,769,780</b>	<b>92,025,404</b>
Compensated absences (net change)					6,329,307	-	179,066	6,150,241	1,230,048	4,920,193
Landfill liability					30,000	-	10,000	20,000	10,000	10,000
Risk management claims payable					2,124,014	1,547,542	634,802	3,036,754	1,279,690	1,757,064
Net pension liability					30,529,881	15,987,883	15,306,137	31,211,627	119,000	31,092,627
Net OPEB liability					94,079,028	7,136,975	5,122,469	96,093,534	2,364,306	93,729,228
<b>Total long-term liabilities</b>					<b>\$ 234,001,930</b>	<b>\$ 31,444,688</b>	<b>\$ 29,139,278</b>	<b>\$ 236,307,340</b>	<b>\$ 12,772,824</b>	<b>\$ 223,534,516</b>

All long-term liabilities are generally liquidated by the General Fund.

## Town of North Haven, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**G. Changes in long-term liabilities (continued)**

The following is a summary of bonds and notes payable principal and interest payments to maturity:

Year Ended June 30:	Bond Principal	Note Principal	Total Interest
2024	\$ 6,760,000	\$ 789,378	\$ 2,609,289
2025	7,880,000	614,828	2,274,969
2026	8,140,000	623,971	1,964,018
2027	7,345,000	373,118	1,673,980
2028	6,200,000	370,289	1,453,347
2029	5,755,000	394,148	1,118,339
2030	4,975,000	419,055	981,328
2031	4,945,000	445,055	866,651
2032	4,915,000	472,189	748,313
2033	4,910,000	500,929	627,302
2034	4,530,000	530,964	510,872
2035	4,500,000	562,304	398,542
2036	4,415,000	47,643	290,437
2037	2,890,000	-	205,076
2038	2,455,000	-	138,761
2039	2,000,000	-	83,963
2040	1,550,000	-	40,406
2041	650,000	-	14,219
2042	325,000	-	3,656
Totals	<u>\$ 85,140,000</u>	<u>\$ 6,143,871</u>	<u>\$ 16,003,468</u>

**2. Assets pledged as collateral**

The Town's outstanding equipment financing notes of \$5,994,189 are secured with collateral of the equipment purchased.

## Town of North Haven, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**G. Changes in long-term liabilities (continued)****3. Statutory debt limitations**

The Town's indebtedness does not exceed the legal debt limitations as required by Connecticut General Statutes as reflected in the following schedule:

Category	Debit Limit	Net Indebtedness	Balance
General purpose	\$ 216,641,754	\$50,334,118	\$166,307,636
Schools	433,283,508	51,055,882	382,227,626
Sewer	361,069,590	-	361,069,590
Urban renewal	312,926,978	-	312,926,978
Pension deficit	288,855,672	-	288,855,672

The total overall statutory debt limit for the Town is equal to 7 times the annual receipts for the prior year taxation:

\$673,996,568

The indebtedness reflected above includes bonds outstanding in addition to the amount of bonds authorized and unissued against which bond anticipation notes are issued and outstanding.

**4. Authorized/unissued debt**

The amount of authorized and unissued bonds are as follows:

General purpose	<u>\$ 13,550,000</u>
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**5. Prior year defeasance of debt**

In prior years, the Town defeased certain general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability of the defeased bonds are not included in the Town's financial statements. At fiscal year-end, \$2,700,000 of bonds outstanding are considered defeased.

**6. Municipal solid waste landfill closure and post-closure care costs**

State and Federal laws and regulations require that the Town perform certain maintenance and monitoring functions at the landfill site for 30 years. Estimated total costs of landfill post-closure care is \$20,000, which is based on the amount estimated to be paid for all equipment, facilities and services required to monitor and maintain the landfill. However, the actual cost of monitoring and other post-closure care may be higher due to inflation, changes in technology or changes in landfill laws and regulations.

Town of North Haven, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023

G. Changes in long-term liabilities (continued)

7. Leases

Lease agreements are summarized as follows:

<u>Governmental Activities:</u>		Lease	Interest	Original	
<u>Description</u>	<u>Year</u>	<u>Term (years)</u>	<u>Rate*</u>	<u>Amount</u>	<u>Balance</u>
Town copiers	2022	1-4	2.70%	\$ 105,657	\$ 58,142
Town postage machines	2022	3-5	2.70%	33,330	19,615
Education postage machines	2022	4-5	2.70%	31,627	18,615
Education vehicles	2022	3	2.70%	60,201	13,898
Education building	2022	12	4.50%	764,035	682,096
Total				<u>\$ 994,850</u>	<u>\$ 792,366</u>

\*All interest rates have been imputed based on the rate from recently issued debt as there were no interest rates specified in the lease agreement.

<u>Description</u>	<u>Terms</u>
Town copiers	These leases are not renewable and the Town will not acquire the equipment at the end of the term.
Town postage machines	These leases are not renewable and the Town will not acquire the equipment at the end of the term.
Education postage machines	These leases are not renewable and the Town will not acquire the equipment at the end of the term.
Education vehicles	These leases are not renewable and the Town will not acquire the vehicles at the end of the term.
Education building	This lease is not renewable and the Town will not acquire the building at the end of the term.

## Town of North Haven, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**G. Changes in long-term liabilities (continued)**

The following is a summary of lease payable principal and interest payments to maturity:

Year Ending June 30	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2024	\$ 100,994	\$ 33,672
2025	82,296	30,116
2026	74,108	26,990
2027	64,141	23,998
2028	65,176	21,187
2029	74,149	18,254
2030	77,486	14,918
2031	80,973	11,431
2032	84,617	7,787
2033	<u>88,426</u>	<u>3,979</u>
Totals	<u>\$ 792,366</u>	<u>\$ 192,332</u>

**8. Subscription arrangements**

Subscription arrangements are summarized as follows:

<u>Governmental Activities:</u>					
<u>Description</u>	<u>Year</u>	<u>Subscription Term (years)</u>	<u>Interest Rate*</u>	<u>Original Amount</u>	<u>Balance</u>
Police body camera software	2023	4	4.50%	\$ 245,107	\$ 187,814
Digital learning software	2023	3	4.50%	40,822	27,809
Fire department software	2023	3	4.50%	51,038	28,385
Police cloud-based storage	2023	4	4.50%	21,567	19,826
Security software	2023	3	4.50%	<u>44,231</u>	<u>30,131</u>
Total				<u>\$ 402,765</u>	<u>\$ 293,965</u>

\*All interest rates have been imputed based on the rate from recently issued debt as there were no interest rates specified in the subscription agreement.

## Town of North Haven, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**G. Changes in long-term liabilities (continued)**

Description	Terms
Police body camera software	The Town has a subscription arrangement for the police body camera software and cloud storage of camera footage. This arrangement does not include extension or termination terms.
Digital learning software	The Town has a subscription arrangement for digital learning software licenses. These arrangements do not include extension or termination terms.
Fire department software	The Town has a subscription arrangements for the fire department software. This arrangement includes a one year automatic renewal.
Police cloud-based storage	The Town has a subscription arrangement for the cloud-based storage for the police department. This arrangement does not include extension or termination terms.
Security software	The Town has a subscription arrangement for the security software. This arrangement includes a one year automatic renewal.

The following is a summary of subscription payable principal and interest payments to maturity:

<u>Governmental Activities</u>		
Year Ending June 30	<u>Principal</u>	<u>Interest</u>
2024	\$ 119,408	\$ 13,228
2025	96,320	7,855
2026	71,017	3,521
2027	<u>7,220</u>	<u>325</u>
Totals	<u>\$ 293,965</u>	<u>\$ 24,929</u>

## Town of North Haven, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**H. Fund balance classifications and restricted net position**

Fund balances are classified as follows:

Fund Balance Component	General Fund	Bonded Projects Fund	Capital Nonrecurring Fund	Other Governmental Funds	Total
<b><u>Nonspendable:</u></b>					
Cemetery maintenance	\$ -	\$ -	\$ -	\$ 100,000	\$ 100,000
Library programs	-	-	-	101,722	101,722
Leases	100,951	-	-	-	100,951
Total nonspendable	100,951	-	-	201,722	302,673
<b><u>Restricted:</u></b>					
Public safety programs	-	-	-	158,099	158,099
Education:					
Cafeteria operations*	-	-	-	835,006	835,006
School activity programs	-	-	-	318,066	318,066
Road construction	-	-	501,637	-	501,637
Townwide projects	-	-	162,354	-	162,354
Cemetery maintenance*	-	-	-	124,144	124,144
Sewer debt service	153,851	-	-	-	153,851
Library programs	-	-	-	22,969	22,969
Total restricted	153,851	-	663,991	1,458,284	2,276,126
<b><u>Committed:</u></b>					
Education nonlapsing fund	456,068	-	-	-	456,068
General government programs	-	-	-	177,408	177,408
Public safety programs	-	-	-	318,358	318,358
Health and welfare programs	-	-	-	242,815	242,815
Culture and recreation programs	-	-	-	67,459	67,459
School activity programs	-	-	-	868,642	868,642
Grants and programs	-	-	-	126,027	126,027
Construction contracts	-	-	3,917,991	-	3,917,991
Total committed	456,068	-	3,917,991	1,800,709	6,174,768
<b><u>Assigned:</u></b>					
Economic development	10,000	-	-	-	10,000
Center block beautification	8,539	-	-	-	8,539
Subsequent year's budget	1,425,000	-	-	-	1,425,000
Debt service	-	-	-	521,534	521,534
Total assigned	1,443,539	-	-	521,534	1,965,073
<b><u>Unassigned</u></b>					
	9,226,155	(3,349,649)	(860,459)	-	5,016,047
Total	<u>\$ 11,380,564</u>	<u>\$(3,349,649)</u>	<u>\$ 3,721,523</u>	<u>\$ 3,982,249</u>	<u>\$ 15,734,687</u>

\*The amount of net position restricted by enabling legislation totaled:

\$ 959,150

## Town of North Haven, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**IV. Other information****A. Risk management**

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the Town carries commercial insurance except as noted below. There have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or three prior years. The Town has a stop loss policy for total claims in any one year exceeding an aggregate of 120% of expected claims and for individual claims exceeding \$175,000 for hospital and major medical.

The Town utilizes a risk management fund (the Internal Service Fund) to account for and finance its uninsured risks of loss for medical, dental, and workers' compensation. The fund records all claim expenditures and liabilities when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated.

All Town departments and agencies are charged premiums by the Internal Service Fund, which are included in department and agency expenditures, to cover the estimated cost of claims payment based on historical cost estimates of the amounts needed to pay prior and current year claims.

Claims liabilities include an estimate of claims incurred but not reported and are the Town's best estimate based on available information.

The claims liability reported in the fund is based upon accounting principles, which require that a liability for estimated claims incurred but not reported be recorded. The amount of claim accrual is based on the ultimate costs of settling the claim, which include past experience data, inflation and other future economic and societal factors and incremental claim adjustment expenses, net of estimated subrogation recoveries. The claim accrual does not include other allocated or unallocated claims adjustment expenses.

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

	Claims Payable July 1	Current year Claims and Changes in Estimates	Claims Paid	Claims Payable June 30	Current Portion	Long-term Portion
<u>Workers' Compensation</u>						
<u>Town</u>						
2021-2022	\$ 1,507,476	\$ 443,905	\$ 250,380	\$ 1,701,001	\$ 696,197	\$ 1,004,804
2022-2023	1,701,001	824,965	357,023	2,168,943	926,433	1,242,510
<u>Education</u>						
2021-2022	646,191	(97,297)	125,881	423,013	118,259	304,754
2022-2023	423,013	722,577	277,779	867,811	353,257	514,554
<u>Subtotal</u>						
2021-2022	<u>2,153,667</u>	<u>346,608</u>	<u>376,261</u>	<u>2,124,014</u>	<u>814,456</u>	<u>1,309,558</u>
2022-2023	<u>2,124,014</u>	<u>1,547,542</u>	<u>634,802</u>	<u>3,036,754</u>	<u>1,279,690</u>	<u>1,757,064</u>

## Town of North Haven, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**A. Risk management (continued)**

	Claims Payable July 1	Current year Claims and Changes in Estimates	Claims Paid	Claims Payable June 30	Current Portion	Long-term Portion
<u>Medical and Dental Insurance</u>						
<u>Town</u>						
2021-2022	\$ 486,058	\$11,590,863	\$ 11,290,027	\$ 786,894	\$ 786,894	\$ -
2022-2023	786,894	6,708,171	6,853,335	641,730	641,730	-
<u>Education</u>						
2021-2022	351,647	8,074,635	7,881,176	545,106	545,106	-
2022-2023	545,106	7,445,545	7,631,381	359,270	359,270	-
<u>Subtotal</u>						
2021-2022	837,705	19,665,498	19,171,203	1,332,000	1,332,000	-
2022-2023	1,332,000	14,153,716	14,484,716	1,001,000	1,001,000	-
<u>Total Risk Management Claims Payable</u>						
2021-2022	2,991,372	20,012,106	19,547,464	3,456,014	2,146,456	1,309,558
2022-2023	\$ 3,456,014	\$15,701,258	\$ 15,119,518	\$ 4,037,754	\$2,280,690	\$ 1,757,064

**B. Commitments and litigation**

Amounts received or receivable from Federal and State grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Town expects such amounts, if any, to be immaterial.

The Town is a defendant in various lawsuits and the outcome of these lawsuits is not presently determinable. The resolution of these matters is not expected to have a material adverse effect on the financial condition of the Town.

**C. Tax abatements**

An economic development tax incentive program, Article IX of Chapter 184 of the Ordinances of the Town, was enacted pursuant to Section 12-65b of the Connecticut General Statutes on October 14, 2014. This program is intended to attract new businesses to the Town and encourage the expansion of existing businesses to strengthen the Town's tax base.

The program is available to manufacturing, storage, warehousing, distribution, office, information technology, and recreational facilities and transient residential businesses limited to hotels, with or without an interior or attached restaurant. The program does not apply to residential developments, retail businesses, or restaurants. Personal property is also not included in the program.

Town of North Haven, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023

**C. Tax abatements (continued)**

The economic development tax incentive amount is based upon the total cost of improvements to real property. The form of the adjustment or reduction in the assessed value of that portion of the real property is comprised of the qualifying new construction or expansion. Improvements of \$500,000 to \$3,000,000 will qualify for a 3 year phase-in, improvements of \$3,000,001 to \$10,000,000 will qualify for a 5 year phase-in and improvements valued at greater than \$10,000,001 will qualify for a 7 year phase-in.

There are currently 2 companies participating in the economic development tax incentive program.

The amount of the tax abatement under these programs was \$994,802.

**V. Pensions and other post-employment benefit plans (“OPEB”)**

**A. Pension plans**

**1. Plan description**

**a. Plan administration**

The Town administers five single-employer defined benefit plans:

Employee Retirement Plan	
Police Retirement Plan	Closed; New hires after September 6, 2012 are eligible for disability only
Fire Retirement Plan	Closed; New hires after October 30, 2012 are eligible for disability only
Volunteer Fire Retirement Plan	
Elected Officials Retirement Plan	

All five single-employer defined benefit pension plans provide pensions for all full-time employees. The pension plans grant the authority to establish and amend the benefit terms to the Retirement Board. The elected official’s retirement plan does not have assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 68. The plans do not issue separate, stand-alone financial reports. Management of each plan is vested in a Retirement Board.

Town of North Haven, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023

A. Pension plans (continued)

b. Plan membership

As of the valuation date for the police, fire, employee, volunteer fire and elected officials' retirement plans, membership in the plans is comprised of the following:

Valuation date:	7/1/2023	7/1/2022	7/1/2022	7/1/2023	6/30/2023
	Employee Retirement Plan	Police Retirement Plan	Fire Retirement Plan	Volunteer Fire Retirement Plan	Elected Officials Retirement Plan
Retirees and beneficiaries receiving benefits	218	55	28	29	3
Terminated employees entitled to benefits	13	3	1	14	-
Active members	83	52	42	32	2
<b>Total</b>	<b>314</b>	<b>110</b>	<b>71</b>	<b>75</b>	<b>5</b>

2. Benefit provisions

	Employee Retirement Plan	Police Retirement Plan	Fire Retirement Plan	Volunteer Fire Retirement Plan	Elected Officials Retirement Plan
Normal retirement	Age 55-65 with 5 or 25 years of service	25 years of service but no later than age 65	25 years of service but no later than age 65	20 years of service	Age 65 with 8 years of service
Benefit calculation	2.5% of final average compensation per year of service to a maximum of 80%	2.5% of average annual pay per year of service to a maximum of 75%	2.5% of average annual pay per year of service to a maximum of 75%	\$350 per month plus \$3 per month for each year of service as an officer	5% of final average compensation per year of service to a maximum of 50%
Final average compensation	Average of basic annual rate of pay earned during the 3 highest years out of the last 5 years	Average of compensation for basic pay for 3 highest years out of last 5 years	Average of compensation for basic pay for 3 highest years out of last 5 years		Average of basic salary earned during the 5 highest years of employment
Early retirement age	Age 55				Age 62
Early retirement service requirement	10 years				8 years
Early retirement amount	Normal pension accrued reduced by 6% for each year of age less than normal retirement age				Normal pension accrued, reduced by 10%-20% if official is age 62-64

Town of North Haven, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023

A. Pension plans (continued)

	Employee Retirement Plan	Police Retirement Plan	Fire Retirement Plan	Volunteer Fire Retirement Plan	Elected Officials Retirement Plan
Service connected disability amount	25% of basic annual compensation if less than 15 years of service and 50% of annual compensation	Normal pension based on service accrued and final average compensation at disability, payable immediately	Normal pension based on service accrued and average annual pay at disability with a minimum benefit of 50% of average annual pay		
Non-service connected disability service amount	Normal pension based on service accrued and final average compensation at disability, payable immediately	Normal pension based on service accrued and average annual pay at disability with a minimum benefit of 50% of average annual pay	Normal pension based on service accrued and average annual pay at disability with a minimum benefit of 50% of average annual pay	Additional monthly amount for each year of service in excess of 20 years depending on officer grade level	
Non-service connected disability service requirement	15 years	10 years	10 years	10 years	
Vesting - age	None	None	None	None	
Vesting - service	10 years	10 years	10 years	20 years	
Vesting - amount	Normal pension accrued payable at normal retirement date. Employees who terminate employment with less than 10 years receive a refund of their own contributions with interest	Normal pension accrued, payable when the employee would have completed 25 years of service had the participant not terminated employment, but not later than age 65	Normal pension accrued, payable when the employee would have completed 25 years of service had the participant not terminated employment, but not later than age 65	Normal pension accrued, payable at normal retirement date	
Pre-retirement death benefit amount	50% of final pay, payable as a life annuity to spouse until remarriage or to dependent child until attaining age 18 or 26, if in school	50% of final pay, payable as a life annuity to spouse until remarriage or to dependent child until attaining age 18 or 23, if in school			
Post-retirement death benefit amount				50% of benefit pensioner was receiving payable to surviving spouse until death or remarriage or to children until age 18	
Cost of living increases	On January 1 of each year, the benefits for retirees are adjusted in accordance with percentage changes in Social Security retirement benefits	On July 1 of each year following a pensioner's 62nd birthday, a 3% compounding cost-of-living increase will be granted. For disability pensioners, the cost-of-living increase is also deferred to age 62	On July 1 of each year following a pensioner's 62nd birthday, a 3% compounding cost-of-living increase will be granted. For disability pensioners, the cost-of-living increase is also deferred to age 62		On January 1 of each year, benefits for retirees shall be adjusted in accordance with the percentage change in Social Security retirement benefits

Town of North Haven, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023

A. Pension plans (continued)

3. Contributions required

Each participant is required to contribute the following percentage of their pensionable wages to the plan.

	Employee Retirement Plan	Police Retirement Plan	Fire Retirement Plan	Volunteer Fire Retirement Plan	Elected Officials Retirement Plan
Board of Education employees	3.00%	None required	None required	None required	None required
Town employees	0.00%-4.00%	None required	None required	None required	None required
Town average contribution rate of covered payroll/ amount contributed	42.17%	68.03%	40.13%	\$202,345	93.25%

4. Investments

a. Investment policy

The pension plans' policy in regard to the allocation of invested assets is established and may be amended by the Retirement Board by a majority vote of its members. It is the policy of the Town's Retirement Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes.

The following was the Board's adopted asset allocation policy for the Plans:

Asset Class	Target Allocation			
	Employee Retirement	Police Retirement	Fire Retirement	Volunteer Fire Retirement
Domestic equity	35.00%	35.00%	38.00%	33.00%
International equity	20.00%	20.00%	21.00%	27.00%
Fixed income	25.00%	25.00%	26.00%	40.00%
Alternative	15.00%	15.00%	15.00%	0.00%
Cash	5.00%	5.00%	0.00%	0.00%
Total	100.00%	100.00%	100.00%	100.00%

b. Concentrations

There were no investments in any one organization that represents 5.00% or more of the pension plans' net position.

## Town of North Haven, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**A. Pension plans (continued)****c. Long-term expected rate of return**

The long-term expected rate of return on the 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 weighing the expected future real rates of return by the target allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation (see discussion of the pension plans' investment policy) are also summarized above.

Asset Class	Long-Term Expected Real Rate of Return			
	Employee Retirement Plan	Police Retirement Plan	Fire Retirement Plan	Fire Retirement Plan
Domestic equity	9.31%	9.31%	9.31%	9.31%
International equity	9.61%	9.61%	9.61%	9.61%
Fixed income:				
Core	4.01%	4.01%	4.01%	4.01%
High yield	6.11%	6.11%	6.11%	6.11%
Alternative	N/A	N/A	N/A	N/A
Cash	N/A	N/A	N/A	N/A
Inflation rate	3.00%	1.50%	1.50%	3.00%
Long-term expected nominal rate of return	7.00%	6.75%	6.75%	6.50%

N/A - Not available

**d. Annual money-weighted rate of return**

The annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was as follows:

	Employee Retirement Plan	Police Retirement Plan	Fire Retirement Plan	Volunteer Fire Retirement Plan
Rate of return	7.02%	7.04%	14.47%	7.75%

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Town of North Haven, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023

A. Pension plans (continued)

5. Net pension liability

The components of the net pension liability were as follows:

	Employee Retirement Plan	Police Retirement Plan	Fire Retirement Plan	Volunteer Fire Retirement Plan	Elected Officials Retirement Plan
Total pension liability	\$77,335,446	\$42,806,863	\$26,356,360	\$1,682,086	\$2,421,494
Plan fiduciary net position	63,176,086	31,650,656	23,346,911	1,216,969	-
Net pension liability	<u>\$14,159,360</u>	<u>\$11,156,207</u>	<u>\$3,009,449</u>	<u>\$465,117</u>	<u>\$2,421,494</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>81.69%</u>	<u>73.94%</u>	<u>88.58%</u>	<u>72.35%</u>	<u>0.00%</u>

6. Actuarial methods and assumptions

The net pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	Employee Retirement Plan	Police Retirement Plan	Fire Retirement Plan	Volunteer Fire Retirement Plan	Elected Officials Retirement Plan
Valuation date	July 1, 2023	July 1, 2022	July 1, 2022	July 1, 2023	June 30, 2023
Actuarial cost method	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal
Amortization method	Level percent	Level percent	Level percent	Level percent	Level percent
Asset valuation method	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing
Investment rate of return	7.00%	6.75%	6.75%	6.50%	3.65%
Inflation	3.00%	1.50%	1.50%	3.00%	N/A
Salary increases	3.00% to 6.70%	4.00%	3.50%	N/A	2.50%
Cost of living adjustments	2.25%	3.00% starting at age 62	3.00% starting at age 62	N/A	2.25%
Mortality rates	PubG-2010 Mortality Tables, projected generationally with Scale MP-2021	RP-2006 Mortality Tables, projected generationally with Scale MP-2021	RP-2006 Mortality Tables, projected generationally with Scale MP-2021	PubS-2010 Mortality Tables, projected generationally with Scale MP-2021	PubG-2010 Mortality Tables, projected generationally with Scale MP-2021

Town of North Haven, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023

A. Pension plans (continued)

7. Changes from prior year

a. Changes in assumptions

Plan	From	To
<b>Employee Retirement Plan:</b>		
Mortality rate	RP-2014 (adjusted back to 2006) Mortality Tables, projected generationally with Scale MP-2020	PubG-2010 Mortality Tables, projected generationally with Scale MP-2021
Benefit form	100% straight life benefit	80% straight life benefit and 20% 20% 50% joint life benefit
Administrative expenses	\$0	\$120,000
<b>Volunteer Fire Retirement Plan:</b>		
Mortality rate	RP-2014 Blue Collar (adjusted back to 2006) Mortality Tables, projected generationally with Scale MP-2020	PubS-2010 Mortality Tables, projected generationally with Scale MP-2021
Retirement age	Age 60	Vary by age
<b>Elected Officials Retirement Plan:</b>		
Investment rate of return	3.54%	3.65%
Mortality rate	RP-2006 Mortality Tables, projected generationally with Scale MP-2020	PubG-2010 Mortality Tables, projected generationally with Scale MP-2021

b. Changes in benefit terms

There were no changes in benefit terms.

8. Discount rate

The discount rate used to measure the total pension liability was as follows:

	Employee Retirement Plan	Police Retirement Plan	Fire Retirement Plan	Volunteer Fire Retirement Plan	Elected Officials Retirement Plan
Discount Rate	7.00%	6.75%	6.75%	6.50%	3.65%

The discount rate for the Elected Official Retirement Plan was based on the S&P municipal bond 20 year high grade index as of the measurement date.

## Town of North Haven, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**A. Pension plans (continued)**

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

**9. Changes in the net pension liability**

The Town's net pension liability was measured at June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated as noted below. The changes in net pension liability for each plan for the fiscal year were as follows:

<u>Valuation date: July 1, 2023</u>	<u>Increase (Decrease)</u>		
<u>Employee Retirement Plan</u>	<u>Total Pension Liability</u> <u>(a)</u>	<u>Plan Fiduciary Net Position</u> <u>(b)</u>	<u>Net Pension Liability</u> <u>(a) - (b)</u>
Balance at July 1, 2022	\$ 72,802,753	\$ 61,346,488	\$ 11,456,265
Service cost	726,410	-	726,410
Interest	4,976,629	-	4,976,629
Differences between expected and actual experience	1,587,168	-	1,587,168
Changes in assumptions	2,111,831	-	2,111,831
Contributions - employer	-	2,013,622	(2,013,622)
Contributions - member	-	86,695	(86,695)
Net investment income (loss)	-	4,702,480	(4,702,480)
Benefit payments, including refunds of member contributions	(4,869,345)	(4,869,345)	-
Administration expenses	-	(103,854)	103,854
Net change	4,532,693	1,829,598	2,703,095
Balance at June 30, 2023	<u>\$77,335,446</u>	<u>\$ 63,176,086</u>	<u>\$ 14,159,360</u>

## Town of North Haven, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**A. Pension plans (continued)**

Valuation date: July 1, 2022	Increase (Decrease)		
Police Retirement Plan	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at July 1, 2022	\$ 41,795,198	\$ 29,868,330	\$ 11,926,868
Service cost	571,797	-	571,797
Interest	2,780,767	-	2,780,767
Contributions - employer	-	1,861,884	(1,861,884)
Net investment income (loss)	-	2,308,377	(2,308,377)
Benefit payments, including refunds of member contributions	(2,340,899)	(2,340,899)	-
Administration expenses	-	(47,036)	47,036
Net change	1,011,665	1,782,326	(770,661)
Balance at June 30, 2023	<u>\$ 42,806,863</u>	<u>\$ 31,650,656</u>	<u>\$ 11,156,207</u>

Valuation date: July 1, 2022	Increase (Decrease)		
Fire Retirement Plan	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at July 1, 2022	\$ 25,420,118	\$ 21,380,288	\$ 4,039,830
Service cost	438,051	-	438,051
Interest	1,704,707	-	1,704,707
Contributions - employer	-	952,841	(952,841)
Net investment income (loss)	-	2,243,591	(2,243,591)
Benefit payments, including refunds of member contributions	(1,206,516)	(1,206,516)	-
Administration expenses	-	(23,293)	23,293
Net change	936,242	1,966,623	(1,030,381)
Balance at June 30, 2023	<u>\$ 26,356,360</u>	<u>\$ 23,346,911</u>	<u>\$ 3,009,449</u>

## Town of North Haven, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**A. Pension plans (continued)**

Valuation date: July 1, 2023	Increase (Decrease)		
Volunteer Fire Retirement Plan	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at July 1, 2022	\$ 1,735,114	\$ 1,009,130	\$ 725,984
Service cost	22,494	-	22,494
Interest	111,480	-	111,480
Differences between expected and actual experience	(99,342)	-	(99,342)
Changes in assumptions	(2,594)	-	(2,594)
Contributions - employer	-	202,345	(202,345)
Net investment income (loss)	-	95,168	(95,168)
Benefit payments, including refunds of member contributions	(85,066)	(85,066)	-
Administration expenses	-	(4,608)	4,608
Net change	(53,028)	207,839	(260,867)
Balance at June 30, 2023	\$ 1,682,086	\$ 1,216,969	\$ 465,117

Valuation date: June 30, 2023	Increase (Decrease)
Elected Officials Retirement Plan	Total Pension Liability
Balance at July 1, 2022	\$ 2,380,934
Service cost	99,493
Interest	85,706
Differences between expected and actual experience	(40,269)
Changes in assumptions	14,309
Benefit payments, including refunds of member contributions	(118,679)
Net change	40,560
Balance at June 30, 2023	\$ 2,421,494

## Town of North Haven, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**A. Pension plans (continued)****10. Sensitivity of the net pension liability to changes in the discount rate**

The following presents the net pension liability, calculated using the current discount rate as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

<u>Net pension liability</u>	<u>Current Discount Rate</u>	<u>1% Decrease</u>	<u>Current Discount</u>	<u>1% Increase</u>
Employee Retirement Plan	7.00%	<u>\$ 22,144,646</u>	<u>\$ 14,159,360</u>	<u>\$ 7,361,468</u>
Police Retirement Plan	6.75%	<u>\$ 16,574,355</u>	<u>\$ 11,156,207</u>	<u>\$ 6,652,106</u>
Fire Retirement Plan	6.75%	<u>\$ 6,297,988</u>	<u>\$ 3,009,449</u>	<u>\$ 258,696</u>
Volunteer Fire Retirement Plan	6.50%	<u>\$ 676,353</u>	<u>\$ 465,117</u>	<u>\$ 291,775</u>
Elected Officials Retirement Plan	3.54%	<u>\$ 2,703,422</u>	<u>\$ 2,421,494</u>	<u>\$ 2,185,259</u>

**11. Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions**

The Town reported deferred outflows of resources and deferred inflows of resources and pension expense as follows:

<u>Employee Retirement Plan</u>	<u>Deferred Outflows of Resources</u>
Differences between expected and actual experience	\$ 820,420
Changes in assumptions	1,091,623
Net difference between projected and actual earnings on pension plan investments	<u>2,548,104</u>
Total	<u>\$ 4,460,147</u>
<u>Pension Expense</u>	
The plan recognized pension expense of:	<u>\$ (3,460,828)</u>

## Town of North Haven, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**A. Pension plans (continued)**

<u>Police Retirement Plan</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Net</u>
Differences between expected and actual experience	\$ 345,579	\$ -	\$ 345,579
Changes in assumptions	570,986	15,347	555,639
Net difference between projected and actual earnings on pension plan investments	<u>1,341,268</u>	<u>-</u>	<u>1,341,268</u>
Total	<u>\$ 2,257,833</u>	<u>\$ 15,347</u>	<u>\$ 2,242,486</u>
<u>Pension Expense</u>			
The plan recognized pension expense of:			<u>\$ (2,041,147)</u>
<u>Fire Retirement Plan</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Net</u>
Differences between expected and actual experience	\$ -	\$ 421,226	\$ (421,226)
Changes in assumptions	410,186	130,818	279,368
Net difference between projected and actual earnings on pension plan investments	<u>433,010</u>	<u>-</u>	<u>433,010</u>
Total	<u>\$ 843,196</u>	<u>\$ 552,044</u>	<u>\$ 291,152</u>
<u>Pension Expense</u>			
The plan recognized pension expense of:			<u>\$ (1,211,520)</u>

## Town of North Haven, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**A. Pension plans (continued)**

<u>Volunteer Fire Retirement Plan</u>	Deferred Outflows of Resources	Deferred Inflows of Resources	Net
Differences between expected and actual experience	\$ -	\$ 91,370	\$ (91,370)
Changes in assumptions	8,524	4,629	3,895
Net difference between projected and actual earnings on pension plan investments	<u>62,287</u>	<u>-</u>	<u>62,287</u>
Total	<u>\$ 70,811</u>	<u>\$ 95,999</u>	<u>\$ (25,188)</u>

Pension Expense

The plan recognized pension expense of: \$ (25,829)

<u>Elected Officials Retirement Plan</u>	Deferred Outflows of Resources	Deferred Inflows of Resources	Net
Differences between expected and actual experience	\$ -	\$ 56,734	\$ (56,734)
Changes in assumptions	<u>10,441</u>	<u>132,579</u>	<u>(122,138)</u>
Total	<u>\$ 10,441</u>	<u>\$ 189,313</u>	<u>\$ (178,872)</u>

Pension Expense

The plan recognized pension expense of: \$ (815)

Changes of assumptions and experience losses (gains) are amortized over the average remaining service period of actives and inactive for each of the following plans:

<u>Plan</u>	<u>Years</u>
Employees Retirement Plan	2.07
Police Department Retirement Plan	3.20
Fire Department Retirement Plan	4.00
Volunteer Fire Retirement Plan	3.18
Elected Officials Retirement Plan	2.97

Actual investment earnings below (or above) projected earnings are amortized over the next 5 years.

Town of North Haven, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023

A. Pension plans (continued)

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

Year Ending June 30,	Employee Retirement Plan	Police Retirement Plan	Fire Retirement Plan	Volunteer Fire Retirement Plan	Elected Officials Retirement Plan	Total
2024	\$ 2,363,332	\$ 770,514	\$ 27,124	\$ (25,619)	\$ (170,394)	\$ 2,964,957
2025	72,310	404,371	(73,047)	(31,299)	(8,478)	363,857
2026	2,026,608	1,085,066	638,404	35,135	-	3,785,213
2027	(2,103)	(17,465)	(301,329)	(3,405)	-	(324,302)
Total	<u>\$ 4,460,147</u>	<u>\$ 2,242,486</u>	<u>\$ 291,152</u>	<u>\$ (25,188)</u>	<u>\$ (178,872)</u>	<u>\$ 6,789,725</u>

B. Connecticut state teachers' retirement system

1. Plan description

Teachers, principals, superintendents or supervisors engaged in service of public schools are provided with pensions through the Connecticut State Teachers' Retirement System ("TRS"), a cost sharing multiple-employer defined benefit pension plan administered by the Teachers' Retirement Board ("TRB"). Chapter 167a of the State Statutes grants authority to establish and amend the benefit terms to the TRB. TRS issues a publicly available financial report that can be obtained at [www.ct.gov/trb](http://www.ct.gov/trb).

2. Benefit provisions

Normal retirement	Age 60 with 20 years of credited service in Connecticut, or 35 years of credited service including at least 25 years of service in Connecticut
Benefit calculation	2.00% of the average annual salary times the years of credited service (maximum benefit is 75% of average annual salary during the 3 years of highest salary)
Early retirement	25 years of credited service including 20 years of Connecticut service, or age 55 with 20 years of credited service including 15 years of Connecticut service
Early retirement amount	Benefit amounts are reduced by 6.00% per year for the first 5 years preceding normal retirement age and 4.00% per year for the next 5 years preceding the normal retirement age. Effective July 1, 1999, the reduction for individuals with 30 or more years of service is 3.00% per year by which retirement precedes normal retirement date

Town of North Haven, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023

**B. Connecticut state teachers' retirement system (continued)**

Service connected disability amount	2.00% of average annual salary times credited service to date of disability, but not less than 15% of average annual salary, nor more than 50% of average annual salary. In addition, disability benefits under this plan (without regard to cost-of-living adjustments) plus any initial award of social security benefits and workers' compensation cannot exceed 75% of annual average salary
Non-service connected disability service requirement	Five years of credited service
Vesting - service	10 years of service
Vesting - amount	100%
Pre-retirement death benefit amount	Lump-sum return of contributions with interest or surviving spouse benefit depending on length of service

**3. Contributions**

**State of Connecticut**

Per Connecticut General Statutes Section 10-183z (which reflects Public Act 79-436 as amended), contribution requirements of active employees and the State of Connecticut are amended and certified by the State Teachers' Retirement Board and appropriated by the General Assembly. The contributions are actuarially determined as an amount that, when combined with employee contributions and investment earnings, is expected to finance the costs of the benefits earned by employees during the year, with any additional amount to finance any unfunded accrued liability.

**Employer (school districts)**

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

**Employees**

Each teacher is required to contribute 7.00% of their pensionable wages for the pension benefit.

Town of North Haven, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023

B. Connecticut state teachers' retirement system (continued)

4. Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions

The Town reports no amounts for its proportionate share of the collective net pension liability, and related deferred outflows and inflows due to the statutory requirement that the State pay 100% of the required contribution. The amounts recognized by the Town as its proportionate share of the collective net pension liability, the related State support, and the total portion of the collective net pension liability that was associated with the Town were as follows:

Town's proportionate share of the collective net pension liability	\$ -
State's proportionate share of the collective net pension liability associated with the Town	<u>112,009,535</u>
Total	<u>\$ 112,009,535</u>
The Town recognized pension expense and revenue for on-behalf amounts for contributions to the plan by the State of:	
	<u>\$ 8,831,145</u>

The collective net pension liability was measured as of June 30, 2022, and the collective total pension liability used to calculate the collective net pension liability was determined by an actuarial valuation as of June 30, 2022. The Town has no proportionate share of the collective net pension liability.

5. Actuarial assumptions

The collective total pension liability was determined by an actuarial valuation as of June 30, 2022, using the following actuarial assumptions, applied to all periods included in the measurement:

Investment rate of return	6.90%
Inflation	2.50%
Salary increases	3.00-6.50%, including inflation
Mortality rates	Mortality rates were based on the PubT-2010 Table, projected generationally with MP-2019

Future cost-of-living increases - For teachers who retired prior to September 1, 1992, pension benefit adjustments are made in accordance with increases in the Consumer Price Index, with a minimum of 3.00% and a maximum of 5.00% per annum. For teachers who were members of the Teachers' Retirement System before July 1, 2007, and retire on or after September 1, 1992, pension benefit adjustments are made that are consistent with those provided for social security benefits on January 1 of the year granted, with a maximum of 6.00% per annum. If the return on assets in the previous year was less than 8.50%, the maximum increase is 1.50%. For teachers who were members of the Teachers' Retirement System after July 1, 2007, pension benefit adjustments are made that are consistent with those provided for social security benefits on January 1 of the year granted, with a maximum of 5.00% per annum.

## Town of North Haven, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**B. Connecticut state teachers' retirement system (continued)**

If the return on assets in the previous year was less than 11.50%, the maximum increase is 3.00%, and if the return on the assets in the previous year was less than 8.50%, the maximum increase is 1.00%.

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the 5-year period ending June 30, 2019.

**Changes in assumptions and inputs**

There were no changes in assumptions from the prior measurement date.

**Long-term expected rate of return**

The long-term expected rate of return on pension plan 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 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.

The target asset allocation and best estimates of geometric rates of return for each major class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity fund	20.00%	5.40%
Developed market international stock fund	11.00%	6.40%
Emerging market international stock fund	9.00%	8.60%
Core fixed income fund	13.00%	0.80%
Emerging market debt fund	5.00%	3.80%
High yield bond fund	3.00%	3.40%
Real estate fund	19.00%	5.20%
Private equity	10.00%	9.40%
Private credit	5.00%	6.50%
Alternative investments	3.00%	3.10%
Liquidity fund	<u>2.00%</u>	(0.40%)
Total	<u><u>100.00%</u></u>	

## Town of North Haven, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**B. Connecticut state teachers' retirement system (continued)****6. Discount rate**

The discount rate used to measure the collective total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that State contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the collective total pension liability.

**7. Sensitivity of the collective net pension liability to changes in the discount rate**

The Town's proportionate share of the collective net pension liability is \$0 and, therefore, the change in the discount rate would only impact the amount recorded by the State of Connecticut.

**8. Plan fiduciary net position**

Detailed information about the Connecticut State Teachers' Retirement Plan fiduciary net position is available in the separately issued State of Connecticut Annual Comprehensive Financial Report as of and for the year ended June 30, 2022.

**C. Total pension plans**

Plan	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
Employee Retirement Plan	\$ 14,159,360	\$ 4,460,147	\$ -	\$ (3,460,828)
Police Retirement Plan	11,156,207	2,257,833	15,347	(2,041,147)
Fire Retirement Plan	3,009,449	843,196	552,044	(1,211,520)
Volunteer Fire Retirement Plan	465,117	70,811	95,999	(25,829)
Elected Officials Retirement Plan	2,421,494	10,441	189,313	(815)
Total	<u>\$ 31,211,627</u>	<u>\$ 7,642,428</u>	<u>\$ 852,703</u>	<u>\$ (6,740,139)</u>

**D. Other post-employment benefit plan****1. Plan description****a. Plan administration**

The Town administers one single-employer, post retirement healthcare plan for the Town of North Haven Other Post-Employment Benefit ("OPEB") plan. The plan provides medical and dental benefits for eligible retirees and their spouses. The plan does not issue stand alone financial reports. The plan is closed to dispatchers hired after January 1, 2019 and social workers hired after January 1, 2020.

## Town of North Haven, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**D. Other post-employment benefit plan (continued)****b. Plan membership**

As of July 1, 2021, the following employees are covered by the benefit terms:

Retirees and beneficiaries receiving benefits	295
Active members	<u>671</u>
Total	<u><u>966</u></u>

**2. Benefit provisions**

The plan provides for medical and dental benefits for all eligible retirees and their spouses. Benefits and contributions are established by contract and may be amended by union negotiations.

**3. Contributions**

The Board of Finance has the authority to determine contributions to the plan. The Town is not currently funding benefits based upon an actuarial valuation.

There are no employee contributions to the plan.

Teachers who no longer work for the Board of Education are allowed by State Statute to participate in the Town's group medical insurance plan until they formally begin receiving benefits from the State Teachers' Retirement Plan. These teachers are required to contribute the cost of the insurance to the Town.

**4. Investments****a. Investment policy**

The OPEB plans' policy in regard to the allocation of invested assets is established and may be amended by the Retirement Board by a majority vote of its members. It is the policy of the Town's Retirement Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes.

The following was the Board's adopted asset allocation policy for the OPEB Plan:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Real Rate of Return</u>
Domestic equity	65.00%	6.91%
Fixed income	<u>35.00%</u>	1.61%
Total	<u><u>100.00%</u></u>	
Long-term inflation expectation		<u><u>2.40%</u></u>

## Town of North Haven, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**D. Other post-employment benefit plan (continued)****b. Concentrations**

There were no investments in any one organization that represents 5.00% or more of the OPEB plan's net position.

**c. Rate of return**

The long-term expected rate of return on OPEB 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 OPEB 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 arithmetic real rates of return for each major asset class included in the OPEB plan's target asset allocation (see the discussion of the OPEB plan's investment policy) are summarized above.

**d. Annual money-weighted rate of return**

The annual money-weighted rate of return on OPEB plan investments, net of OPEB plan investment expense, was 10.21%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**5. Net OPEB Liability**

The Town's net OPEB liability was measured as of June 30, 2023, and was determined by an actuarial valuation as July 1, 2021. The components of the net OPEB liability were as follows:

Total OPEB liability	\$ 97,010,066
Plan fiduciary net position	<u>916,532</u>
Net OPEB liability	<u><u>\$ 96,093,534</u></u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u><u>0.94%</u></u>

## Town of North Haven, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**D. Other post-employment benefit plan (continued)****6. Actuarial methods and assumptions**

The net OPEB liability was determined based upon the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Valuation date	July 1, 2021
Actuarial cost method	Entry age normal
Investment rate of return	3.65%
Salary increases	3.50%
Inflation	2.40%
Healthcare cost trend rates:	
Initial medical trend rate	8.00%
Ultimate medical trend rate	4.50%
Mortality rates:	
Board of Education - certified	PubT-2010 Teacher Employee Table, projected generationally with Scale MP-2019
General employees and Board of Education noncertified	PubG-2010 General Employee Headcount-Weighted Table, projected generationally with Scale MP-2021
Police and firefighters	PubS-2010 Safety Employee Headcount-Weighted Table, projected generationally with Scale MP-2021

**7. Change from prior year****a. Changes in assumptions**

	<b>From</b>	<b>To</b>
Investment rate of return	3.54%	3.65%
Inflation	2.30%	2.40%

**b. Changes in benefit terms**

There were no changes in benefit terms.

**8. Discount rate**

Since the plan has 0.94% funding percentage, the discount rate is based on the yield or index rate for the 20-year, tax-exempt general obligation municipal bonds with an average rate of AA/Aa or higher as shown in the Bond Buyer 20-Bond General Obligation Index.

## Town of North Haven, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**D. Other post-employment benefit plan (continued)****9. Changes in the net OPEB liability**

<u>Valuation date: July 1, 2021</u>	<u>Increase (Decrease)</u>		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance at July 1, 2022	\$ 94,642,408	\$ 563,380	\$ 94,079,028
Service cost	3,708,559	-	3,708,559
Interest	3,424,058	-	3,424,058
Changes in assumptions	(1,484,121)	-	(1,484,121)
Contributions - employer	-	3,580,838	(3,580,838)
Net investment income	-	57,510	(57,510)
Benefit payments, including refunds of member contributions	(3,280,838)	(3,280,838)	-
Administrative expenses	-	(4,358)	4,358
Net change	<u>2,367,658</u>	<u>353,152</u>	<u>2,014,506</u>
Balance at June 30, 2023	<u>\$ 97,010,066</u>	<u>\$ 916,532</u>	<u>\$ 96,093,534</u>

**10. Sensitivity of the net OPEB liability to changes in the discount rate**

The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	<u>Discount Rate</u>	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Net OPEB Liability	<u>3.65%</u>	<u>\$ 110,924,649</u>	<u>\$ 96,093,534</u>	<u>\$ 84,009,998</u>

**11. Sensitivity of the net OPEB liability to changes in the healthcare cost trend rate**

The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current trend rates:

	<u>Trend Rate</u>	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
Net OPEB Liability	<u>8.00% - 4.50%</u>	<u>\$ 81,194,000</u>	<u>\$ 96,093,534</u>	<u>\$ 115,134,611</u>

## Town of North Haven, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**D. Other post-employment benefit plan (continued)****12. OPEB expense and deferred outflows and inflows of resources related to OPEB**

The Town reported deferred outflows and inflows of resources and OPEB expense as follows:

<u>Description of Inflows/Outflows</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Net</u>
Differences between expected and actual experience	\$ 5,347,435	\$ 648,434	\$ 4,699,001
Changes in assumptions	19,356,539	22,902,078	(3,545,539)
Net difference between projected and actual earnings on OPEB plan investments	<u>49,069</u>	<u>-</u>	<u>49,069</u>
Total	<u>\$ 24,753,043</u>	<u>\$ 23,550,512</u>	<u>\$ 1,202,531</u>
<u>OPEB Expense</u>			

The Town recognized OPEB expense of: \$ 1,399,476

Changes in assumptions and differences between expected and actual experience are amortized over 9.52 years. Actual investment earnings below (or above) projected earnings are amortized over the next 5 years.

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

<u>Year Ending June 30,</u>	
2024	\$ (2,015,685)
2025	1,284,025
2026	1,653,711
2027	1,626,090
2028	1,123,336
Thereafter	<u>(2,468,946)</u>
Total	<u>\$ 1,202,531</u>

Town of North Haven, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023

**E. Connecticut state teachers’ retirement board retiree health insurance plan**

**1. Plan description**

Teachers, principals, superintendents or supervisors engaged in service of public schools that are currently receiving a retirement or disability benefit through the Connecticut Teachers' Retirement System are eligible to participate in the Connecticut State Teachers' Retirement System Retiree Health Insurance Plan ("TRS-RHIP") - a cost sharing multiple-employer defined benefit other post-employment benefit plan administered by the Teachers' Retirement Board ("TRB"). Chapter 167a Section 10-183t of the State Statutes grants authority to establish and amend the benefit terms to the TRB. TRS-RHIP issues a publicly available financial report that can be obtained at [www.ct.gov/trb](http://www.ct.gov/trb).

**2. Benefit provisions**

The Plan provides for retiree health insurance benefits. Eligibility is as follows:

Normal retirement	Age 60 with 20 years of credited service in Connecticut, or 35 years of credited service including at least 25 years of service in Connecticut
Early retirement	25 years of credited service including 20 years of Connecticut service, or age 55 with 20 years of credited service including 15 years of Connecticut service
Service connected disability service requirement	No service requirement
Non-service connected disability service requirement	Five years of credited service
Vesting - Service	10 years of service

**Retiree health care coverage**

Any member that is currently receiving a retirement or disability benefit is eligible to participate in the Plan. There are two types of the health care benefits. Subsidized Local School District Coverage provides a subsidy paid to members still receiving coverage through their former employer and the CTRB Sponsored Medicare Supplemental Plans provide coverage for those participating in Medicare, but not receiving Subsidized Local School District Coverage.

Any member that is not currently participating in Medicare Parts A & B is eligible to continue health care coverage with their former employer. A subsidy of up to \$220 per month for a retired member plus an additional \$220 per month for a spouse enrolled in a local school district plan is provided to the school district to first offset the retiree's share of the cost of coverage, any remaining portion is used to offset the district's cost.

## Town of North Haven, Connecticut

**Notes to Financial Statements  
As of and for the Year Ended June 30, 2023****E. Connecticut state teachers' retirement board retiree health insurance plan (continued)**

The subsidy amount is set by statute. A subsidy amount of \$440 per month may be paid for a retired member, spouse or the surviving spouse of a member who has attained the normal retirement age to participate in Medicare, is not eligible for Part A of Medicare without cost, and contributes at least \$440 per month towards coverage under a local school district plan.

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

If a member participating in Medicare Parts A & B so elects, they may enroll in one of the CTRB Sponsored Medicare Supplemental Plans. Active members, retirees, and the State pay equally toward the cost of the basic coverage (medical and prescription drug benefits).

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

**3. Contributions****State of Connecticut**

Per Connecticut General Statutes Section 10-183z, contribution requirements of active employees and the State of Connecticut are amended and certified by the State Teachers' Retirement Board and appropriated by the General Assembly. The State contributions are not currently actuarially funded. The State pays for one third of plan costs through an annual appropriation in the General Fund.

**Employer (school districts)**

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

**Employees**

Each member is required to contribute 1.25% of their annual salary.

Town of North Haven, Connecticut

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023

E. Connecticut state teachers' retirement board retiree health insurance plan (continued)

4. OPEB liabilities, OPEB expense, deferred outflows of resources and deferred inflows of resources related to OPEB

The Town reports no amounts for its proportionate share of the collective net OPEB liability, and related deferred outflows and inflows due to the statutory requirement that the State pay 100% of the required contribution. The amounts recognized by the Town as its proportionate share of the collective net OPEB liability, the related State support, and the total portion of the collective net OPEB liability that was associated with the Town were as follows:

Town's proportionate share of the collective net OPEB liability	\$ -
State's proportionate share of the collective net OPEB liability associated with the Town	<u>9,809,466</u>
Total	<u>\$ 9,809,466</u>
The Town recognized OPEB expense and revenue for on-behalf amounts for contributions to the plan by the State of:	<u>\$ 124,907</u>

The collective net OPEB liability was measured as of June 30, 2022, and the collective total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation as of June 30, 2022. The Town has no proportionate share of the collective net OPEB liability.

5. Actuarial assumptions

The collective total OPEB liability was determined by an actuarial valuation as of June 30, 2022, using the following actuarial assumptions, applied to all periods included in the measurement:

Investment rate of return	3.00%
Discount rate	3.53%
Inflation	2.50%
Health care cost trend rate (Medicare)	5.125% decreasing to 4.50% by 2031
Salary increases	3.00-6.50%, including inflation
Mortality rates	Mortality rates were based on the PubT-2010 Table, projected generationally with MP-2019
Year fund net position will be depleted	2027

## Town of North Haven, Connecticut

**Notes to Financial Statements  
As of and for the Year Ended June 30, 2023****E. Connecticut state teachers' retirement board retiree health insurance plan (continued)**

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the 5-year period ending June 30, 2019.

**Changes in assumptions and inputs**

- The discount rate was increased from 2.17% to 3.53% to reflect the change in the Municipal Bond Index rate.

**Long-term expected rate of return**

The long-term expected rate of return on OPEB plan 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 OPEB 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 weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

All the plan assets are assumed to be invested in cash equivalents due to the need for liquidity. The expected geometric rate of return is 1.50%. Since there have not been any changes to the asset allocation and the recent economic downturn is expected to be temporary, the funding rate of 3.00% continues to be used for the long-term investment rate of return as of June 30, 2022.

**6. Discount rate**

The discount rate used to measure the collective total OPEB liability was 3.53%. The Municipal Bond Index Rate of 3.54% was used in the determination in the discount rate. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that annual State contributions will equal the most recent 5-year average of state contributions.

**7. Sensitivity of the collective net OPEB liability to changes in the discount rate and the health care cost trend rate**

The Town's proportionate share of the collective net OPEB liability is \$0 and, therefore, the change in the discount rate and health care cost trend rate would only impact the amount recorded by the State of Connecticut.

**8. Plan fiduciary net position**

Detailed information about the Connecticut State Teachers' OPEB Plan fiduciary net position is available in the separately issued State of Connecticut Annual Comprehensive Financial Report as of and for the year ended June 30, 2022.

## Town of North Haven, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**F. Plan statements**

Pension and OPEB Trust Funds  
Combining Statement of Fiduciary Net Position  
June 30, 2023

	Pension Trust Funds				OPEB	Total
	Employee Plan	Police Plan	Fire Plan	Volunteer Plan	Trust Fund	
<u>Assets</u>						
Cash	\$ 948,412	\$ 32,086	\$ 31,211	\$ 107,463	\$ -	\$ 1,119,172
Investments:						
Mutual funds:						
Money market	11,448,732	6,919,413	2,359,084	277,209	318,736	21,323,174
Equity	29,640,553	13,562,169	339,451	-	-	43,542,173
Exchange traded funds	4,714,119	3,228,190	7,879,260	564,739	597,796	16,984,104
Equity - domestic	-	-	4,377,402	273,016	-	4,650,418
U.S. government agency obligation	-	-	690,492	-	-	690,492
Municipal bonds	2,946,348	1,594,921	-	-	-	4,541,269
Corporate bonds	-	-	547,138	-	-	547,138
Alternative Investments:						
Real estate limited partnerships	1,493,079	831,026	2,264,974	-	-	4,589,079
Private equity funds	11,985,442	5,442,267	4,961,181	-	-	22,388,890
Total investments	62,228,273	31,577,986	23,418,982	1,114,964	916,532	119,256,737
Accrued interest	-	404	3,662	-	-	4,066
Due from other funds	43	40,180	-	-	-	40,223
Total assets	63,176,728	31,650,656	23,453,855	1,222,427	916,532	120,420,198
<u>Liabilities</u>						
Due to other funds	642	-	106,944	5,458	-	113,044
<u>Net Position</u>						
Restricted for:						
Pension benefits	63,176,086	31,650,656	23,346,911	1,216,969	-	119,390,622
OPEB benefits	-	-	-	-	916,532	916,532
Total net position	\$ 63,176,086	\$ 31,650,656	\$ 23,346,911	\$ 1,216,969	\$ 916,532	\$ 120,307,154

## Town of North Haven, Connecticut

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**F. Plan statements (continued)**

Pension and OPEB Trust Funds  
Combining Statement of Changes In Fiduciary Net Position  
For the Year Ended June 30, 2023

	Pension Trust Funds				OPEB Trust Fund	Total
	Employee Plan	Police Plan	Fire Plan	Volunteer Plan		
Additions:						
Contributions:						
Employer	\$ 2,013,622	\$ 1,861,884	\$ 952,841	\$ 202,345	\$3,580,838	\$ 8,611,530
Plan members	86,695	-	-	-	-	86,695
Total contributions	<u>2,100,317</u>	<u>1,861,884</u>	<u>952,841</u>	<u>202,345</u>	<u>3,580,838</u>	<u>8,698,225</u>
Investment income (loss):						
Change in fair value of investments	4,754,651	2,321,808	2,322,519	72,102	57,510	9,528,590
Interest and dividends	293,257	153,335	3,662	23,066	-	473,320
Total investment income (loss)	<u>5,047,908</u>	<u>2,475,143</u>	<u>2,326,181</u>	<u>95,168</u>	<u>57,510</u>	<u>10,001,910</u>
Less investment expenses	<u>345,428</u>	<u>166,766</u>	<u>82,590</u>	<u>-</u>	<u>-</u>	<u>594,784</u>
Net investment income (loss)	<u>4,702,480</u>	<u>2,308,377</u>	<u>2,243,591</u>	<u>95,168</u>	<u>57,510</u>	<u>9,407,126</u>
Total additions	<u>6,802,797</u>	<u>4,170,261</u>	<u>3,196,432</u>	<u>297,513</u>	<u>3,638,348</u>	<u>18,105,351</u>
Deductions:						
Benefits	4,869,345	2,340,899	1,206,516	85,066	3,280,838	11,782,664
Administration	103,854	47,036	23,293	4,608	4,358	183,149
Total deductions	<u>4,973,199</u>	<u>2,387,935</u>	<u>1,229,809</u>	<u>89,674</u>	<u>3,285,196</u>	<u>11,965,813</u>
Change in net position	1,829,598	1,782,326	1,966,623	207,839	353,152	6,139,538
Net position - July 1, 2022	<u>61,346,488</u>	<u>29,868,330</u>	<u>21,380,288</u>	<u>1,009,130</u>	<u>563,380</u>	<u>114,167,616</u>
Net position - June 30, 2023	<u>\$ 63,176,086</u>	<u>\$ 31,650,656</u>	<u>\$ 23,346,911</u>	<u>\$ 1,216,969</u>	<u>\$ 916,532</u>	<u>\$ 120,307,154</u>

**Town of North Haven, Connecticut**  
**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**VI. Prior period adjustments**

**A.** As a result of the implementation of GASB Statement No. 96, intangible right-to-use subscription assets and subscription liability were recorded as beginning balances. There was no impact on beginning net position. The amounts recorded were increases to the following financial statement accounts:

	Governmental Activities
Capital assets:	
Intangible right-to-use subscription assets	\$ 266,674
Long-term liabilities:	
Subscription payable	266,674

**B.** The fund balances were restated as a result of the following:

	General Fund	Other Governmental Funds
Fund balance as previously reported at June 30, 2022	\$ 11,394,896	\$ 3,489,859
Education nonlapsing fund reclassification from education grants fund to general fund	309,481	(309,481)
Fund balance as restated at July 1, 2022	\$ 11,704,377	\$ 3,180,378

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# Required Supplementary Information

Type	Description
Budgetary	Schedule of Revenues and Other Financing Sources - Budget and Actual - General Fund
	Schedule of Expenditures and Other Financing Uses - Budget and Actual - General Fund
	Notes to Required Supplementary Information - Budgets and Budgetary Accounting
<hr/>	
<u>Pension Plans</u>	
Employee	Schedule of Changes in Net Pension Liability and Related Ratios and Schedule of Investment Returns
Police	
Fire	
Volunteer Fire	Schedule of Proportionate Share of the Collective Net Pension Liability
Elected Officials	
State Teachers' Retirement System	Schedule of Contributions
	Notes to Required Supplementary Information
<hr/>	
<u>Other Post-Employment Benefits Plans</u>	
Town	Schedule of Changes in Net OPEB Liability and Related Ratios and Schedule of Investment Returns
State Teachers' Retirement Board Retiree Health Insurance Plan	Schedule of Proportionate Share of the Collective Net OPEB Liability
	Schedule of Contributions
	Notes to Required Supplementary Information

**Town of North Haven, Connecticut**  
**Required Supplementary Information**  
**General Fund**  
**Schedule of Revenues and Other Financing Sources**  
**Budget and Actual**  
**For the Year Ended June 30, 2023**

	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual	Variance With Final Budget
Property taxes:					
Current taxes	\$ 97,070,939	\$ -	\$ 97,070,939	\$ 97,638,958	\$ 568,019
Arrears taxes	800,000	-	800,000	398,900	(401,100)
Interest and liens	475,000	-	475,000	676,128	201,128
Supplemental auto tax- current	1,200,000	-	1,200,000	1,131,789	(68,211)
Personal property audit taxes	100,000	-	100,000	-	(100,000)
Quinnipiac College	300,000	-	300,000	300,000	-
In lieu of taxes	295,000	-	295,000	316,734	21,734
Telephone access line	50,000	-	50,000	56,129	6,129
<b>Total property taxes</b>	<b>100,290,939</b>	<b>-</b>	<b>100,290,939</b>	<b>100,518,638</b>	<b>227,699</b>
Intergovernmental:					
Education grants:					
Equal cost sharing	3,869,743	-	3,869,743	4,136,349	266,606
Adult education	6,190	-	6,190	-	(6,190)
ESSER	998,083	-	998,083	-	(998,083)
<b>Total education grants</b>	<b>4,874,016</b>	<b>-</b>	<b>4,874,016</b>	<b>4,136,349</b>	<b>(737,667)</b>
Other government grants:					
Tax relief- totally disabled	3,378	-	3,378	3,314	(64)
Tiered PILOT	1,161,002	-	1,161,002	1,628,980	467,978
Tax relief- veterans	24,000	-	24,000	23,744	(256)
Mashantucket Pequot fund	86,789	-	86,789	86,789	-
MRSA municipal projects	2,249,113	-	2,249,113	2,249,113	-
<b>Total other government grants</b>	<b>3,524,282</b>	<b>-</b>	<b>3,524,282</b>	<b>3,991,940</b>	<b>467,658</b>
<b>Total intergovernmental</b>	<b>8,398,298</b>	<b>-</b>	<b>8,398,298</b>	<b>8,128,289</b>	<b>(270,009)</b>
Charges for services:					
Cemetery	45,000	-	45,000	49,779	4,779
Assessor's office	1,000	-	1,000	224	(776)
Town clerk fees	700,000	-	700,000	585,341	(114,659)
Registrar of vital statistics	21,000	-	21,000	50,285	29,285
Miscellaneous licenses and permits	9,000	-	9,000	-	(9,000)
Alarm use fee	12,000	-	12,000	12,150	150
Police photocopies	6,000	-	6,000	5,621	(379)
Dog licenses	8,000	-	8,000	9,325	1,325
Building fees	1,450,000	-	1,450,000	1,599,393	149,393
Fire fees	500,000	-	500,000	670,964	170,964
Paramedic fees	90,000	-	90,000	23,797	(66,203)
Engineering fees	1,000	-	1,000	829	(171)
Road permit fees	6,000	-	6,000	6,540	540
Public works fees	2,000	-	2,000	1,785	(215)
Application inspection	500	-	500	-	(500)
Planning and zoning commission fees	12,350	-	12,350	9,185	(3,165)
Inland wetlands commission fees	1,000	-	1,000	1,262	262
Community service fees and local welfare	250,000	-	250,000	166,607	(83,393)

See Notes to Required Supplementary Information.

(Continued)

Town of North Haven, Connecticut  
Required Supplementary Information

General Fund  
Schedule of Revenues and Other Financing Sources  
Budget and Actual  
For the Year Ended June 30, 2023

	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual	Variance With Final Budget
Charges for services: (continued)					
Zoning board of appeals	\$ 4,000	\$ -	\$ 4,000	\$ 3,288	\$ (712)
Rental of town property	90,000	-	90,000	80,742	(9,258)
Parking violations	1,000	-	1,000	185	(815)
Rental - Mill road school	124,510	-	124,510	164,638	40,128
Total charges for services	3,334,360	-	3,334,360	3,441,940	107,580
Interest and dividends	150,000	-	150,000	527,749	377,749
Net change in fair value	-	-	-	(513,794)	(513,794)
Total income from investments	150,000	-	150,000	13,955	(136,045)
Other	200,000	-	200,000	417,079	217,079
Total revenues	112,373,597	-	112,373,597	112,519,901	146,304
Other financing sources:					
Appropriation of fund balance	1,425,000	-	1,425,000	-	(1,425,000)
Sale of capital assets	5,000	-	5,000	26,910	21,910
Transfers in:					
ARPA fund	1,670,000	-	1,670,000	1,670,000	-
Special revenue funds	550,000	-	550,000	-	(550,000)
Total other financing sources	3,650,000	-	3,650,000	1,696,910	(1,953,090)
Total revenues and other financing sources	\$ 116,023,597	\$ -	\$ 116,023,597	\$ 114,216,811	\$ (1,806,786)

(Concluded)

See Notes to Required Supplementary Information.

**Town of North Haven, Connecticut**  
**Required Supplementary Information**  
**General Fund**  
**Schedule of Expenditures and Other Financing Uses**  
**Budget and Actual**  
**For the Year Ended June 30, 2023**

	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual	Variance With Final Budget
Administrative and general:					
Selectmen	\$ 269,825	\$ 2,972	\$ 272,797	\$ 272,797	\$ -
Town clerk	210,060	-	210,060	197,206	12,854
Election	109,834	12,138	121,972	121,971	1
Legal	265,846	(31,270)	234,576	234,575	1
Probate court	7,700	-	7,700	7,672	28
Public libraries	1,165,457	(37,576)	1,127,881	1,121,848	6,033
Cemetery commission	56,400	5,041	61,441	61,440	1
Treasurer/finance	677,727	-	677,727	650,562	27,165
Board of finance	3,750	-	3,750	957	2,793
Assessor	291,563	-	291,563	264,915	26,648
Tax collector	221,360	-	221,360	200,606	20,754
Board of assessment appeals	3,300	-	3,300	414	2,886
Insurance	1,055,913	-	1,055,913	881,241	174,672
Central facilities	387,788	9,708	397,496	397,495	1
Central supply services	575,997	(61,000)	514,997	512,610	2,387
Personnel policy	1,112,765	236,169	1,348,934	1,348,933	1
Audit	54,800	550	55,350	55,350	-
Information technology	437,251	42,959	480,210	480,132	78
Contingency	300,000	(247,295)	52,705	52,705	-
<b>Total administrative and general</b>	<b>7,207,336</b>	<b>(67,604)</b>	<b>7,139,732</b>	<b>6,863,429</b>	<b>276,303</b>
Land use:					
Economic development	13,400	-	13,400	10,529	2,871
Land use administration	299,648	-	299,648	295,646	4,002
Planning and zoning	20,000	(5,509)	14,491	1,683	12,808
Inland wetlands commission	11,750	-	11,750	2,557	9,193
Zoning board of appeals	7,050	-	7,050	2,169	4,881
Building inspection and permit	445,591	58,502	504,093	504,093	-
Engineering	274,663	(109,000)	165,663	144,420	21,243
<b>Total land use</b>	<b>1,072,102</b>	<b>(56,007)</b>	<b>1,016,095</b>	<b>961,097</b>	<b>54,998</b>
<b>Total general government</b>	<b>8,279,438</b>	<b>(123,611)</b>	<b>8,155,827</b>	<b>7,824,526</b>	<b>331,301</b>
Public safety:					
Police	7,375,604	1,619	7,377,223	7,347,590	29,633
Animal control	168,700	1,619	170,319	170,319	-
Fire	6,243,110	-	6,243,110	6,211,548	31,562
<b>Total public safety</b>	<b>13,787,414</b>	<b>3,238</b>	<b>13,790,652</b>	<b>13,729,457</b>	<b>61,195</b>
Public works:					
Public works administration	381,510	-	381,510	328,386	53,124
Transfer station and recycling	682,860	-	682,860	585,584	97,276
Sanitation	2,014,395	-	2,014,395	1,953,440	60,955
Streets and roads	2,727,116	436	2,727,552	2,727,551	1
Maintenance	352,851	-	352,851	324,158	28,693
Parks	405,023	-	405,023	214,250	190,773
<b>Total public works</b>	<b>6,563,755</b>	<b>436</b>	<b>6,564,191</b>	<b>6,133,369</b>	<b>430,822</b>

See Notes to Required Supplementary Information.

(Continued)

**Town of North Haven, Connecticut**  
**Required Supplementary Information**  
**General Fund**  
**Schedule of Expenditures and Other Financing Uses**  
**Budget and Actual**  
**For the Year Ended June 30, 2023**

	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual	Variance With Final Budget
Health and human services:					
Regional health district	\$ 167,235	\$ -	\$ 167,235	\$ 167,233	\$ 2
Regional visiting nurse association	25,570	-	25,570	10,833	14,737
Community services	634,117	-	634,117	530,245	103,872
Welfare	3,000	3,462	6,462	6,462	-
Senior center	237,577	-	237,577	199,593	37,984
Total health and human services	<u>1,067,499</u>	<u>3,462</u>	<u>1,070,961</u>	<u>914,366</u>	<u>156,595</u>
Recreation	<u>557,875</u>	<u>57,196</u>	<u>615,071</u>	<u>615,070</u>	<u>1</u>
Employee benefits:					
Pension and social security	7,030,444	-	7,030,444	7,003,408	27,036
Insurance employees	7,483,937	27,487	7,511,424	7,511,423	1
Total employee benefits	<u>14,514,381</u>	<u>27,487</u>	<u>14,541,868</u>	<u>14,514,831</u>	<u>27,037</u>
Education	<u>59,725,295</u>	<u>-</u>	<u>59,725,295</u>	<u>59,409,214</u>	<u>316,081</u>
Miscellaneous:					
Other	364,985	-	364,985	359,500	5,485
Utilities	1,240,000	-	1,240,000	1,228,017	11,983
Total miscellaneous	<u>1,604,985</u>	<u>-</u>	<u>1,604,985</u>	<u>1,587,517</u>	<u>17,468</u>
Debt service	<u>9,109,970</u>	<u>31,792</u>	<u>9,141,762</u>	<u>9,141,762</u>	<u>-</u>
Total expenditures	<u>115,210,612</u>	<u>-</u>	<u>115,210,612</u>	<u>113,870,112</u>	<u>1,340,500</u>
Other financing uses:					
Transfers out:					
Capital nonrecurring	371,950	-	371,950	371,950	-
Education nonlapsing	441,035	-	441,035	441,035	-
Total other financing uses	<u>812,985</u>	<u>-</u>	<u>812,985</u>	<u>812,985</u>	<u>-</u>
Total expenditures and other financing uses	<u>\$116,023,597</u>	<u>\$ -</u>	<u>\$116,023,597</u>	<u>\$ 114,683,097</u>	<u>\$ 1,340,500</u>

(Concluded)

**Town of North Haven, Connecticut**

**Notes to Required Supplementary Information**

**For the Year Ended June 30, 2023  
Budgets and Budgetary Accounting**

The Town adheres to the following procedures in establishing the budgetary data included in the general fund financial statements. The operating budget, which is prepared by function and department, includes proposed expenditures and the means of financing them.

This budget is adopted on a basis consistent with Generally Accepted Accounting Principles (modified accrual basis) with the following exceptions:

1. The Town does not budget for as revenue or expenditures payments made for the State Teachers' pension and OPEB by the State of Connecticut on the Town's behalf.
2. Certain funds that are required to be reported as part of the general fund under the requirement of GASB Statement No. 54.

**Reconciliation to Exhibit D**

	Revenues	Expenditures
Budgetary Basis - RSI-1	\$ 112,519,901	\$ 113,870,112
State Teachers' pension on behalf amount	8,831,145	8,831,145
State Teachers' OPEB on behalf amount	124,907	124,907
Other funds (Schedule 2)	-	298,562
GAAP Basis - Exhibit D	\$ 121,475,953	\$ 123,124,726

Formal budgetary integration is employed as a management control device during the year.

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

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

The legal level of control (the level at which expenditures may not legally exceed appropriations) is at the department level.

The governing body may amend the annual budget subject to the requirements of the Connecticut General Statutes. Special budget appropriations must be approved by the Board of Finance and, if in excess of \$20,000, recommended to the Town Meeting for approval. The Board of Finance has the power to transfer any portion of the unrestricted balances otherwise appropriated.

The Board of Education is authorized under state law to make any transfers required within their budget at their discretion. Additionally, as required by the Charter, these transfers must be reported to the Board of Selectmen. Any additional appropriations must have Board of Education and Board of Selectmen approval and, if over one-half of one percent of the annual budget, Town Meeting approval.

During the year, there were no additional appropriations.

**Town of North Haven, Connecticut**  
**Required Supplementary Information**

**Employee Retirement Plan**  
**Last Ten Years**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Schedule of Changes in Net Pension Liability and Related Ratios</b>										
Total pension liability:										
Service cost	\$ 726,410	\$ 705,253	\$ 910,422	\$ 883,905	\$ 942,978	\$ 942,978	\$ 942,978	\$ 1,362,570	\$ 1,298,632	\$ 1,475,199
Interest	4,976,629	4,911,122	4,930,377	4,827,240	4,725,585	4,607,608	4,657,527	4,430,293	4,272,359	4,108,111
Change of benefit terms	-	-	-	-	-	-	(1,515,475)	-	(930,472)	(3,129,022)
Transfer from Fire Department plan	-	-	-	-	-	-	392,721	-	-	-
Differences between expected and actual experience	1,587,168	-	(858,620)	-	(174,746)	-	(1,478,574)	-	812,771	-
Changes in assumptions	2,111,831	-	(617,978)	-	91,929	-	-	-	-	-
Benefit payments, including refunds of member contributions	<u>(4,869,345)</u>	<u>(4,534,083)</u>	<u>(4,334,338)</u>	<u>(4,194,421)</u>	<u>(3,954,482)</u>	<u>(3,775,945)</u>	<u>(3,648,672)</u>	<u>(3,330,585)</u>	<u>(3,063,616)</u>	<u>(2,842,836)</u>
Net change in total pension liability	4,532,693	1,082,292	29,863	1,516,724	1,631,264	1,774,641	(649,495)	2,462,278	2,389,674	(388,548)
Total pension liability - July 1	<u>72,802,753</u>	<u>71,720,461</u>	<u>71,690,598</u>	<u>70,173,874</u>	<u>68,542,610</u>	<u>66,767,969</u>	<u>67,417,464</u>	<u>64,955,186</u>	<u>62,565,512</u>	<u>62,954,060</u>
Total pension liability - June 30 (a)	<u>\$ 77,335,446</u>	<u>\$ 72,802,753</u>	<u>\$ 71,720,461</u>	<u>\$ 71,690,598</u>	<u>\$ 70,173,874</u>	<u>\$ 68,542,610</u>	<u>\$ 66,767,969</u>	<u>\$ 67,417,464</u>	<u>\$ 64,955,186</u>	<u>\$ 62,565,512</u>
Plan fiduciary net position:										
Contributions - employer	\$ 2,013,622	\$ 2,217,670	\$ 1,884,186	\$ 1,827,723	\$ 1,966,261	\$ 2,089,673	\$ 2,397,367	\$ 2,301,816	\$ 2,479,521	\$ 2,313,309
Contributions - member	86,695	82,489	82,139	91,622	85,372	86,136	90,425	92,689	79,485	97,713
Net investment income (loss)	4,702,480	(3,492,607)	12,011,756	1,230,659	2,167,426	4,874,782	7,031,573	(2,711,129)	1,259,124	7,721,782
Benefit payments, including refunds of member contributions	(4,869,345)	(4,534,083)	(4,334,338)	(4,194,421)	(3,954,482)	(3,775,945)	(3,648,672)	(3,330,585)	(3,063,616)	(2,842,836)
Transfers from Fire Department plan Administration	(103,854)	(119,033)	(221,554)	(316,868)	(144,118)	-	392,721	-	-	(289,700)
Net change in plan fiduciary net position	1,829,598	(5,845,564)	9,422,189	(1,361,285)	120,459	3,274,646	6,263,414	(3,647,209)	754,514	7,000,268
Plan fiduciary net position - July 1	<u>61,346,488</u>	<u>67,192,052</u>	<u>57,769,863</u>	<u>59,131,148</u>	<u>59,010,689</u>	<u>55,736,043</u>	<u>49,472,629</u>	<u>53,119,838</u>	<u>52,365,324</u>	<u>45,365,056</u>
Plan fiduciary net position - June 30 (b)	<u>\$ 63,176,086</u>	<u>\$ 61,346,488</u>	<u>\$ 67,192,052</u>	<u>\$ 57,769,863</u>	<u>\$ 59,131,148</u>	<u>\$ 59,010,689</u>	<u>\$ 55,736,043</u>	<u>\$ 49,472,629</u>	<u>\$ 53,119,838</u>	<u>\$ 52,365,324</u>
Net pension liability - June 30 (a)-(b)	<u>\$ 14,159,360</u>	<u>\$ 11,456,265</u>	<u>\$ 4,528,409</u>	<u>\$ 13,920,735</u>	<u>\$ 11,042,726</u>	<u>\$ 9,531,921</u>	<u>\$ 11,031,926</u>	<u>\$ 17,944,835</u>	<u>\$ 11,835,348</u>	<u>\$ 10,200,188</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>81.69%</u>	<u>84.26%</u>	<u>93.69%</u>	<u>80.58%</u>	<u>84.26%</u>	<u>86.09%</u>	<u>83.48%</u>	<u>73.38%</u>	<u>81.78%</u>	<u>83.70%</u>
Covered payroll	<u>\$ 4,774,468</u>	<u>\$ 5,577,784</u>	<u>\$ 5,339,852</u>	<u>\$ 6,483,853</u>	<u>\$ 6,483,853</u>	<u>\$ 6,928,764</u>	<u>\$ 6,928,764</u>	<u>\$ 7,512,900</u>	<u>\$ 7,512,900</u>	<u>\$ 7,634,273</u>
Net pension liability as a percentage of covered payroll	<u>296.56%</u>	<u>205.39%</u>	<u>84.80%</u>	<u>214.70%</u>	<u>170.31%</u>	<u>137.57%</u>	<u>159.22%</u>	<u>238.85%</u>	<u>157.53%</u>	<u>133.61%</u>
<b>Schedule of Investment Returns</b>										
Annual money weighted rate of return, net of investment expense	<u>7.02%</u>	<u>(7.78%)</u>	<u>25.37%</u>	<u>1.58%</u>	<u>3.22%</u>	<u>9.14%</u>	<u>14.32%</u>	<u>(5.15%)</u>	<u>N/A</u>	<u>N/A</u>

N/A - Not available

See Notes to Required Supplementary Information.

## Town of North Haven, Connecticut

## Required Supplementary Information

Employee Retirement Plan  
Schedule of Contributions  
Last Ten Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined contributions	\$ 2,241,383	\$ 2,241,383	\$ 2,241,383	\$ 2,112,644	\$ 2,112,644	\$ 2,598,720	\$ 2,523,029	\$ 2,521,308	\$ 2,447,872	\$ 2,313,309
Contributions in relation to the actuarially determined contribution	<u>2,013,622</u>	<u>2,217,670</u>	<u>1,884,186</u>	<u>1,827,723</u>	<u>1,966,261</u>	<u>2,089,673</u>	<u>2,397,367</u>	<u>2,301,816</u>	<u>2,479,521</u>	<u>2,313,309</u>
Contribution excess (deficiency)	<u>\$ (227,761)</u>	<u>\$ (23,713)</u>	<u>\$ (357,197)</u>	<u>\$ (284,921)</u>	<u>\$ (146,383)</u>	<u>\$ (509,047)</u>	<u>\$ (125,662)</u>	<u>\$ (219,492)</u>	<u>\$ 31,649</u>	<u>\$ -</u>
Covered payroll	<u>\$ 4,774,468</u>	<u>\$ 5,577,784</u>	<u>\$ 5,339,852</u>	<u>\$ 6,483,853</u>	<u>\$ 6,483,853</u>	<u>\$ 6,928,764</u>	<u>\$ 6,928,764</u>	<u>\$ 7,512,900</u>	<u>\$ 7,512,900</u>	<u>\$ 7,634,000</u>
Contributions as a percentage of covered payroll	<u>42.17%</u>	<u>39.76%</u>	<u>35.29%</u>	<u>28.19%</u>	<u>30.33%</u>	<u>30.16%</u>	<u>34.60%</u>	<u>30.64%</u>	<u>33.00%</u>	<u>30.30%</u>

Town of North Haven, Connecticut

Notes to Required Supplementary Information

Employee Retirement Plan  
Schedule of Contributions  
Last Ten Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Changes of benefit terms	None	None	None	None	None	None	None	None	None	None
The actuarially determined contribution rates are calculated as of	July 1, 2021	July 1, 2019	July 1, 2019	July 1, 2017	July 1, 2017	July 1, 2015	July 1, 2015	July 1, 2013	July 1, 2013	July 1, 2011
Actuarial methods and assumptions used to determine contribution rates:										
Actuarial cost method	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Projected unit credit	Projected unit credit
Amortization method	Level percentage, closed	Level percentage, closed	Level percentage, closed	Level percentage, closed	Level percentage, closed	Level percentage, closed	Level percentage, closed	Level percentage, closed	Level percentage, closed	Level percentage, closed
Asset valuation method	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing
Inflation rate	2.25%	2.10%	2.10%	2.25%	2.25%	3.00%	3.00%	3.00%	3.00%	3.00%
Salary increases	3.00-6.70%	3.00-6.70%	3.00-6.70%	3.00-6.70%	3.00-6.70%	3.00-6.70%	3.00-6.70%	3.00-6.70%	3.70%	3.70%
Investment rate of return (net)	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%
Mortality rate	PubG-2010 Mortality Tables, projected generationally with Scale MP-2021	RP-2014 (adjusted back to 2006), projected generationally with Scale MP-2020	RP-2014 (adjusted back to 2006), projected generationally with Scale MP-2020	RP-2014 (adjusted back to 2006), projected generationally with Scale MP-2018	RP-2014 (adjusted back to 2006), projected generationally with Scale MP-2017	RP-2000 Combined Healthy tables projected generationally using Scale AA	RP-2000 Combined Healthy tables projected generationally using Scale AA	RP-2000 Combined Healthy tables projected generationally using Scale AA	RP-2000 Combined Healthy tables projected generationally using Scale AA	RP-2000 Combined Healthy tables projected generationally using Scale AA

## Town of North Haven, Connecticut

## Required Supplementary Information

Police Retirement Plan  
Last Ten Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Schedule of Changes in Net Pension Liability and Related Ratios</b>										
Total pension liability:										
Service cost	\$ 571,797	\$ 499,671	\$ 480,453	\$ 591,226	\$ 568,487	\$ 568,487	\$ 544,748	\$ 701,881	\$ 701,881	\$ 685,828
Interest	2,780,767	2,693,991	2,625,884	2,554,828	2,479,897	2,540,426	2,448,030	2,299,968	2,082,903	2,077,159
Differences between expected and actual experience	-	625,798	-	373,365	-	37,709	-	(1,761,303)	(485,465)	-
Changes in assumptions	-	1,090,064	-	(322,323)	-	(2,197,269)	-	-	-	-
Change of benefit terms	-	-	-	-	-	22,402	-	2,011,545	(1,477,464)	(40,919)
Benefit payments, including refunds of member contributions	(2,340,899)	(2,200,477)	(2,104,735)	(2,037,738)	(1,963,626)	(1,709,283)	(1,683,859)	(1,679,478)	(1,557,764)	(1,464,875)
Net change in total pension liability	1,011,665	2,709,047	1,001,602	1,159,358	1,084,758	(737,528)	1,308,919	1,572,613	(735,909)	1,257,193
Total pension liability - July 1	41,795,198	39,086,151	38,084,549	36,925,191	35,840,433	36,577,961	35,269,042	33,696,429	34,432,338	33,175,145
Total pension liability - June 30 (a)	<u>\$ 42,806,863</u>	<u>\$ 41,795,198</u>	<u>\$ 39,086,151</u>	<u>\$ 38,084,549</u>	<u>\$ 36,925,191</u>	<u>\$ 35,840,433</u>	<u>\$ 36,577,961</u>	<u>\$ 35,269,042</u>	<u>\$ 33,696,429</u>	<u>\$ 34,432,338</u>
Plan fiduciary net position:										
Contributions - employer	\$ 1,861,884	\$ 1,524,066	\$ 1,397,939	\$ 1,426,820	\$ 1,443,904	\$ 1,566,982	\$ 1,349,295	\$ 1,344,518	\$ 1,313,710	\$ 1,319,369
Net investment income (loss)	2,308,377	(2,558,108)	6,617,073	298,858	842,882	2,423,854	3,230,134	(167,870)	1,119,448	3,115,520
Benefit payments, including refunds of member contributions	(2,340,899)	(2,200,477)	(2,104,735)	(2,037,738)	(1,963,626)	(1,709,283)	(1,683,859)	(1,679,478)	(1,557,764)	(1,464,875)
Administration	(47,036)	(50,000)	(146,765)	(186,626)	(18,534)	-	-	-	-	(21,513)
Net change in plan fiduciary net position	1,782,326	(3,284,519)	5,763,512	(498,686)	304,626	2,281,553	2,895,570	(502,830)	875,394	2,948,501
Plan fiduciary net position - July 1	29,868,330	33,152,849	27,389,337	27,888,023	27,583,397	25,301,844	22,406,274	22,909,104	22,033,710	19,085,209
Plan fiduciary net position - June 30 (b)	<u>\$ 31,650,656</u>	<u>\$ 29,868,330</u>	<u>\$ 33,152,849</u>	<u>\$ 27,389,337</u>	<u>\$ 27,888,023</u>	<u>\$ 27,583,397</u>	<u>\$ 25,301,844</u>	<u>\$ 22,406,274</u>	<u>\$ 22,909,104</u>	<u>\$ 22,033,710</u>
Net pension liability - June 30 (a)-(b)	<u>\$ 11,156,207</u>	<u>\$ 11,926,868</u>	<u>\$ 5,933,302</u>	<u>\$ 10,695,212</u>	<u>\$ 9,037,168</u>	<u>\$ 8,257,036</u>	<u>\$ 11,276,117</u>	<u>\$ 12,862,768</u>	<u>\$ 10,787,325</u>	<u>\$ 12,398,628</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>73.94%</u>	<u>71.46%</u>	<u>84.82%</u>	<u>71.92%</u>	<u>75.53%</u>	<u>76.96%</u>	<u>69.17%</u>	<u>63.53%</u>	<u>67.99%</u>	<u>63.99%</u>
Covered payroll	<u>\$ 2,736,680</u>	<u>\$ 2,634,432</u>	<u>\$ 2,856,976</u>	<u>\$ 3,147,732</u>	<u>\$ 3,026,665</u>	<u>\$ 2,910,255</u>	<u>\$ 3,044,642</u>	<u>\$ 2,927,540</u>	<u>\$ 3,419,688</u>	<u>\$ 3,533,608</u>
Net pension liability as a percentage of covered payroll	<u>407.65%</u>	<u>452.73%</u>	<u>207.68%</u>	<u>339.78%</u>	<u>298.59%</u>	<u>283.72%</u>	<u>370.36%</u>	<u>439.37%</u>	<u>315.45%</u>	<u>350.88%</u>
<b>Schedule of Investment Returns</b>										
Annual money weighted rate of return, net of investment expense	<u>7.04%</u>	<u>(8.34%)</u>	<u>25.63%</u>	<u>0.41%</u>	<u>3.52%</u>	<u>9.08%</u>	<u>14.52%</u>	<u>7.36%</u>	<u>11.15%</u>	<u>N/A</u>

N/A - Not available

See Notes to Required Supplementary Information.

## Town of North Haven, Connecticut

## Required Supplementary Information

Police Retirement Plan  
Schedule of Contributions  
Last Ten Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined contributions	\$ 1,653,267	\$ 1,653,267	\$ 1,586,586	\$ 1,571,540	\$ 1,563,912	\$ 1,532,110	\$ 1,528,888	\$ 1,470,085	\$ 1,388,051	\$ 1,319,369
Contributions in relation to the actuarially determined contribution	<u>1,861,884</u>	<u>1,524,066</u>	<u>1,397,939</u>	<u>1,426,820</u>	<u>1,443,904</u>	<u>1,566,982</u>	<u>1,349,295</u>	<u>1,344,518</u>	<u>1,313,710</u>	<u>1,319,369</u>
Contribution excess (deficiency)	<u>\$ 208,617</u>	<u>\$ (129,201)</u>	<u>\$ (188,647)</u>	<u>\$ (144,720)</u>	<u>\$ (120,008)</u>	<u>\$ 34,872</u>	<u>\$ (179,593)</u>	<u>\$ (125,567)</u>	<u>\$ (74,341)</u>	<u>\$ -</u>
Covered payroll	<u>\$ 2,736,680</u>	<u>\$ 2,631,423</u>	<u>\$ 2,856,976</u>	<u>\$ 2,856,976</u>	<u>\$ 3,026,665</u>	<u>\$ 2,910,255</u>	<u>\$ 2,044,642</u>	<u>\$ 2,927,540</u>	<u>\$ 3,419,688</u>	<u>\$ 3,553,608</u>
Contributions as a percentage of covered payroll	<u>68.03%</u>	<u>57.92%</u>	<u>48.93%</u>	<u>49.94%</u>	<u>47.71%</u>	<u>53.84%</u>	<u>65.99%</u>	<u>45.93%</u>	<u>38.42%</u>	<u>37.13%</u>

Town of North Haven, Connecticut

Police Retirement Plan

Notes to Required Supplementary Information  
Schedule of Contributions  
Last Ten Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Changes of benefit terms	None	None	None	None	None	None	None	None	None	None
The actuarially determined contribution rates are calculated as of	July 1, 2022	July 1, 2020	July 1, 2020	July 1, 2018	July 1, 2017	July 1, 2016	July 1, 2016	July 1, 2015	July 1, 2014	July 1, 2012
Actuarial methods and assumptions used to determine contribution rates:										
Actuarial cost method	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Projected unit credit	Projected unit credit
Amortization method	Level percentage, closed	Level percentage, closed	Level percentage, closed	Level percentage, closed	Level percentage, closed	Level percentage, closed	Level percentage, closed	Level percentage, closed	Level percentage, closed	Level percentage, closed
Asset valuation method	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing
Inflation rate	2.10%	2.10%	2.10%	2.60%	2.60%	2.60%	2.60%	2.60%	2.60%	3.50%
Salary increases	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	3.00% - 6.70%	4.00%	3.50%
Investment rate of return (net)	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%
Mortality rate	RP-2006, projected generationally with Scale MP-2019	RP-2006, projected generationally with Scale MP-2019	RP-2006, projected generationally with Scale MP-2019	RP-2006, projected generationally with Scale MP-2017	RP-2006, projected generationally with Scale MP-2017	RP-2006, projected generationally with Scale MP-2017	RP-2000 Combined Healthy tables projected generationally using Scale AA	RP-2000 Combined Healthy tables projected generationally using Scale AA	RP-2000 Combined Healthy tables projected generationally using Scale AA	RP-2000 Combined Healthy tables projected generationally using Scale AA

## Town of North Haven, Connecticut

## Required Supplementary Information

Fire Retirement Plan  
Last Ten Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Schedule of Changes in Net Pension Liability and Related Ratios</b>										
Total pension liability:										
Service cost	\$ 438,051	\$ 407,782	\$ 393,992	\$ 435,175	\$ 420,459	\$ 420,459	\$ 401,604	\$ 434,080	\$ 434,080	\$ 412,809
Interest	1,704,707	1,695,194	1,630,339	1,591,221	1,525,305	1,610,604	1,541,137	1,371,339	1,256,024	1,203,654
Transfer to General Employees plan	-	-	-	-	-	-	-	(392,721)	-	-
Differences between expected and actual experience	-	(565,862)	-	(184,492)	-	(441,692)	-	295,843	472,257	-
Changes in assumptions	-	654,344	-	(195,528)	-	(1,821,368)	-	-	-	-
Change of benefit terms	-	-	-	-	-	7,685	-	1,266,054	(616,436)	(90,301)
Benefit payments, including refunds of member contributions	(1,206,516)	(1,161,242)	(1,061,984)	(1,030,706)	(1,006,965)	(981,552)	(956,880)	(944,118)	(909,224)	(871,895)
Net change in total pension liability	936,242	1,030,216	962,347	615,670	938,799	(1,205,864)	985,861	2,030,477	636,701	654,267
Total pension liability - July 1	25,420,118	24,389,902	23,427,555	22,811,885	21,873,086	23,078,950	22,093,089	20,062,612	19,425,911	18,771,644
Total pension liability - June 30 (a)	<u>\$ 26,356,360</u>	<u>\$ 25,420,118</u>	<u>\$ 24,389,902</u>	<u>\$ 23,427,555</u>	<u>\$ 22,811,885</u>	<u>\$ 21,873,086</u>	<u>\$ 23,078,950</u>	<u>\$ 22,093,089</u>	<u>\$ 20,062,612</u>	<u>\$ 19,425,911</u>
Plan fiduciary net position:										
Contributions - employer	\$ 952,841	\$ 870,881	\$ 953,504	\$ 935,116	\$ 1,071,772	\$ 1,005,527	\$ 845,601	\$ 827,868	\$ 742,505	\$ 772,232
Net investment income (loss)	2,243,591	(1,666,540)	4,834,381	158,287	1,233,286	1,390,845	1,619,109	610,055	683,541	1,918,286
Transfer to General Employees plan	-	-	-	-	-	-	-	(392,721)	-	-
Benefit payments, including refunds of member contributions	(1,206,516)	(1,161,242)	(1,061,984)	(1,030,706)	(1,006,965)	(981,552)	(956,880)	(944,118)	(909,224)	(871,895)
Administration	(23,293)	(7,971)	(98,317)	(82,257)	(5,564)	-	-	-	-	(13,556)
Net change in plan fiduciary net position	1,966,623	(1,964,872)	4,627,584	(19,560)	1,292,529	1,414,820	1,507,830	101,084	516,822	1,805,067
Plan fiduciary net position - July 1	21,380,288	23,345,160	18,717,576	18,737,136	17,444,607	16,029,787	14,521,957	14,420,873	13,904,051	12,098,984
Plan fiduciary net position - June 30 (b)	<u>\$ 23,346,911</u>	<u>\$ 21,380,288</u>	<u>\$ 23,345,160</u>	<u>\$ 18,717,576</u>	<u>\$ 18,737,136</u>	<u>\$ 17,444,607</u>	<u>\$ 16,029,787</u>	<u>\$ 14,521,957</u>	<u>\$ 14,420,873</u>	<u>\$ 13,904,051</u>
Net pension liability - June 30 (a)-(b)	<u>\$ 3,009,449</u>	<u>\$ 4,039,830</u>	<u>\$ 1,044,742</u>	<u>\$ 4,709,979</u>	<u>\$ 4,074,749</u>	<u>\$ 4,428,479</u>	<u>\$ 7,049,163</u>	<u>\$ 7,571,132</u>	<u>\$ 5,641,739</u>	<u>\$ 5,521,860</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>88.58%</u>	<u>84.11%</u>	<u>95.72%</u>	<u>79.90%</u>	<u>82.14%</u>	<u>79.75%</u>	<u>69.46%</u>	<u>65.73%</u>	<u>71.88%</u>	<u>71.57%</u>
Covered payroll	<u>\$ 2,374,531</u>	<u>\$ 2,294,233</u>	<u>\$ 2,481,359</u>	<u>\$ 2,481,359</u>	<u>\$ 2,401,799</u>	<u>\$ 2,320,579</u>	<u>\$ 2,273,343</u>	<u>\$ 2,185,907</u>	<u>\$ 2,182,842</u>	<u>\$ 2,175,961</u>
Net pension liability as a percentage of covered payroll	<u>126.74%</u>	<u>176.09%</u>	<u>42.10%</u>	<u>189.81%</u>	<u>169.65%</u>	<u>190.84%</u>	<u>310.08%</u>	<u>346.36%</u>	<u>258.46%</u>	<u>253.77%</u>
<b>Schedule of Investment Returns</b>										
Annual money weighted rate of return, net of investment expense	<u>14.47%</u>	<u>(13.03%)</u>	<u>25.38%</u>	<u>0.41%</u>	<u>7.43%</u>	<u>8.26%</u>	<u>11.19%</u>	<u>8.32%</u>	<u>11.02%</u>	<u>N/A</u>

N/A - Not available

See Notes to Required Supplementary Information.

**Town of North Haven, Connecticut**  
**Required Supplementary Information**

**Fire Retirement Plan**  
**Schedule of Contributions**  
**Last Ten Years**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined contributions	\$ 899,281	\$ 899,281	\$ 962,841	\$ 954,826	\$ 1,049,522	\$ 1,031,219	\$ 909,328	\$ 874,354	\$ 799,260	\$ 772,232
Contributions in relation to the actuarially determined contribution	<u>952,841</u>	<u>870,881</u>	<u>953,504</u>	<u>935,116</u>	<u>1,071,772</u>	<u>1,005,527</u>	<u>845,601</u>	<u>827,868</u>	<u>742,505</u>	<u>772,232</u>
Contribution excess (deficiency)	<u>\$ 53,560</u>	<u>\$ (28,400)</u>	<u>\$ (9,337)</u>	<u>\$ (19,710)</u>	<u>\$ 22,250</u>	<u>\$ (25,692)</u>	<u>\$ (63,727)</u>	<u>\$ (46,486)</u>	<u>\$ (56,755)</u>	<u>\$ -</u>
Covered payroll	<u>\$ 2,374,531</u>	<u>\$ 2,294,233</u>	<u>\$ 2,481,359</u>	<u>\$ 2,481,359</u>	<u>\$ 2,401,799</u>	<u>\$ 2,320,579</u>	<u>\$ 2,273,343</u>	<u>\$ 2,185,907</u>	<u>\$ 2,182,842</u>	<u>\$ 2,175,961</u>
Contributions as a percentage of covered payroll	<u>40.13%</u>	<u>37.96%</u>	<u>38.43%</u>	<u>37.69%</u>	<u>44.62%</u>	<u>43.33%</u>	<u>37.20%</u>	<u>37.87%</u>	<u>34.02%</u>	<u>35.49%</u>

**Town of North Haven, Connecticut**  
**Notes to Required Supplementary Information**

**Fire Retirement Plan**  
**Schedule of Contributions**  
**Last Ten Years**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Changes of benefit terms	None	None	None	None	None	None	None	None	None	None
The actuarially determined contribution rates are calculated as of	July 1, 2022	July 1, 2020	July 1, 2020	July 1, 2018	July 1, 2017	July 1, 2016	July 1, 2014	July 1, 2014	July 1, 2014	July 1, 2012
Actuarial methods and assumptions used to determine contribution rates:										
Actuarial cost method	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Projected unit credit
Amortization method	Level percentage, closed	Level percentage, closed	Level percentage, closed	Level percentage, closed	Level percentage, closed	Level percentage, closed	Level percentage, closed	Level percentage, closed	Level percentage, closed	Level percentage, closed
Asset valuation method	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing
Inflation rate	2.10%	2.10%	2.10%	3.00%	3.00%	3.00%	2.00%	N/A	N/A	3.50%
Salary increases	3.50%	3.50%	3.50%	3.50%	4.00%	4.00%	4.00%	4.00%	4.00%	3.50%
Investment rate of return (net)	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%
Mortality rate	RP-2006, projected generationally with Scale MP-2019	RP-2006, projected generationally with Scale MP-2019	RP-2006, projected generationally with Scale MP-2019	RP-2006, projected generationally with Scale MP-2017	RP-2006, projected generationally with Scale MP-2017	RP-2006, projected generationally with Scale MP-2017	RP-2000 Mortality Table projected with scale AA to 2014	RP-2000 Mortality Table projected with scale AA to 2014	RP-2000 Mortality Table projected with scale AA to 2014	RP-2000 Mortality Table projected with scale AA to 2014

N/A - Not available

## Town of North Haven, Connecticut

## Required Supplementary Information

Volunteer Fire Retirement Plan  
Last Ten Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Schedule of Changes in Net Pension Liability and Related Ratios</b>										
Total pension liability:										
Service cost	\$ 22,494	\$ 22,494	\$ 10,864	\$ 10,864	\$ 8,073	\$ 8,073	\$ 8,073	\$ 12,505	\$ 10,800	\$ 10,800
Interest	111,480	108,504	72,178	70,740	59,800	58,516	62,298	60,417	63,270	63,844
Differences between expected and actual experience	(99,342)	-	(25,280)	-	(39,471)	-	(106,597)	(50,756)	-	-
Changes in assumptions	(2,594)	-	(8,401)	-	33,585	-	-	-	-	-
Change of benefit terms	-	-	572,541	-	189,879	-	27,699	29,444	-	-
Benefit payments, including refunds of member contributions	(85,066)	(85,366)	(63,974)	(55,002)	(49,565)	(45,549)	(49,446)	(55,900)	(66,974)	(78,237)
Net change in total pension liability	(53,028)	45,632	557,928	26,602	202,301	21,040	(57,973)	(4,290)	7,096	(3,593)
Total pension liability - July 1	1,735,114	1,689,482	1,131,554	1,104,952	902,651	881,611	939,584	943,874	936,778	940,371
Total pension liability - June 30 (a)	<u>\$ 1,682,086</u>	<u>\$ 1,735,114</u>	<u>\$ 1,689,482</u>	<u>\$ 1,131,554</u>	<u>\$ 1,104,952</u>	<u>\$ 902,651</u>	<u>\$ 881,611</u>	<u>\$ 939,584</u>	<u>\$ 943,874</u>	<u>\$ 936,778</u>
Plan fiduciary net position:										
Contributions - employer	\$ 202,345	\$ 28,773	\$ 28,773	\$ 8,618	\$ 8,618	\$ 21,356	\$ 21,356	\$ 35,038	\$ 35,038	\$ 51,800
Net investment income (loss)	95,168	(145,787)	249,981	23,848	70,353	68,914	81,577	35,982	41,593	117,118
Benefit payments, including refunds of member contributions	(85,066)	(85,366)	(63,974)	(55,002)	(49,565)	(45,549)	(49,446)	(55,900)	(66,974)	(78,237)
Administration	(4,608)	(5,504)	(5,060)	(3,624)	(9)	(1,680)	-	-	-	(931)
Net change in plan fiduciary net position	207,839	(207,884)	209,720	(26,160)	29,397	43,041	53,487	15,120	9,657	89,750
Plan fiduciary net position - July 1	1,009,130	1,217,014	1,007,294	1,033,454	1,004,057	961,016	907,529	892,409	882,752	793,002
Plan fiduciary net position - June 30 (b)	<u>\$ 1,216,969</u>	<u>\$ 1,009,130</u>	<u>\$ 1,217,014</u>	<u>\$ 1,007,294</u>	<u>\$ 1,033,454</u>	<u>\$ 1,004,057</u>	<u>\$ 961,016</u>	<u>\$ 907,529</u>	<u>\$ 892,409</u>	<u>\$ 882,752</u>
Net pension liability (asset) - June 30 (a)-(b)	<u>\$ 465,117</u>	<u>\$ 725,984</u>	<u>\$ 472,468</u>	<u>\$ 124,260</u>	<u>\$ 71,498</u>	<u>\$ (101,406)</u>	<u>\$ (79,405)</u>	<u>\$ 32,055</u>	<u>\$ 51,465</u>	<u>\$ 54,026</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>72.35%</u>	<u>58.16%</u>	<u>72.03%</u>	<u>89.02%</u>	<u>93.53%</u>	<u>111.23%</u>	<u>109.01%</u>	<u>96.59%</u>	<u>94.55%</u>	<u>94.23%</u>
Covered payroll	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Net pension liability as a percentage of covered payroll	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
<b>Schedule of Investment Returns</b>										
Annual money weighted rate of return, net of investment expense	<u>7.75%</u>	<u>(12.73%)</u>	<u>24.76%</u>	<u>2.00%</u>	<u>7.50%</u>	<u>6.74%</u>	<u>9.13%</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

N/A - Not applicable (volunteer plan) or not available.

See Notes to Required Supplementary Information.

Town of North Haven, Connecticut

Required Supplementary Information

Volunteer Fire Retirement Plan  
Schedule of Contributions  
Last Ten Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined contributions	\$ 28,773	\$ 28,773	\$ 28,773	\$ 8,618	\$ 8,618	\$ 21,356	\$ 21,356	\$ 35,038	\$ 35,038	\$ 51,890
Contributions in relation to the actuarially determined contribution	<u>202,345</u>	<u>28,773</u>	<u>28,773</u>	<u>8,618</u>	<u>8,618</u>	<u>21,356</u>	<u>21,356</u>	<u>35,038</u>	<u>35,038</u>	<u>51,800</u>
Contribution excess (deficiency)	<u>\$ 173,572</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (90)</u>
Covered payroll	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Contributions as a percentage of covered payroll	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

N/A - Not applicable. Volunteer plan.

Town of North Haven, Connecticut

Notes to Required Supplementary Information

Volunteer Fire Retirement Plan  
Schedule of Contributions  
Last Ten Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Changes of benefit terms	None	None	None	None	None	None	None	None	None	None
The actuarially determined contribution rates are calculated as of	July 1, 2021	July 1, 2019	July 1, 2019	July 1, 2017	July 1, 2017	July 1, 2015	July 1, 2015	July 1, 2013	July 1, 2013	July 1, 2011
Actuarial methods and assumptions used to determine contribution rates:										
Actuarial cost method	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Projected unit credit	Projected unit credit	Projected unit credit
Amortization method	Level percentage, closed	Level percentage, closed	Level percentage, closed	Level percentage, closed	Level percentage, closed	Level percentage, closed	Level percentage, closed	Level dollar, closed	Level dollar, closed	Level dollar, closed
Asset valuation method	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing
Inflation rate	2.10%	2.10%	2.10%	2.70%	2.70%	2.00%	2.00%	2.30%	2.30%	N/A
Salary increases	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Investment rate of return (net)	6.50%	6.50%	6.50%	6.75%	6.75%	6.75%	6.75%	7.00%	7.00%	7.00%
Mortality rate	PubG-2010 Healthy Mortality Tables, projected generationally with Scale MP-2021	RP-2014 (adjusted back to 2006), projected generationally with Scale MP-2020	RP-2014 (adjusted back to 2006), projected generationally with Scale MP-2020	RP-2014 (adjusted back to 2006), projected generationally with Scale MP-2018	RP-2014 (adjusted back to 2006), projected generationally with Scale MP-2017	RP-2000 Combined Healthy Tables projected with scale AA to 2013 to reflect current expected experience	RP-2000 Combined Healthy Tables projected with scale AA to 2013 to reflect current expected experience	RP-2000 Combined Healthy Tables projected with scale AA to 2013 to reflect current expected experience	RP-2000 Combined Healthy Tables projected with scale AA to 2013 to reflect current expected experience	RP-2000 Combined Healthy Tables projected with scale AA to 2013 to reflect current expected experience

N/A - Not applicable or not available. Volunteer plan.

## Town of North Haven, Connecticut

## Required Supplementary Information

Elected Officials Retirement Plan  
Last Ten Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b><u>Schedule of Changes in Total Pension Liability and Related Ratios</u></b>										
Total pension liability:										
Service cost	\$ 99,493	\$ 130,107	\$ 144,949	\$ 108,234	\$ 107,812	\$ 110,868	\$ 124,949	\$ 108,159	\$ 94,029	\$ 86,955
Interest	85,706	60,111	65,624	86,070	87,054	80,986	65,886	74,048	76,774	83,581
Differences between expected and actual experience	(40,269)	-	(280,230)	-	93,986	-	(53,532)	-	112,972	-
Change of benefit terms	-	-	-	-	-	-	(35,156)	209,506	34,876	57,941
Changes in assumptions	14,309	(405,937)	8,873	390,100	42,518	(71,248)	-	-	-	-
Benefit payments, including refunds of member contributions	(118,679)	(112,351)	(109,344)	(112,367)	(131,825)	(128,731)	(146,656)	(160,301)	(158,961)	(155,292)
Net change in total pension liability	40,560	(328,070)	(170,128)	472,037	199,545	(8,125)	(44,509)	231,412	159,690	73,185
Total pension liability - July 1	<u>2,380,934</u>	<u>2,709,004</u>	<u>2,879,132</u>	<u>2,407,095</u>	<u>2,207,550</u>	<u>2,215,675</u>	<u>2,260,184</u>	<u>2,028,772</u>	<u>1,869,082</u>	<u>1,795,897</u>
Total pension liability - June 30*	<u>\$ 2,421,494</u>	<u>\$ 2,380,934</u>	<u>\$ 2,709,004</u>	<u>\$ 2,879,132</u>	<u>\$ 2,407,095</u>	<u>\$ 2,207,550</u>	<u>\$ 2,215,675</u>	<u>\$ 2,260,184</u>	<u>\$ 2,028,772</u>	<u>\$ 1,869,082</u>
Covered-employee payroll	<u>\$ 216,986</u>	<u>\$ 208,477</u>	<u>\$ 208,477</u>	<u>\$ 198,926</u>	<u>\$ 198,926</u>	<u>\$ 194,195</u>	<u>\$ 194,195</u>	<u>\$ 189,941</u>	<u>\$ 189,941</u>	<u>\$ 178,222</u>
Total pension liability as a percentage of covered employee payroll	<u>1,115.97%</u>	<u>1,142.06%</u>	<u>1,299.43%</u>	<u>1,447.34%</u>	<u>1,210.05%</u>	<u>1,136.77%</u>	<u>1,140.95%</u>	<u>1,189.94%</u>	<u>1,068.11%</u>	<u>1,048.74%</u>

\* There are no assets that are being accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 68 to pay benefits.

**Town of North Haven, Connecticut**  
**Required Supplementary Information**  
**Connecticut State Teachers' Retirement System**  
**Last Nine Years (3)**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b><u>Schedule of Proportionate Share of the Collective Net Pension Liability</u></b>									
Town's proportion of the collective net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Town's proportionate share of the collective net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of Connecticut's proportionate share of the collective net pension liability associated with the Town	112,009,535	151,798,901	116,817,112	106,409,929	82,048,238	80,607,663	86,096,709	63,634,867	58,817,682
Total	<u>\$ 112,009,535</u>	<u>\$ 151,798,901</u>	<u>\$ 116,817,112</u>	<u>\$ 106,409,929</u>	<u>\$ 82,048,238</u>	<u>\$ 80,607,663</u>	<u>\$ 86,096,709</u>	<u>\$ 63,634,867</u>	<u>\$ 58,817,682</u>
Town's covered payroll	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Town's proportionate share of the collective net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the collective total pension liability	54.06%	60.77%	49.24%	52.00%	57.69%	55.93%	52.26%	59.50%	61.51%
<b><u>Schedule of Contributions</u></b>									
Contractually required contribution (1)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contribution	-	-	-	-	-	-	-	-	-
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

(1) Local employers are not required to contribute to the plan.

(2) Not applicable since 0% proportional share of the collective net pension liability.

(3) These schedules are intended to present information for 10 years. Additional years will be presented as they become available.

See Notes to Required Supplementary Information.

**Town of North Haven, Connecticut**  
**Notes to Required Supplementary Information**  
**Connecticut State Teachers' Retirement System**  
**Schedule of Contributions**  
**Last Nine Years (1)**

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Changes of benefit terms	None	None	None	None	Beginning January 1, 2018, member contributions increased from 6.00% to 7.00% of salary	None	None	None	None
The actuarially determined contribution rates are calculated as of	June 30, 2020	June 30, 2020	June 30, 2018	June 30, 2018	June 30, 2016	June 30, 2016	June 30, 2014	June 30, 2014	June 30, 2012
Actuarial methods and assumptions used to determine contribution rates:									
Actuarial cost method	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age
Amortization method	Level percent of salary, closed, grading to a level dollar	Level percent of salary, closed, grading to a level dollar	Level percent of salary, closed, grading to a level dollar	Level percent of salary, closed, grading to a level dollar	Level percent of salary, closed	Level percent of salary, closed	Level percent of salary, closed	Level percent of salary, closed	Level percent of salary, closed
Remaining amortization period	27.8 years	27.8 years	30 years	30 years	20.4 years	20.4 years	21.4 years	21.4 years	22.4 years
Asset valuation method	4 year smoothing	4 year smoothing	4 year smoothing	4 year smoothing	4 year smoothing	4 year smoothing	4 year smoothing	4 year smoothing	4 year smoothing
Inflation rate	2.50%	2.50%	2.50%	2.50%	2.75%	2.75%	3.00%	3.00%	3.00%
Salary increases	3.00%-6.50%, average, including inflation	3.00%-6.50%, average, including inflation	3.25%-6.50%, average, including inflation	3.25%-6.50%, average, including inflation	3.25%-6.50%, average, including inflation	3.25%-6.50%, average, including inflation	3.75%-7.00%, average, including inflation	3.75%-7.00%, average, including inflation	3.75%-7.00%, average, including inflation
Cost-of-living adjustments	1.75%-3.00% based on retirement date	1.75%-3.00% based on retirement date	1.75%-3.00% based on retirement date	1.75%-3.00% based on retirement date	1.75%-3.00% based on retirement date	1.75%-3.00% based on retirement date	2.00%-3.00% based on retirement date	2.00%-3.00% based on retirement date	2.00%-3.00% based on retirement date
Investment rate of return (net)	6.90%	6.90%	6.90%	6.90%	8.00%	8.00%	8.50%	8.50%	8.50%
Mortality rate	PubT-2010 Table projected generationally with MP-2019	PubT-2010 Table projected generationally with MP-2019	RP-2014 White Collar table projected to the year 2020 using the BB improvement scale	RP-2014 White Collar table projected to the year 2020 using the BB improvement scale	RP-2014 White Collar table projected to the year 2020 using the BB improvement scale	RP-2014 White Collar table projected to the year 2020 using the BB improvement scale	RP-2000 Combined Mortality Table projected 19 years using scale AA	RP-2000 Combined Mortality Table projected 19 years using scale AA	RP-2000 Combined Mortality Table projected 19 years using scale AA

(1) This schedule is intended to present information for 10 years. Additional years will be presented as the information becomes available.

**Town of North Haven, Connecticut**  
**Required Supplementary Information**  
**Other Post-Employment Benefit (OPEB) Plan**  
**Last Six Years (1)**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b><u>Schedule of Changes in Net OPEB Liability and Related Ratios</u></b>						
OPEB liability:						
Service cost	\$ 3,708,559	\$ 4,244,896	\$ 4,029,478	\$ 3,409,342	\$ 2,985,199	\$ 3,876,953
Interest	3,424,058	2,055,538	2,014,680	2,738,177	2,725,671	2,652,447
Change in benefit terms	-	-	-	(6,082,127)	-	(96,123)
Differences between expected and actual experience	-	(1,182,407)	-	9,534,540	-	7,214,307
Changes in assumptions	(1,484,121)	136,478	679,387	5,327,296	4,613,035	(34,007,353)
Benefit payments, including refunds of member contributions	(3,280,838)	(3,045,688)	(2,829,482)	(2,403,289)	(2,101,174)	(2,077,474)
Net change in total OPEB liability	2,367,658	2,208,817	3,894,063	12,523,939	8,222,731	(22,437,243)
OPEB liability - July 1	94,642,408	92,433,591	88,539,528	76,015,589	67,792,858	90,230,101
OPEB liability - June 30 (a)	<u>\$ 97,010,066</u>	<u>\$ 94,642,408</u>	<u>\$ 92,433,591</u>	<u>\$ 88,539,528</u>	<u>\$ 76,015,589</u>	<u>\$ 67,792,858</u>
Plan fiduciary net position:						
Contributions - employer	\$ 3,580,838	\$ 3,245,688	\$ 2,929,482	\$ 2,503,289	\$ 2,251,174	\$ -
Net investment income (loss)	57,510	(97,414)	88,671	24,305	9,460	-
Benefit payments, including refunds of member contributions	(3,280,838)	(3,045,688)	(2,829,482)	(2,403,289)	(2,101,174)	-
Administration expenses	(4,358)	(3,979)	(1,594)	(739)	(5,330)	-
Net change in plan fiduciary net position	353,152	98,607	187,077	123,566	154,130	-
Plan fiduciary net position - July 1	563,380	464,773	277,696	154,130	-	-
Plan fiduciary net position - June 30 (b)	916,532	563,380	464,773	277,696	154,130	-
Net OPEB liability - June 30 (a)-(b)	<u>\$ 96,093,534</u>	<u>\$ 94,079,028</u>	<u>\$ 91,968,818</u>	<u>\$ 88,261,832</u>	<u>\$ 75,861,459</u>	<u>\$ 67,792,858</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>0.94%</u>	<u>0.60%</u>	<u>0.50%</u>	<u>0.31%</u>	<u>0.20%</u>	<u>0.00%</u>
Covered payroll	<u>\$ 48,424,860</u>	<u>\$ 46,787,304</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Net OPEB liability as a percentage of covered payroll	<u>198.44%</u>	<u>201.08%</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

**Schedule of Investment Returns**

Annual money weighted rate of return, net investment expense	<u>10.21%</u>	<u>(20.96%)</u>	<u>31.93%</u>	<u>1.99%</u>	<u>2.75%</u>	<u>0.00%</u>
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N/A - The plan has been pay-as-you-go up until the Town established a formal trust in the fiscal year ending June 30, 2019.

The Town does not have a formal funding policy for the OPEB plan therefore, there was no actuarially determined contribution calculated.

(1) These schedules are intended to present information for 10 years. Additional years will be presented as the information becomes available.

See Notes to Required Supplementary Information.

**Town of North Haven, Connecticut**  
**Required Supplementary Information**  
**Other Post-Employment Benefits (OPEB) Plan**  
**Schedule of Contributions**  
**Last Ten Years**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined contributions	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contributions in relation to the actuarially determined contribution	<u>\$ 3,580,838</u>	<u>\$ 3,245,688</u>	<u>\$ 2,929,482</u>	<u>\$ 2,503,289</u>	<u>\$ 2,251,174</u>	<u>\$ 2,077,474</u>	<u>\$ 2,077,474</u>	<u>\$ 1,827,170</u>	<u>\$ 1,791,953</u>	<u>\$ 1,632,512</u>
Contribution excess (deficiency)	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Covered payroll	<u>\$48,424,860</u>	<u>\$46,787,304</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Contributions as a percentage of covered payroll	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

N/A - The plan has been pay-as-you-go up until June 30, 2019. The Town established a formal trust in the fiscal year ending June 30, 2019. The Town does not have a formal funding policy for the OPEB plan. As such, there was no actuarially determined contribution calculated.

**Town of North Haven, Connecticut**  
**Notes to Required Supplementary Information**

**Other Post-Employment Benefit (OPEB) Plan**  
**Schedule of Contributions**  
**Last Ten Years**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Changes of benefit terms	None	None	None	Dispatchers hired after January 1, 2019 and Social Workers hired on or after January 1, 2020 are no longer eligible for retiree benefits.	None	None	None	None	None	None
The actuarially determined contribution rates are calculated as of	July 1, 2021	July 1, 2021	July 1, 2019	July 1, 2019	July 1, 2017	July 1, 2017	July 1, 2015	July 1, 2015	July 1, 2013	July 1, 2013

Actuarial methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Projected unit credit	Projected unit credit
Amortization method	Level percentage	Level percentage	Level percentage	Level percentage	Level percentage	Level percentage	Payments increasing at 4.0%, open	Payments increasing at 4.0%, open	Payments increasing at 4.5%, open	Payments increasing at 4.5%, Open
Asset valuation method	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing	5 year smoothing
Healthcare inflation rate - initial	8.00%	8.00%	7.00%	7.00%	7.00%	7.00%	8.00%	8.00%	8.00%	8.00%
Healthcare inflation rate - ultimate	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	5.00%	5.00%	5.00%	5.00%
Investment rate of return (net)	3.54%	3.54%	2.21%	2.21%	3.58%	3.58%	4.00%	4.00%	4.00%	4.00%
Mortality rate	PubG-2010 General Employee projected generationally with Scale MP-2021	PubG-2010 General Employee projected generationally with Scale MP-2021	RP-2014 adjusted to 2006 with generational mortality improvement to current year under Projection Scale MP-2018	RP-2014 adjusted to 2006 with generational mortality improvement to current year under Projection Scale MP-2018	RP-2014 adjusted to 2006 with generational mortality improvement to current year under Projection Scale MP-2017	RP-2014 adjusted to 2006 with generational mortality improvement to current year under Projection Scale MP-2017	RP2000 Combined health table, disabled retirees set forward 10 years, projected generationally using Scale AA	RP2000 Combined health table, disabled retirees set forward 10 years, projected generationally using Scale AA	RP2000 Combined health table, disabled retirees set forward 10 years, projected generationally using Scale AA	RP2000 Combined health table, disabled retirees set forward 10 years, projected generationally using Scale AA

## Town of North Haven, Connecticut

## Required Supplementary Information

Connecticut State Teachers' Retirement Board Retiree Health Insurance Plan  
Last Six Years (3)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b><u>Schedule of Proportionate Share of the Collective Net OPEB Liability</u></b>						
Town's proportion of the collective net OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Town's proportionate share of the collective net OPEB liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of Connecticut's proportionate share of the collective net OPEB liability associated with the Town	9,809,466	16,538,212	17,423,276	16,595,228	16,401,985	21,004,875
Total	\$ 9,809,466	\$ 16,538,212	\$ 17,423,276	\$ 16,595,228	\$ 16,401,985	\$ 21,004,875
Town's covered payroll	(2)	(2)	(2)	(2)	(2)	(2)
Town's proportionate share of the collective net OPEB liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the collective total OPEB liability	9.46%	6.11%	2.50%	2.08%	1.49%	1.79%
<b><u>Schedule of Contributions</u></b>						
Contractually required contribution (1)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contribution	-	-	-	-	-	-
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	(2)	(2)	(2)	(2)	(2)	(2)
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

(1) Local employers are not required to contribute to the plan

(2) Not applicable since 0% proportional share of the collective net OPEB liability

(3) These schedules are intended to present information for 10 years. Additional years will be presented as they become available

See Notes to Required Supplementary Information.

**Town of North Haven, Connecticut**  
**Notes to Required Supplementary Information**  
**Connecticut State Teachers' Retirement Board Retiree Health Insurance Plan**  
**Schedule of Contributions**  
**Last Six Years (1)**

	2023	2022	2021	2020	2019	2018
Changes of benefit terms	None	None	None	None	None	None
The actuarially determined contribution rates are calculated as of	June 30, 2022	June 30, 2020	June 30, 2020	June 30, 2018	June 30, 2018	June 30, 2016
Actuarial methods and assumptions used to determine contribution rates:						
Actuarial cost method	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age
Amortization method	Level percentage, open	Level percentage, closed	Level percentage, closed	Level percentage, open	Level percentage, open	Level percentage, open
Amortization period	30 years	30 years	30 years	30 years	30 years	30 years
Asset valuation method	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value
Inflation rate	2.50%	2.50%	2.50%	2.75%	2.75%	2.75%
Healthcare inflation rate	Initial 6.75% decreasing to 4.50% (ultimate) by 2023	Initial 5.125% decreasing to 4.50% (ultimate) by 2023	Initial 5.125% decreasing to 4.50% (ultimate) by 2023	Initial 5.95% decreasing to 4.75% (ultimate) by 2025	Initial 5.95% decreasing to 4.75% (ultimate) by 2025	Initial 7.25% decreasing to 5.00% (ultimate) by 2022
Salary increases	3.00% to 6.50%, including inflation	3.00% to 6.50%, including inflation	3.00% to 6.50%, including inflation	3.25% to 6.50%, including inflation	3.25% to 6.50%, including inflation	3.25% to 6.50%, including inflation
Investment rate of return (net)	3.00%	3.00%	3.00%	3.00%	3.00%	4.25%
Mortality rate	PubT-2010 Table projected generationally with MP-2019	PubT-2010 Table projected generationally with MP-2019	PubT-2010 Table projected generationally with MP-2019	RP-2014 White Collar table projected to the year 2020 using the BB improvement scale	RP-2014 White Collar table projected to the year 2020 using the BB improvement scale	RP-2014 White Collar table projected to the year 2020 using the BB improvement scale

(1) These schedules are intended to present information for 10 years. Additional years will be presented as they become available.

**APPENDIX B – FORM OF OPINION OF BOND COUNSEL – THE BONDS**

November \_\_, 2024

Town of North Haven  
18 Church Street  
North Haven, CT 06473

We have acted as Bond Counsel in connection with the issuance by the Town of North Haven, Connecticut (the “Town”), of its \$ \_\_\_\_\_ General Obligation Bonds, Issue of 2024 (the “Bonds”) dated November \_\_, 2024. In such capacity, we have examined a record of proceedings of the Town authorizing the Bonds, a Tax Regulatory Agreement of the Town dated the date hereof (the “Agreement”), such law and such other proceedings, certifications, and documents as we have deemed necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

We are of the opinion that when the Bonds are duly certified by U.S. Bank Trust Company, National Association, the Bonds will be valid and legally binding general obligations of the Town payable as to both principal and interest from ad valorem taxes which may be levied on all taxable property subject to taxation by the Town without limitation as to rate or amount except as to classified property such as certified forest lands taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts pursuant to Connecticut statutes. We are further of the opinion that the Agreement is a valid and binding agreement of the Town and was duly authorized by the Town.

The rights of the holders of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights generally and by equitable principles, whether considered at law or in equity.

The Internal Revenue Code of 1986 (the “Code”) establishes certain requirements that must be satisfied at and subsequent to the issuance and delivery of the Bonds in order that interest on the Bonds be excluded from gross income under Section 103 of the Code. In the Agreement, the Town has made covenants and representations designed to assure compliance with such requirements of the Code. The Town has covenanted in the Agreement that it will at all times comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds to ensure that interest on the Bonds shall not be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds, including covenants regarding, among other matters, the use, expenditure and investment of the proceeds of the Bonds.

In rendering the below opinions regarding the federal treatment of interest on the Bonds, we have relied upon and assumed (i) the material accuracy of the representations, statements of intention and reasonable expectations, and certifications of fact contained in the Agreement, and (ii) continuing compliance by the Town with the covenants set forth in the Agreement as to such tax matters.

In our opinion, under existing statutes and court decisions, (i) interest on the Bonds is excluded from gross income for federal income tax purposes; and (ii) such interest is not an item of tax preference for purposes of the federal alternative minimum tax; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on corporations. We express no opinion regarding other federal income tax consequences caused by ownership or disposition of, or receipt of interest on the Bonds.

We are further of the opinion that, under existing statutes, interest on the Bonds is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based for individuals, trusts and estates required to pay the federal alternative minimum tax. We express no opinion regarding other state income tax consequences caused by ownership or disposition of, or receipt of interest on the Bonds.

We express no opinion herein regarding the accuracy, adequacy, or completeness of the Preliminary Official Statement, the Official Statement and other offering material relating to the Bonds.

The foregoing opinion is based upon existing laws, regulations, rules and court decisions. We undertake no responsibility to inform you of changes in law or fact occurring after the date hereof which may affect the conclusions herein. In addition, we have not undertaken to advise in the future whether any events after the date of issuance of the Bonds, including the adoption of federal tax legislation, may affect the tax status of interest on the Bonds.

Respectfully,

PULLMAN & COMLEY, LLC

**APPENDIX C – FORM OF OPINION OF BOND COUNSEL – THE NOTES**

November \_\_, 2024

Town of North Haven  
18 Church Street  
North Haven, CT 06473

We have acted as Bond Counsel in connection with the issuance by the Town of North Haven, Connecticut (the “Town”), of its \$\_\_\_\_\_ General Obligation Bond Anticipation Notes (the “Notes”) dated November \_\_, 2024. In such capacity, we have examined a record of proceedings of the Town authorizing the Notes, a Tax Regulatory Agreement of the Town dated the date hereof (the “Agreement”), such law and such other proceedings, certifications, and documents as we have deemed necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

We are of the opinion that when the Notes are duly certified by U.S. Bank Trust Company, National Association, the Notes will be valid and legally binding general obligations of the Town payable as to both principal and interest from ad valorem taxes which may be levied on all taxable property subject to taxation by the Town without limitation as to rate or amount except as to classified property such as certified forest lands taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts pursuant to Connecticut statutes. We are further of the opinion that the Agreement is a valid and binding agreement of the Town and was duly authorized by the Town.

The rights of the holders of the Notes and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights generally and by equitable principles, whether considered at law or in equity.

The Internal Revenue Code of 1986 (the “Code”) establishes certain requirements that must be satisfied at and subsequent to the issuance and delivery of the Notes in order that interest on the Notes be excluded from gross income under Section 103 of the Code. In the Agreement, the Town has made covenants and representations designed to assure compliance with such requirements of the Code. The Town has covenanted in the Agreement that it will at all times comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Notes to ensure that interest on the Notes shall not be included in gross income for federal income tax purposes retroactive to the date of issuance of the Notes, including covenants regarding, among other matters, the use, expenditure and investment of the proceeds of the Notes.

In rendering the below opinions regarding the federal treatment of interest on the Notes, we have relied upon and assumed (i) the material accuracy of the representations, statements of intention and reasonable expectations, and certifications of fact contained in the Agreement, and (ii) continuing compliance by the Town with the covenants set forth in the Agreement as to such tax matters.

In our opinion, under existing statutes and court decisions, (i) interest on the Notes is excluded from gross income for federal income tax purposes; and (ii) such interest is not an item of tax preference for purposes of the federal alternative minimum tax; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on corporations. We express no opinion regarding other federal income tax consequences caused by ownership or disposition of, or receipt of interest on the Notes.

We are further of the opinion that, under existing statutes, interest on the Notes is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based for individuals, trusts and estates required to pay the federal alternative minimum tax. We express no opinion regarding other state income tax consequences caused by ownership or disposition of, or receipt of interest on the Notes.

We express no opinion herein regarding the accuracy, adequacy, or completeness of the Preliminary Official Statement, the Official Statement and other offering material relating to the Notes.

The foregoing opinion is based upon existing laws, regulations, rules and court decisions. We undertake no responsibility to inform you of changes in law or fact occurring after the date hereof which may affect the conclusions herein. In addition, we have not undertaken to advise in the future whether any events after the date of issuance of the Notes, including the adoption of federal tax legislation, may affect the tax status of interest on the Notes.

Respectfully,

PULLMAN & COMLEY, LLC

## APPENDIX D – FORM OF CONTINUING DISCLOSURE AGREEMENT – THE BONDS

*In accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, the Town will agree, pursuant to a Continuing Disclosure Agreement to be executed by the Town substantially in the following form, to provide, or cause to be provided, (i) annual financial information and operating data, (ii) in a timely manner not in excess of ten business days after the occurrence of the event, notice of the occurrence of certain events with respect to the Bonds and (iii) timely notice of a failure by the Town to provide the required annual financial information on or before the date specified in the Continuing Disclosure Agreement.*

### Continuing Disclosure Agreement

This Continuing Disclosure Agreement (“Agreement”) is made as of November \_\_, 2024 by the Town of North Haven, Connecticut (the “Issuer”) acting by its undersigned officers, duly authorized, in connection with the issuance of \$ \_\_\_\_\_ General Obligation Bonds, Issue of 2024, dated as of November \_\_, 2024 (the “Bonds”), for the benefit of the beneficial owners from time to time of the Bonds.

**Section 1. Definitions.** For purposes of this Agreement, the following capitalized terms shall have the following meanings:

“Final Official Statement” means the official statement of the Issuer dated October \_\_, 2024 prepared in connection with the Bonds.

“MSRB” means the Municipal Securities Rulemaking Board established under the Securities Exchange Act of 1934, as amended, or any successor thereto.

“Repository” means the MSRB or any other information repository established pursuant to the Rule as amended from time to time.

“Rule” means Rule 15c2-12 under the Securities Exchange Act of 1934, as of the date of this Agreement.

“SEC” means the Securities and Exchange Commission of the United States, or any successor thereto.

### **Section 2. Annual Financial Information.**

(a) The Issuer agrees to provide or cause to be provided to each Repository, in accordance with the provisions of the Rule and of this Agreement, annual financial information and operating data (commencing with information and data for the fiscal year ending June 30, 2024) as follows:

(i) Financial statements of the Issuer's general fund and, any special revenue, capital projects and trust or agency funds for the prior fiscal year which statements shall be prepared in accordance with generally accepted accounting principles or mandated state statutory principles as in effect from time to time. As of the date of this Agreement, the Issuer prepares its financial statements in accordance with generally accepted accounting principles. The financial statements will be audited.

(ii) The following financial information and operating data to the extent not included in the financial statements described in (i) above:

- (A) amounts of the net taxable grand list applicable to the fiscal year,
- (B) listing of the ten largest taxpayers on the applicable grand list, together with each such taxpayer's taxable valuation thereon,
- (C) percentage of the annual property tax levy uncollected as of the close of the fiscal year,
- (D) schedule of annual debt service on outstanding long-term bonded indebtedness as of the close of the fiscal year,
- (E) calculation of total direct debt and total net debt as of the close of the fiscal year,
- (F) total direct debt and total net debt of the Issuer per capita,

- (G) ratios of the total direct debt and total net debt of the Issuer to the Issuer's net taxable grand list,
- (H) statement of statutory debt limitation as of the close of the fiscal year, and
- (I) funding status of the Issuer's pension benefit obligation.

(b) The financial information and operating data described above will be provided on or before the date eight months after the close of the fiscal year for which such information is being provided (the "Filing Due Date"). The Issuer's fiscal year currently ends on June 30. The Issuer reserves the right to provide unaudited financial statements if audited financial statements are not available as of the Filing Due Date, provided that the Issuer shall promptly provide audited financial statements when available.

(c) Annual financial information and operating data may be provided in whole or in part by cross-reference to other documents available to the public on the MSRB's Internet Web site referenced in the Rule as amended from time to time or filed with the SEC. All or a portion of the financial information and operating data may be provided in the form of a comprehensive annual financial report.

(d) The Issuer reserves the right (i) to provide financial statements which are not audited if no longer required by law, (ii) to modify from time to time the format of the presentation of such information or data, and (iii) to modify the accounting principles it follows to the extent required by law, by changes in generally accepted accounting principles, or by changes in accounting principles adopted by the Issuer; provided that the Issuer agrees that any such modification will be done in a manner consistent with the Rule.

### **Section 3. Notice of Certain Events.**

The Issuer agrees to provide or cause to be provided, in a timely manner not in excess of ten business days after the occurrence of the event, to each Repository notice of the occurrence of any of the following events with respect to the Bonds:

- (a) principal and interest payment delinquencies;
- (b) non-payment related defaults, if material;
- (c) unscheduled draws on debt service reserves reflecting financial difficulties;
- (d) unscheduled draws on credit enhancements reflecting financial difficulties;
- (e) substitution of credit or liquidity providers, or their failure to perform;
- (f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the bonds, or other material events affecting the tax status of the Bonds;
- (g) modifications to rights of holders of the Bonds, if material;
- (h) Bond calls, if material, and tender offers;
- (i) Bond defeasances;
- (j) release, substitution, or sale of property securing repayment of the Bonds, if material;
- (k) rating changes;
- (l) bankruptcy, insolvency, receivership or similar event of the Issuer;
- (m) the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

- (n) appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (o) incurrence of a financial obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation, any of which affect security holders, if material; and
- (p) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Issuer, any of which reflect financial difficulties.

*Events (d) and (e).* The Issuer does not undertake to provide any notice with respect to credit enhancement added after the primary offering of the Bonds, unless the Issuer applies for or participates in obtaining the enhancement.

*Event (f).* Event (f) is relevant only to the extent interest on the Bonds is excluded from gross income for federal income tax purposes.

*Event (h).* The Issuer does not undertake to provide the above-described event notice of a mandatory scheduled redemption, not *otherwise* contingent upon the occurrence of an event, if (A) the terms, dates and amounts of redemption are set forth in detail in the Final Official Statement, (B) the sole matter to be determined is which of the Bonds will be redeemed in the case of a partial redemption, (C) notice of redemption is given to the holders of the Bonds to be redeemed as required under the terms of the Bonds, and (D) public notice of redemption is given pursuant to Exchange Act Release No. 23856 of the SEC, even if the originally scheduled amounts are reduced due to prior optional redemptions or Bond purchases.

*Events (o) and (p).* The term “financial obligation” is defined as a (i) debt obligation, (ii) derivative instrument entered into in connection with or pledged as security or a source of payment for an existing or planned debt obligation, or (iii) guarantee of (i) or (ii). The term financial obligation does not include municipal securities for which a final official statement has been filed with MSRB pursuant to the Rule.

#### **Section 4. Notice of Failure to Provide Annual Financial Information.**

The Issuer agrees to provide or cause to be provided, in a timely manner, to each Repository notice of any failure by the Issuer to provide annual financial information as set forth in Section 2(a) hereof on or before the date set forth in Section 2(b) hereof.

#### **Section 5. Use of Agents.**

Annual financial information and operating data and notices to be provided pursuant to this Agreement may be provided by the Issuer or by any agents which may be employed by the Issuer for such purpose from time to time.

#### **Section 6. Termination.**

The obligations of the Issuer under this Agreement shall terminate upon the earlier of (i) payment or legal defeasance, at maturity or otherwise, of all of the Bonds, or (ii) such time as the Issuer ceases to be an obligated person with respect to the Bonds within the meaning of the Rule.

#### **Section 7. Enforcement.**

The Issuer acknowledges that the undertakings set forth in this Agreement are intended to be for the benefit of, and enforceable by, the beneficial owners from time to time of the Bonds. In the event the Issuer shall fail to perform its duties hereunder, the Issuer shall have the option to cure such failure within a reasonable time (but not exceeding 30 days with respect to the undertakings set forth in Section 2 of this Agreement or five business days with respect to the undertakings set forth in Sections 3 and 4 of this Agreement) from the time the Issuer's First Selectman, or a successor, receives written notice from any beneficial owner of the Bonds of such failure. The present address of the First Selectman is Town Hall, 18 Church Street, North Haven, Connecticut 06473.

In the event the Issuer does not cure such failure within the time specified above, the beneficial owner of any Bonds shall be entitled only to the remedy of specific performance. The parties expressly acknowledge and agree that no monetary damages shall arise or be payable hereunder nor shall any failure to comply with this Agreement constitute an event of default with respect to the Bonds.

**Section 8. Miscellaneous.**

(a) All documents provided by the Issuer to a Repository pursuant to the Issuer's undertakings set forth in Sections 2, 3 and 4 of this Agreement shall be in an electronic format as prescribed by the MSRB from time to time and shall be accompanied by identifying information as prescribed by the MSRB from time to time.

(b) The Issuer shall have no obligation to provide any information, data or notices other than as set forth in this Agreement; provided, however, nothing in this Agreement shall be construed as prohibiting the Issuer from providing such additional information, data or notices from time to time as it deems appropriate in connection with the Bonds. If the Issuer elects to provide any such additional information, data or notices, the Issuer shall have no obligation under this Agreement to update or continue to provide further additional information, data or notices of the type so provided.

(c) This Agreement shall be governed by the laws of the State of Connecticut.

(d) Notwithstanding any other provision of this Agreement, the Issuer may amend this Agreement, and any provision of this Agreement may be waived, if such amendment or waiver is made in connection with a change of circumstances that arises from a change in legal requirements, a change in law, or a change in the identity, nature or status of the Issuer, and is supported by an opinion of counsel expert in federal securities laws, to the effect that (i) such amendment or waiver would not materially adversely affect the beneficial owners of the Bonds, and (ii) the provisions of the Agreement as so amended or waived would have complied with the requirements of the Rule, taking into account any amendments or interpretations of the Rule as well as any changes in circumstances, in each case as of the date of such amendment to the Agreement or waiver. A copy of any such amendment or waiver will be filed in a timely manner with each Repository. The annual financial information provided on the first date following adoption of any such amendment will explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating or financial information provided.

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but such counterparts shall together constitute but one and the same instrument.

TOWN OF NORTH HAVEN, CONNECTICUT

By: \_\_\_\_\_  
MICHAEL J. FREDA  
First Selectman

By: \_\_\_\_\_  
DONALD CLARK  
Town Treasurer

## APPENDIX E – FORM OF CONTINUING DISCLOSURE AGREEMENT – THE NOTES

*In accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, the Town will agree, pursuant to a Continuing Disclosure Agreement for Notes to be executed by the Town substantially in the following form, to provide, or cause to be provided, notice of the occurrence of certain events with respect to the Notes:*

### Continuing Disclosure Agreement

This Continuing Disclosure Agreement (“Agreement”) is made as of November \_\_, 2024 by the Town of North Haven, Connecticut (the “Issuer”) acting by its undersigned officers, duly authorized, in connection with the issuance of \$ \_\_\_\_\_ General Obligation Bond Anticipation Notes, dated as of November \_\_, 2024 of the Issuer (the “Notes”), for the benefit of the beneficial owners from time to time of the Notes.

**Section 1. Definitions.** For purposes of this Agreement, the following capitalized terms shall have the following meanings:

“MSRB” means the Municipal Securities Rulemaking Board established under the Securities Exchange Act of 1934, as amended, or any successor thereto.

“Repository” means the MSRB or any other information repository established pursuant to the Rule as amended from time to time.

“Rule” means Rule 15c2-12 under the Securities Exchange Act of 1934, as of the date of this Agreement.

“SEC” means the Securities and Exchange Commission of the United States, or any successor thereto.

### **Section 2. Notice of Certain Events.**

The Issuer agrees to provide or cause to be provided, in a timely manner not in excess of ten business days after the occurrence of the event, to each Repository, notice of the occurrence of any of the following events with respect to the Notes:

- (a) principal and interest payment delinquencies;
- (b) non-payment related defaults, if material;
- (c) unscheduled draws on debt service reserves reflecting financial difficulties;
- (d) unscheduled draws on credit enhancements reflecting financial difficulties;
- (e) substitution of credit or liquidity providers, or their failure to perform;
- (f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the notes, or other material events affecting the tax status of the Notes;
- (g) modifications to rights of holders of the Notes, if material;
- (h) Note calls, if material, and tender offers;
- (i) Note defeasances;
- (j) release, substitution, or sale of property securing repayment of the Notes, if material;
- (k) rating changes;
- (l) bankruptcy, insolvency, receivership or similar event of the Issuer;

(m) the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(n) appointment of a successor or additional trustee or the change of name of a trustee, if material;

(o) incurrence of a financial obligation, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation, any of which affect security holders, if material; and

(p) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the Issuer, any of which reflect financial difficulties.

*Events (d) and (e).* The Issuer does not undertake to provide any notice with respect to credit enhancement added after the primary offering of the Notes, unless the Issuer applies for or participates in obtaining the enhancement.

*Event (f).* Event (f) is relevant only to the extent interest on the Notes is excluded from gross income for federal income tax purposes.

*Event (h).* The Issuer does not undertake to provide the above-described event notice of a mandatory scheduled redemption, not otherwise contingent upon the occurrence of an event, if (A) the terms, dates and amounts of redemption are set forth in detail in the Final Official Statement, (B) the sole matter to be determined is which of the Notes will be redeemed in the case of a partial redemption, (C) notice of redemption is given to the holders of the Note to be redeemed as required under the terms of the Notes, and (D) public notice of redemption is given pursuant to Exchange Act Release No. 23856 of the SEC, even if the originally scheduled amounts are reduced due to prior optional redemptions or Note purchases.

*Events (o) and (p).* The term “financial obligation” is defined as a (i) debt obligation, (ii) derivative instrument entered into in connection with or pledged as security or a source of payment for an existing or planned debt obligation, or (iii) guarantee of (i) or (ii). The term financial obligation does not include municipal securities for which a final official statement has been filed with MSRB pursuant to the Rule.

### **Section 3. Use of Agents.**

Notices to be provided pursuant to this Agreement may be provided by the Issuer or by any agents which may be employed by the Issuer for such purpose from time to time.

### **Section 4. Termination.**

The obligations of the Issuer under this Agreement shall terminate upon the earlier of (i) payment or legal defeasance, at maturity or otherwise, of all of the Notes, or (ii) such time as the Issuer ceases to be an obligated person with respect to the Notes within the meaning of the Rule.

### **Section 5. Enforcement.**

The Issuer acknowledges that the undertakings set forth in Section 2 of this Agreement are intended to be for the benefit of, and enforceable by, the beneficial owners from time to time of the Notes. In the event the Issuer shall fail to perform its duties hereunder, the Issuer shall have the option to cure such failure within a reasonable time (but not exceeding five business days with respect to the undertakings set forth in Section 2 of this Agreement) from the time the Issuer's First Selectman, or a successor, receives written notice from any beneficial owner of the Notes of such failure. The present address of the First Selectman is Town Hall, 18 Church Street, North Haven, Connecticut 06473.

In the event the Issuer does not cure such failure within the time specified above, the beneficial owner of any Notes shall be entitled only to the remedy of specific performance. The parties expressly acknowledge and agree that no monetary damages shall arise or be payable hereunder nor shall any failure to comply with this Agreement constitute an event of default with respect to the Notes.

**Section 6. Miscellaneous.**

(a) All documents provided by the Issuer to a Repository pursuant to the Issuer's undertakings set forth in Section 2 of this Agreement shall be in an electronic format as prescribed by the MSRB from time to time and shall be accompanied by identifying information as prescribed by the MSRB from time to time.

(b) The Issuer shall have no obligation to provide any information, data or notices other than as set forth in this Agreement; provided, however, nothing in this Agreement shall be construed as prohibiting the Issuer from providing such additional information, data or notices from time to time as it deems appropriate in connection with the Notes. If the Issuer elects to provide any such additional information, data or notices, the Issuer shall have no obligation under this Agreement to update or continue to provide further additional information, data or notices of the type so provided.

(c) This Agreement shall be governed by the laws of the State of Connecticut.

(d) Notwithstanding any other provision of this Agreement, the Issuer may amend this Agreement, and any provision of this Agreement may be waived, if such amendment or waiver is made in connection with a change of circumstances that arises from a change in legal requirements, a change in law, or a change in the identity, nature or status of the Issuer, and is supported by an opinion of counsel expert in federal securities laws, to the effect that (i) such amendment or waiver would not materially adversely affect the beneficial owners of the Notes, and (ii) the provisions of the Agreement as so amended or waived would have complied with the requirements of the Rule, taking into account any amendments or interpretations of the Rule as well as any changes in circumstances, in each case as of the date of such amendment to the Agreement or waiver. A copy of any such amendment or waiver will be filed in a timely manner with each Repository.

(e) This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but such counterparts shall together constitute but one and the same instrument.

TOWN OF NORTH HAVEN, CONNECTICUT

By: \_\_\_\_\_  
MICHAEL J. FREDA  
First Selectman

By: \_\_\_\_\_  
DONALD CLARK  
Town Treasurer

**APPENDIX F - NOTICE OF SALE – THE BONDS**

**NOTICE OF SALE**

**TOWN OF NORTH HAVEN, CONNECTICUT  
\$6,640,000 GENERAL OBLIGATION BONDS, ISSUE OF 2024  
BOOK-ENTRY-ONLY**

NOTICE IS GIVEN that ELECTRONIC BIDS *solely* via *PARITY*® will be received by the TOWN OF NORTH HAVEN, CONNECTICUT (the “Issuer”), until 11:30 A.M. (E.T.) on THURSDAY,

OCTOBER 17, 2024

(the “Sale Date”) for the purchase, when issued, of all (but not less than all) of the Issuer’s \$6,640,000 General Obligation Bonds, Issue of 2024, dated November 1, 2024 (the “Bonds”), at no less than par and accrued interest from the date of the Bonds to the date of delivery, if any, maturing on November 1 in the principal amounts and in each of the years as follows:

<u>Maturity</u>	<u>Amount (\$)</u>	<u>Maturity</u>	<u>Amount (\$)</u>
2026	300,000	2036	300,000
2027	300,000	2037	300,000
2028	300,000	2038	340,000
2029	300,000	2039	450,000
2030	300,000	2040	450,000
2031	300,000	2041	450,000
2032	300,000	2042	450,000
2033	300,000	2043	450,000
2034	300,000	2044	450,000
2035	300,000		

The Bonds will bear interest commencing November 1, 2025 and semiannually thereafter on May 1 and November 1 in each year until maturity, as further described in the Preliminary Official Statement (as hereinafter defined), at the rate or rates per annum specified by the winning bidder.

**Optional Redemption**

The Bonds maturing on or before November 1, 2030 are not subject to redemption prior to maturity. The Bonds maturing November 1, 2031 and thereafter are subject to redemption prior to maturity, at the option of the Issuer, on or after November 1, 2030, at any time, in whole or in part, and by lot within a maturity, in such amounts and in such order of maturity as the Issuer may determine, and by lot within a maturity, at the respective prices (expressed as a percentage of the principal amount of the Bonds to be redeemed) set forth in the following table, plus interest accrued and unpaid to the redemption date:

<u>Period During Which Redeemed</u>	<u>Redemption Price</u>
November 1, 2030 and thereafter	100.0%

**Nature of Obligation**

The Bonds will constitute general obligations of the Issuer, and the Issuer will pledge its full faith and credit to pay the principal of and interest on the Bonds when due. Unless paid from other sources, the Bonds are payable from ad valorem taxes which may be levied on all taxable property subject to taxation by the Issuer without limit as to rate or amount, except as to classified property such as certified forest lands taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts pursuant to provisions of the Connecticut General Statutes, as amended.

## **Bank Qualification**

The Bonds SHALL NOT be designated by the Issuer as qualified tax exempt obligations under the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986 for purposes of the deduction by financial institutions for interest expense allocable to the Bonds.

## **Registration**

The Bonds will be issued by means of a book-entry system with no physical distribution of bond certificates made to the public. The Bonds will be issued in registered form and one bond certificate for each maturity will be issued to The Depository Trust Company (“DTC”), New York, New York, registered in the name of its nominee, Cede & Co., and immobilized in its custody. A book-entry system will be employed, evidencing ownership of the Bonds in principal amounts of \$5,000 or any integral multiple thereof, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures adopted by DTC and its participants. The purchaser, as a condition to delivery of the Bonds, will be required to deposit the bond certificates with DTC, registered in the name of Cede & Co. Principal of, redemption premium, if any, and interest on the Bonds will be payable by the Issuer or its agent to DTC or its nominee as registered owner of the Bonds. Principal and interest payments by DTC to participants of DTC will be the responsibility of DTC; principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The Issuer will not be responsible or liable for payments by DTC to its participants or by DTC participants or indirect participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. Upon receipt from the Issuer, the Paying Agent will pay principal of and interest on the Bonds directly to DTC so long as DTC or its nominee, Cede & Co, is the bondholder.

In the event that (a) DTC determines not to continue to act as securities depository for the Bonds and the Issuer fails to identify another qualified securities depository to replace DTC, or (b) the Issuer determines to discontinue the book-entry system of evidence and transfer of ownership of the Bonds, the Issuer will authenticate and deliver replacement Bonds in the form of fully registered certificates. Any such replacement Bonds will provide that interest will be payable by check mailed by the Paying Agent to the registered owner whose name appears on the registration books of the Issuer as of the close of business on the record date preceding each interest payment date.

## **Record Date**

The record dates for the Bonds will be the fifteenth day of April and October, or the preceding business day if such fifteenth day is not a business day, in each year.

## **Proposals**

Each bid must be for the entire \$6,640,000 of the Bonds. Each proposal must specify the amount bid for the Bonds (which shall be the aggregate par value of the Bonds, and, at the option of the bidder, a premium), and must specify in a multiple of one-twentieth of one percent (1/20 of 1%) or one-eighth of one percent (1/8 of 1%) the rate or rates of interest per annum which the Bonds are to bear, provided that such proposal shall not state (a) more than one interest rate for any Bonds having a like maturity or (b) any interest rate for any Bonds of one maturity which exceeds the interest rate stated in such proposal for Bonds of a different maturity by more than two (2) percentage points. In addition to the amount bid for the Bonds, the purchaser must pay an amount equal to the interest on the Bonds accrued to the date of delivery. For the purpose of the bidding process, the time as maintained on *PARITY*® shall constitute the official time. For information purposes only, bidders are requested to state in their bids the true interest cost (“TIC”) to the Issuer, as described under “Basis of Award” below, represented by the rate or rates of interest and the bid price specified in their respective bids. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months. No proposal for less than par and accrued interest to the date of delivery will be considered.

## **Basis of Award; Right to Reject Proposals; Waiver; Postponement; Change of Terms**

Unless all bids are rejected, as between proposals which comply with this Notice of Sale, the Bonds will be awarded to the bidder whose bid proposes the lowest true interest cost (“TIC”) to the Issuer. The TIC will be the annual interest rate, compounded semiannually, which, when used to discount all payments of principal and interest payable on the Bonds results in an amount equal to the purchase price for the Bonds, excluding interest accrued to the date of delivery. If there is more than one bidder making said offer at the same lowest TIC, the Bonds will be sold to the bidder whose proposal is selected by the Issuer by lot from among all such proposals. It is requested that each proposal be accompanied by a statement of the percentage of TIC computed and rounded to six decimal places. Such statement shall not be considered as part of the proposal. The purchase price must be paid in immediately available federal funds.

The right is reserved to reject any and all proposals and to reject any proposal not complying with this Notice of Sale and to waive any irregularity or informality with respect to any proposal.

The Issuer further reserves the right to postpone the sale to another time and date in its sole discretion for any reason, including Internet difficulties. The Issuer will use its best efforts to notify prospective bidders in a timely manner of any need for a postponement. Upon the establishment of an alternative sale date, any bidder may submit proposals for the purchase of the Bonds in accordance with the provisions of this Notice of Sale.

## **CUSIP Numbers**

The deposit of the Bonds with DTC under a book-entry system requires the assignment of CUSIP numbers prior to delivery. It shall be the responsibility of the purchaser to apply for CUSIP numbers for the Bonds prior to delivery. Neither the failure to print such CUSIP number on any bond, nor any error with respect thereto, shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the Bonds. All expenses in relation to the printing of CUSIP numbers on the Bonds shall be paid for by the Issuer; provided, however, that the Issuer assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers, which charges shall be the responsibility of and shall be paid for by the purchaser.

## **Electronic Proposals Bidding Procedure**

Electronic bids for the purchase of the Bonds must be submitted through the facilities of **PARITY®**. Any prospective bidder must be a subscriber of i-Deal’s BiDCOMP competitive bidding system. Further information about **PARITY®**, including any fee charged, may be obtained from **PARITY®**, c/o i-Deal LLC, 1359 Broadway, 2nd Floor, New York, New York 10018, Attention: Customer Support (telephone: (212) 849-5021 – email notice: [parity@i-deal.com](mailto:parity@i-deal.com)). The Issuer neither will confirm any subscription nor be responsible for any failure of a prospective bidder to subscribe.

Once an electronic bid made through the facilities of **PARITY®** is communicated to the Issuer, it shall constitute an irrevocable offer, in response to this Notice, and shall be binding upon the bidder as if made by the signed, sealed bid delivered to the Issuer. By submitting a bid for the Bonds via **PARITY®**, the bidder represents and warrants to the Issuer that such bidder’s bid for the purchase of the Bonds is submitted for and on behalf of such prospective bidder by an officer or agent who is duly authorized to bind the prospective bidder by an irrevocable offer and that acceptance of such bid by the Issuer will bind the bidder by a legal, valid and enforceable contract, for the purchase of the Bonds on the terms described in this Notice. **The Issuer shall not be responsible for any malfunction or mistake made by, or as a result of the use of the facilities of PARITY®, or the inaccuracies of any information, including bid information or worksheets supplied by PARITY®, the use of PARITY® facilities being the sole risk of the prospective bidder. Each Bidder is solely responsible for knowing the terms of the sale as set forth herein.**

**Disclaimer.** Each of **PARITY®** prospective electronic bidders shall be solely responsible to make necessary arrangements to access **PARITY®** for the purpose of submitting its bid in a timely manner and in compliance with the requirements of this Notice. Neither the Issuer nor **PARITY®** shall have any duty or obligation to undertake such arrangements to bid for any prospective bidder or to provide or assure such access to any prospective bidder, and neither the Issuer or **PARITY®** shall be responsible for a bidder's failure to make a bid or for the proper operation of, or have any liability for any delays or interruptions of, or any damages caused by, **PARITY®**. The Issuer is using **PARITY®** as a communication mechanism, and not as the Issuer's agent, to conduct the electronic bidding for the Bonds. The Issuer is not bound by any advice and determination of **PARITY®** to the effect that any particular bid complies with the terms of this Notice and in particular the bid requirements herein set forth. All costs and expenses incurred by prospective bidders in connection with their subscription to, arrangements with and submission of bids via **PARITY®** are the sole responsibility of the bidders; and the Issuer is not responsible directly or indirectly, for any of such costs or expenses. If the prospective bidder encounters any difficulty in arranging to bid or submitting, modifying or withdrawing a bid for the Bonds, the prospective bidder should telephone **PARITY®** at (212) 849-5021. If any provision of this Notice shall conflict with information provided by **PARITY®**, this Notice shall control.

For the purpose of the electronic bidding process, the time maintained on **PARITY®** shall constitute the official time.

### **Certifying Agent, Registrar, Paying Agent and Transfer Agent**

The Bonds will be authenticated by U.S. Bank Trust Company, National Association, Hartford, Connecticut. U.S. Bank Trust Company, National Association will also act as Registrar, Paying Agent and Transfer Agent.

### **Delivery, Payment and Closing Requirements**

At or prior to the delivery of the Bonds the purchaser shall be furnished, without cost, with (a) the approving opinion of Pullman & Comley, LLC of Hartford, Connecticut, Bond Counsel ("Bond Counsel") (see "Bond Counsel Opinion" below); (b) a signature and no litigation certificate, in form satisfactory to said firm, dated as of the date of delivery of the Bonds, and stating that there is no litigation pending, or to the knowledge of the signer or signers thereof threatened, affecting the validity of the Bonds or the power of the Issuer to levy and collect taxes to pay them; (c) a signed copy of the Official Statement prepared for this bond issue; (d) a certificate of Issuer Officials relating to the accuracy and completeness of the Official Statement; (e) a Continuing Disclosure Agreement; and (f) a receipt of payment for the Bonds.

The Bonds will be delivered against payment in immediately available federal funds through the facilities of DTC, New York, New York or its agent via Fast Automated Securities Transfer ("FAST") on or about November 1, 2024 (the "Closing Date").

The Issuer will have no responsibility to pay for any expenses of the purchaser except to the extent specifically stated in this Notice of Sale. The purchaser will have no responsibility to pay for any of the Issuer's costs of issuance except to the extent specifically stated in this Notice of Sale.

The purchaser will be responsible for the clearance or exemption with respect to the status of the Bonds for sale under securities or "Blue Sky" laws and the preparation of any surveys or memoranda in connection with such sale. The Issuer shall have no responsibility for such clearance, exemption or preparation.

### **Bond Counsel Opinion**

The legality of the issue will be passed upon by Bond Counsel, and the purchaser will be furnished with its opinion, without charge, substantially in the form set forth in Appendix B to the Official Statement. The opinion will state that the Bonds are valid and binding obligations of the Issuer. If the Competitive Sale Rule (as defined below in the "Establishment of Issue Price" section) is met, Bond Counsel will require as a precondition to release of its opinion that the purchaser of such Bonds deliver to it a completed "issue price" certificate, or similar certificate, regarding expectations or public offering prices, as applicable, with respect to the Bonds awarded to such bidder, as described below under "Establishment of Issue Price".

## Establishment of Issue Price

In order to provide the Issuer with information that enables it to comply with certain requirements of the Internal Revenue Code of 1986 (the “Code”), relating to the exclusion of interest on the Bonds from the gross income of their owners, the winning bidder will be required to complete, execute, and deliver to the Issuer at or prior to the delivery of the Bonds an “issue price” or similar certificate setting forth the reasonably expected initial offering price to the Public (the “Initial Offering Price”) or the actual sales price or prices of the Bonds, as circumstances may determine, together with the supporting pricing wires or equivalent communications, with such modifications as may be appropriate or necessary, in the reasonable judgment of Bond Counsel. Communications relating to this “Establishment of Issue Price” section, the completed certificate(s) and any supporting information shall be delivered to (1) Bond Counsel at Glenn G. Rybacki, Esq., Pullman & Comley, LLC, 90 State House Square, Hartford, CT 06103, Telephone: (860) 424-4391, E-mail: grybacki@pullcom.com and (2) the Municipal Advisor at Mark Chapman, Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, CT 06443, Telephone: (203) 421-2087, E-mail: Mark.Chapman@munistat.com (the “Municipal Advisor”). Questions related to this “Establishment of Issue Price” section should be directed to Bond Counsel or the Municipal Advisor. For purposes of this “Establishment of Issue Price” section, Bond Counsel may act on behalf of the Issuer and the Municipal Advisor may act on behalf of the Issuer.

By submitting a bid, each bidder is certifying that its bid is a firm offer to purchase the Bonds, is a good faith offer which the bidder believes reflects current market conditions, and is not a “courtesy bid” being submitted for the purpose of assisting in meeting the competitive sale requirements relating to the establishment of the “issue price” of the Bonds pursuant to Section 148 of the Code, including the requirement that bids be received from at least three (3) underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds.

By submitting a bid, a bidder represents to the Issuer that it has an established industry reputation for underwriting new issuances of municipal bonds such as the Bonds, represents that such bidder’s bid is submitted for or on behalf of such bidder by an officer or agent who is duly authorized to bind the bidder to a legal, valid and enforceable contract for the purchase of the Bonds, and understands that upon award by the Issuer that this Notice of Sale constitutes a written contract between such bidder, as winning bidder, and the Issuer.

By submitting a bid, the bidder agrees that if the Competitive Sale Rule (as set forth below) is not met, it will satisfy either the Actual Sales Rule (as set forth below) or the Hold-the-Offering-Price Rule (as set forth below).

Bids will not be subject to cancellation in the event that the competitive sale requirements are not satisfied.

**Notification of Contact Information of Winning Bidder.** Promptly upon award, the winning bidder shall notify the Municipal Advisor and Bond Counsel of the contact name, telephone number and e-mail address of the person(s) of the winning bidder for purposes of communications concerning this “Establishment of Issue Price” section.

**Competitive Sale Rule.** The Issuer intends that the provisions of Treasury Regulations Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the “Competitive Sale Rule”) because:

- (1) the Issuer shall disseminate, or have disseminated on its behalf, this Notice of Sale to potential bidders in a manner that is reasonably designed to reach potential bidders;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the Issuer anticipates receiving bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the Issuer anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the lowest true interest cost (“TIC”), as set forth in this Notice of Sale.

**Competitive Sale Rule Met.** The Issuer, or the Municipal Advisor on behalf of the Issuer, shall at the time of award advise the winning bidder if the Competitive Sale Rule has been met. Within two (2) hours of award (or such other time as agreed to by Bond Counsel), the winning bidder shall provide Bond Counsel and the Municipal Advisor, via e-mail, a completed “ISSUE PRICE CERTIFICATE” in the form attached hereto as Attachment A.

**Competitive Sale Rule Not Met.** In the event that the Competitive Sale Rule is not satisfied, the Issuer, or the Municipal Advisor on behalf of the Issuer, shall at the time of award advise the winning bidder. The Issuer may determine to treat (i) the first price at which ten percent (10%) of a Maturity of the Bonds (the “Actual Sales Rule”) is sold to the Public as the issue price of that Maturity, and/or (ii) the Initial Offering Price to the Public as of the Sale Date of any Maturity of the Bonds as the issue price of that Maturity (the “Hold-the-Offering-Price Rule”), in each case applied on a Maturity-by-Maturity basis. In the event that the Competitive Sale Rule is not satisfied, the winning bidder, by 4:30 p.m. (E.T.) on the Sale Date, shall notify and provide, via e-mail, Bond Counsel and the Municipal Advisor (I) of the first price at which ten percent (10%) of each Maturity of Bonds has been sold to the Public and (II) reasonable supporting documentation or certifications of such price the form of which is acceptable to Bond Counsel; i.e., those Maturities of the Bonds that satisfy the Actual Sales Rule as of the Sale Date. After such receipt, the Issuer, or Bond Counsel on behalf of the Issuer, shall promptly confirm with the winning bidder, via e-mail, which Maturities of the Bonds shall be subject to the Actual Sales Rule and which Maturities shall be subject to the Hold-the-Offering-Price Rule.

For those Maturities of Bonds subject to the Hold-the-Offering-Price Rule, the winning bidder shall (i) provide Bond Counsel (via e-mail) a copy of pricing wire or equivalent communication for the Bonds (ii) confirm that each Underwriter (as defined below) has offered or will offer all of the Bonds to the Public on or before the date of award at the Initial Offering Prices and (ii) agree, on behalf of each Underwriter participating in the purchase of the Bonds, that each Underwriter will neither offer nor sell unsold Bonds of any Maturity to which the Hold-the-Offering-Price Rule shall apply to any person at a price that is higher than the Initial Offering Price for such Maturity during the period starting on the Sale Date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the Sale Date; or
- (2) the date on which the Underwriters have sold at least ten percent (10%) of that Maturity of the Bonds to the Public at a price that is no higher than the Initial Offering Price.

The winning bidder shall promptly advise Bond Counsel and the Municipal Advisor, via e-mail, when the Underwriters have sold ten percent (10%) of that Maturity of the Bonds to the Public at a price that is no higher than the Initial Offering Price, if that occurs prior to the close of the fifth (5th) business day after the Sale Date.

By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, to (A) report the prices at which it sells to the Public the unsold Bonds of each Maturity allotted to it until it is notified by the winning bidder that either the Actual Sales Rule has been satisfied as to the Bonds of that Maturity or all Bonds of that Maturity have been sold to the Public and (B) comply with the Hold-the-Offering-Price Rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among underwriters relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the Public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the Public the unsold Bonds of each Maturity allotted to it until it is notified by the winning bidder or such Underwriter that either the Actual Sales Rule has been satisfied as to the Bonds of that Maturity or all Bonds of that Maturity have been sold to the Public and (B) comply with the Hold-the-Offering-Price Rule, if applicable, in each case if and for so long as directed by the winning bidder or such Underwriter and as set forth in the related pricing wires.

Sales of any Bonds to any person that is a Related Party (as defined below) to an Underwriter shall not constitute sales to the Public for purposes of this Notice of Sale.

**Definitions.** For purposes of this “Establishment of Issue Price” section:

- (1) “Maturity” means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.
- (2) “Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a Related Party to an Underwriter.

- (3) “Related Party” generally means any two or more persons who have greater than 50% common ownership, directly or indirectly.
- (4) “Underwriter” means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this definition to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

### **Official Statement**

For more information regarding the Bonds or the Issuer, reference is made to the Preliminary Official Statement dated October 4, 2024 (the “Official Statement”) describing the Bonds and the financial condition of the Issuer. The Preliminary Official Statement is available in electronic format at [www.i-dealprospectus.com](http://www.i-dealprospectus.com) and [www.munistat.com](http://www.munistat.com), and such electronic access is being provided as a matter of convenience only. Copies of the Preliminary Official Statement may be obtained from Mark Chapman, Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, CT 06443, Telephone: (203) 421-2087, E-mail: [Mark.Chapman@munistat.com](mailto:Mark.Chapman@munistat.com). The Issuer deems such Official Statement to be a final official statement for purposes of complying with Securities and Exchange Commission Rule 15c2-12 (the “Rule”), but such Official Statement is subject to revision or amendment as appropriate. The Issuer will make available to the purchaser a reasonable number of copies of the final Official Statement at the Issuer’s expense, and the final Official Statement will be made available to the purchaser by no later than the earlier of the delivery of the Bonds or by the seventh (7th) business day after the day bids on the Bonds are received. If the Issuer’s Municipal Advisor, is provided with the necessary information from the purchaser by 12:00 o’clock noon on the day after the Sale Date, the copies of the final Official Statement will include an additional cover page and other pages, if necessary, indicating the interest rates, rating(s), yields or reoffering prices and the name of the managing underwriter of the Bonds, and any corrections. The purchaser shall arrange with the Municipal Advisor the method of delivery of the copies of the final Official Statement to the purchaser. Additional copies of the final Official Statement may be obtained by the purchaser at its own expense by arrangement with the printer.

### **Continuing Disclosure Agreement**

As required by the Rule, the Issuer will undertake, pursuant to a Continuing Disclosure Agreement (the “Agreement”), to provide annual financial information and operating data including audited financial statements, notice of the occurrence of certain events with respect to the Bonds within ten (10) business days of such event, and timely notice of any failure by the Issuer to provide annual reports on or before the date specified in the Agreement. A form of the Agreement is attached to the Official Statement as Appendix D. The purchaser’s obligation to purchase the Bonds shall be conditioned upon its receiving, at or prior to delivery of the Bonds, an executed Agreement.

TOWN OF NORTH HAVEN, CONNECTICUT

MICHAEL J. FREDA  
First Selectman

DONALD CLARK  
Town Treasurer

October 4, 2024

**ATTACHMENT A**

**ISSUE PRICE CERTIFICATE**

*(If Competitive Sale Rule Met)*

TOWN OF NORTH HAVEN, CONNECTICUT  
\$ \_\_\_\_\_ GENERAL OBLIGATION BONDS, ISSUE OF 2024  
Dated November 1, 2024

The undersigned, on behalf of [UNDERWRITER] (“[SHORT NAME OF UNDERWRITER]”), hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the “Bonds”).

1. ***Due Authorization.*** The undersigned is a duly authorized representative of [SHORT NAME OF UNDERWRITER], the purchaser of the Bonds.

2. ***Purchase Price.*** The TOWN OF NORTH HAVEN, CONNECTICUT (the “Issuer”) sold to [SHORT NAME OF UNDERWRITER], for delivery on or about November 1, 2024, the Bonds at a price of par (\$ \_\_\_\_\_), plus an aggregate net premium of \$ \_\_\_\_\_ and less an underwriter’s discount of \$ \_\_\_\_\_, resulting in an aggregate net purchase price of \$ \_\_\_\_\_.

3. ***Reasonably Expected Initial Offering Price.***

(a) As of October 17, 2024 (the “Sale Date”), the reasonably expected initial offering prices of the Bonds to the Public by [SHORT NAME OF UNDERWRITER] are the prices listed in **Schedule A** (the “Expected Offering Prices”). The Expected Offering Prices are the prices for the Maturities of the Bonds used by [SHORT NAME OF UNDERWRITER] in formulating its bid to purchase the Bonds. Attached as **Schedule B** is a true and correct copy of the bid provided by [SHORT NAME OF UNDERWRITER] to purchase the Bonds.

(b) [SHORT NAME OF UNDERWRITER] was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by [SHORT NAME OF UNDERWRITER] constituted a firm offer to purchase the Bonds.

4. ***Defined Terms.***

(a) “Maturity” means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) “Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than fifty percent (50%) common ownership, directly or indirectly.

(c) “Underwriter” means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this definition to participate in the initial sale of the Bonds to the Public (including a member of the selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

5. **Representations and Information.** The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents [SHORT NAME OF UNDERWRITER]'s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986 and the Treasury Regulations thereunder (collectively, the "Code"). The undersigned understands that the foregoing information will be relied upon by the Issuer in making its certification as to issue price of the Bonds under the Code and with respect to compliance with the federal income tax rules affecting the Bonds. Pullman & Comley, LLC, bond counsel, may rely on the foregoing representations in rendering its opinion on the exclusion from federal gross income of the interest on the Bonds, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer relating to the Bonds. Except as set forth above, no third party may rely on the foregoing certifications, and no party may rely hereon for any other purpose.

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of October \_\_, 2024.

**[UNDERWRITER]**

By: \_\_\_\_\_  
Name:  
Title:

**Schedule A to Issue Price Certificate**

<u>Maturity, November 1</u>	<u>Principal Amount (\$)</u>	<u>Interest Rate (%)</u>	<u>Price (\$, not Yield)</u>
2026	300,000		
2027	300,000		
2028	300,000		
2029	300,000		
2030	300,000		
2031	300,000		
2032	300,000		
2033	300,000		
2034	300,000		
2035	300,000		
2036	300,000		
2037	300,000		
2038	340,000		
2039	450,000		
2040	450,000		
2041	450,000		
2042	450,000		
2043	450,000		
2044	450,000		

**Schedule B to Issue Price Certificate**

## APPENDIX G - NOTICE OF SALE – THE NOTES

### NOTICE OF SALE

#### TOWN OF NORTH HAVEN, CONNECTICUT \$9,720,000 GENERAL OBLIGATION BOND ANTICIPATION NOTES BOOK-ENTRY-ONLY

NOTICE IS GIVEN that ELECTRONIC BIDS via *PARITY*® (as described herein) will be received by the TOWN OF NORTH HAVEN, CONNECTICUT (the “Issuer”), until 11:00 A.M. (E.T.) on THURSDAY,

OCTOBER 17, 2024

(the “Sale Date”) for the purchase of the Issuer’s \$9,720,000 General Obligation Bond Anticipation Notes (the “Notes”). Electronic bids must be submitted via *PARITY*® (see “Electronic Bidding Procedures”).

#### The Notes

The Notes are expected to be dated November 1, 2024 and will mature and be payable to the registered owner on October 30, 2025 as further described in the Preliminary Official Statement (as hereinafter defined). The Notes will bear interest (which interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months) payable at maturity at the rate or rates per annum fixed in the proposal or proposals accepted for their purchase, which rates shall be in multiples of 1/100 of 1% per annum.

#### Nature of Obligation

The Notes will constitute general obligations of the Issuer, and the Issuer will pledge its full faith and credit to pay the principal of and interest on the Notes when due. Unless paid from other sources, the Notes are payable from ad valorem taxes which may be levied on all taxable property subject to taxation by the Issuer without limit as to rate or amount except as to classified property such as certified forest lands taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts pursuant to provisions of the Connecticut General Statutes, as amended. The information in this Notice of Sale is only a brief summary of certain provisions of the Notes. For further information about the Notes, reference is hereby made to the Preliminary Official Statement.

#### Bank Qualification

The Notes SHALL NOT be designated by the Issuer as qualified tax exempt obligations under the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986 for purposes of the deduction by financial institutions for interest expense allocable to the Notes.

#### Registration

The Notes will be issued by means of a book-entry system with no physical distribution of note certificates made to the public. The Notes will be issued in registered form and one note certificate for each interest rate will be issued to The Depository Trust Company (“DTC”), New York, New York, registered in the name of its nominee, Cede & Co., and immobilized in its custody. A book-entry system will be employed, evidencing ownership of the Notes in principal amounts of \$5,000 or any integral multiple thereof, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures adopted by DTC and its participants. The purchaser(s), as a condition to delivery of the Notes, will be required to deposit the Note certificates with DTC, registered in the name of Cede & Co. Principal of and interest on the Notes will be payable by the Issuer or its agent to DTC or its nominee as registered owner of the Notes. Principal and interest payments by DTC to participants of DTC will be the responsibility of DTC; principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The Issuer will not be responsible or liable for payments by DTC to its participants or by DTC participants or indirect participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. Upon receipt from the Issuer, the Paying Agent will pay principal of and interest on the Notes directly to DTC so long as DTC or its nominee, Cede & Co, is the Noteholder.

## **Bid Specifications; Basis of Award; Right to Reject Proposals; Waiver; Postponement; Change of Terms**

Each bid for the purchase of the Notes must be in accordance with the requirements prescribed herein. A proposal may be for all or any part of the Notes but any proposal for a part must be for at least \$100,000, or a whole multiple thereof, except one such proposal for a part may include the odd \$120,000, and a separate proposal will be required for each part of the Notes for which a separate interest rate is bid. Unless all bids are rejected, the Notes will be awarded to the bidder or bidders offering to purchase the Notes at the lowest net interest cost (“NIC”), computed as to each interest rate stated by adding the total interest which will be paid at such rate and deducting therefrom the premium offered, if any. As between proposals resulting in the same lowest net interest cost to the Issuer, the award will be made on the basis of the highest principal amount of the Notes specified. No bid for less than par and accrued interest, if any, will be considered and the Issuer reserves the right to award to any bidder all or any part of the Notes bid for in its proposal. If a bidder is awarded only a part of the Notes bid for in its proposal, any premium offered in such proposal will be proportionately reduced so that the resulting net interest cost to the Issuer with respect to the Notes awarded is the same as that contained in the bidder’s proposal with respect to the entire amount bid, carried to six decimal places. The purchase price must be paid in immediately available federal funds.

The right is reserved to reject any and all proposals and to reject any proposal not complying with this Notice of Sale and to waive any irregularity or informality with respect to any proposal.

The Issuer further reserves the right to postpone the sale to another time and date in its sole discretion for any reason, including Internet difficulties. The Issuer will use its best efforts to notify prospective bidders in a timely manner of any need for a postponement. Upon the establishment of an alternative sale date, any bidder may submit proposals for the purchase of the Notes in accordance with the provisions of this Notice of Sale.

### **Electronic Bidding Procedures**

Any prospective bidder intending to submit an electronic bid must submit its electronic bid through the facilities of **PARITY**<sup>®</sup>. Subscription to i-Deal LLC’s BiDCOMP Competitive Bidding System is required in order to submit an electronic bid and the Issuer will neither confirm any subscription nor be responsible for the failure of any prospective bidder to subscribe.

An electronic bid made through the facilities of **PARITY**<sup>®</sup> shall be deemed an irrevocable offer to purchase the Notes on the terms provided in this Notice of Sale, and shall be binding upon the bidder as if made by a signed, sealed bid delivered to the Issuer. By submitting a bid for the Notes via **PARITY**<sup>®</sup>, the bidder represents and warrants to the Issuer that such bidder’s bid for the purchase of the Notes is submitted for and on behalf of such prospective bidder by an officer or agent who is duly authorized to bind the prospective bidder by an irrevocable offer and that acceptance of such bid by the Issuer will bind the bidder by a legal, valid and enforceable contract, for the purchase of the Notes on the terms described in this Notice of Sale. **The Issuer shall not be responsible for any malfunction or mistake made by, or as a result of the use of the facilities of PARITY<sup>®</sup>, or the inaccuracies of any information, including bid information or worksheets supplied by PARITY<sup>®</sup>, the use of PARITY<sup>®</sup> facilities being the sole risk of the prospective bidder. Each Bidder is solely responsible for knowing the terms of the sale as set forth herein.**

If any provisions of this Notice of Sale shall conflict with information provided by **PARITY**<sup>®</sup> as the approved provider of electronic bidding services, this Notice of Sale shall control. Further information about **PARITY**<sup>®</sup>, including any fee charged, may be obtained from **PARITY**<sup>®</sup>, 1359 Broadway, 36<sup>th</sup> Street, 2<sup>nd</sup> Floor, New York, NY 10018, Attention: Customer Service Department (telephone: (212) 849-5021 - email notice: [www.parity@i-deal.com](mailto:www.parity@i-deal.com)).

For purposes of the electronic bidding process, the time as maintained by **PARITY**<sup>®</sup> shall constitute the official time. For information purposes only, bidders are requested to state in their bids the net interest cost to the Issuer, as described under “Bid Specifications; Basis of Award; Right to Reject Proposals; Waiver; Postponement; Change of Terms” above, and in the written form of Proposal for Notes. All electronic bids shall be deemed to incorporate the provisions of this Notice of Sale and form of Proposal for Notes.

**Disclaimer.** Each **PARITY**<sup>®</sup> prospective electronic bidder shall be solely responsible to make necessary arrangements to access **PARITY**<sup>®</sup> for the purposes of submitting its bid in a timely manner and in compliance with the requirements of this Notice of Sale. Neither the Issuer nor **PARITY**<sup>®</sup> shall have any duty or obligation to undertake such arrangements to bid for any prospective bidder or to provide or assure such access to any prospective bidder, and neither the Issuer nor **PARITY**<sup>®</sup> shall be responsible for a bidder's failure to make a bid or for proper operation of, or have any liability for any delays or interruptions of, or any damages caused by, **PARITY**<sup>®</sup>. The Issuer is using **PARITY**<sup>®</sup> as a communication mechanism, and not as the Issuer's agent, to conduct the electronic bidding for the Notes. The Issuer is not bound by any advice and determination of **PARITY**<sup>®</sup> to the effect that any particular bid complies with the terms of this Notice of Sale and in particular the bid requirements herein set forth. All costs and expenses incurred by prospective bidders in connection with their subscription to, arrangements with and submission of bids via **PARITY**<sup>®</sup> are the sole responsibility of the bidders; and the Issuer is not responsible, directly or indirectly, for any such costs or expenses. If a prospective bidder encounters any difficulty in arranging to bid or submitting, modifying or withdrawing a bid for the Notes, the prospective bidder should telephone **PARITY**<sup>®</sup> at (212) 849-5021.

### **CUSIP Numbers**

The deposit of the Notes with DTC under a book-entry system requires the assignment of CUSIP numbers prior to delivery. It shall be the responsibility of the purchaser to apply for CUSIP numbers for the Notes prior to delivery. Neither the failure to print such CUSIP number on any note, nor any error with respect thereto, shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the Notes. All expenses in relation to the printing of CUSIP numbers on the Notes shall be paid for by the Issuer; provided, however, that the Issuer assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers, which charges shall be the responsibility of and shall be paid for by the purchaser.

### **Certifying Agent, Registrar, Paying Agent and Transfer Agent**

The Notes will be authenticated by U.S. Bank Trust Company, National Association, Hartford, Connecticut. U.S. Bank Trust Company, National Association will also act as Registrar, Paying Agent and Transfer Agent.

### **Delivery, Payment and Closing Requirements**

At or prior to the delivery of the Notes the winning bidder shall be furnished, without cost, with (a) the approving opinion of Pullman & Comley, LLC of Hartford, Connecticut, Bond Counsel ("Bond Counsel"); (b) a signature and no litigation certificate, in form satisfactory to said firm, dated as of the date of delivery of the Notes, and stating that there is no litigation pending, or to the knowledge of the signer or signers thereof threatened, affecting the validity of the Notes or the power of the Issuer to levy and collect taxes to pay them; (c) a copy of the Official Statement prepared for this note issue; (d) a certificate of Issuer Officials relating to the accuracy and completeness of the Official Statement; (e) a Continuing Disclosure Agreement; and (f) a receipt of payment for the Notes.

The Notes will be delivered against payment in immediately available federal funds through the facilities of DTC, New York, New York or its agent via Fast Automated Securities Transfer ("FAST") on or about November 1, 2024 (the "Closing Date").

The Issuer will have no responsibility to pay for any expenses of the purchaser except to the extent specifically stated in this Notice of Sale. The purchaser will have no responsibility to pay for any of the Issuer's costs of issuance except to the extent specifically stated in this Notice of Sale.

The purchaser will be responsible for the clearance or exemption with respect to the status of the Notes for sale under securities or "Blue Sky" laws and the preparation of any surveys or memoranda in connection with such sale. The Issuer shall have no responsibility for such clearance, exemption or preparation.

### **Bond Counsel Opinion**

The legality of the issue will be passed upon by Bond Counsel, and the purchaser will be furnished with its opinion, without charge, substantially in the form set forth in Appendix C to the Official Statement. The opinion will state that the Notes are valid and binding obligations of the Issuer. Bond Counsel will require as a precondition to release of its opinion that the purchaser of such Notes deliver to it a completed "issue price" certificate, or similar certificate, regarding expectations or public offering prices, as applicable, with respect to the Notes awarded to such bidder, as described below under "Establishment of Issue Price".

## Establishment of Issue Price

In order to provide the Issuer with information that enables it to comply with certain requirements of the Internal Revenue Code of 1986 (the “Code”) relating to the exclusion of interest on the Notes from the gross income of their owners, the winning bidder will be required to complete, execute, and deliver to the Issuer at or prior to the delivery of the Notes an “issue price” or similar certificate setting forth the reasonably expected initial offering price to the Public (the “Initial Offering Price”) or the actual sales price or prices of the Notes, as circumstances may determine, together with the supporting pricing wires or equivalent communications, with such modifications as may be appropriate or necessary, in the reasonable judgment of Bond Counsel. Communications relating to this “Establishment of Issue Price” section, the completed certificate(s) and any supporting information shall be delivered to (1) Bond Counsel at Glenn G. Rybacki, Esq., Pullman & Comley, LLC, 90 State House Square, Hartford, CT 06103, Telephone: (860) 424-4391, E-mail: grybacki@pullcom.com and (2) the Municipal Advisor at Mark Chapman, Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, CT 06443, Telephone: (203) 421-2087, E-mail: Mark.Chapman@munistat.com (the “Municipal Advisor”). Questions related to this “Establishment of Issue Price” section should be directed to Bond Counsel or the Municipal Advisor. For purposes of this “Establishment of Issue Price” section, Bond Counsel may act on behalf of the Issuer and the Municipal Advisor may act on behalf of the Issuer.

By submitting a bid, each bidder is certifying that its bid is a firm offer to purchase the Notes, is a good faith offer which the bidder believes reflects current market conditions, and is not a “courtesy bid” being submitted for the purpose of assisting in meeting the competitive sale requirements relating to the establishment of the “issue price” of the Notes pursuant to Section 148 of the Code, including the requirement that bids be received from at least three (3) underwriters of municipal bonds or notes who have established industry reputations for underwriting new issuances of municipal bonds or notes.

By submitting a bid, a bidder represents to the Issuer that it has an established industry reputation for underwriting new issuances of municipal bonds or notes such as the Notes, represents that such bidder’s bid is submitted for or on behalf of such bidder by an officer or agent who is duly authorized to bind the bidder to a legal, valid and enforceable contract for the purchase of the Notes, and understands that upon award by the Issuer that this Notice of Sale constitutes a written contract between such bidder, as winning bidder, and the Issuer.

By submitting a bid, the bidder agrees that if the Competitive Sale Rule (as set forth below) is not met, it will satisfy either the Actual Sales Rule (as set forth below) or the Hold-the-Offering-Price Rule (as set forth below).

Bids will not be subject to cancellation in the event that the competitive sale requirements are not satisfied.

**Notification of Contact Information of Winning Bidder.** Promptly upon award, the winning bidder shall notify the Municipal Advisor and Bond Counsel of the contact name, telephone number and e-mail address of the person(s) of the winning bidder for purposes of communications concerning this “Establishment of Issue Price” section.

**Competitive Sale Rule.** The Issuer intends that the provisions of Treasury Regulations Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Notes) will apply to the initial sale of the Notes (the “Competitive Sale Rule”) because:

- (1) the Issuer shall disseminate, or have disseminated on its behalf, this Notice of Sale to potential bidders in a manner that is reasonably designed to reach potential bidders;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the Issuer anticipates receiving bids from at least three underwriters of municipal bonds or notes who have established industry reputations for underwriting new issuances of municipal bonds or notes; and
- (4) the Issuer anticipates awarding the sale of the Notes to the bidder who submits a firm offer to purchase the Notes at the lowest net interest cost, as set forth in this Notice of Sale.

**Competitive Sale Rule Met.** The Issuer, or the Municipal Advisor on behalf of the Issuer, shall at the time of award advise the winning bidder if the Competitive Sale Rule has been met. The winning bidder will be required to deliver to Bond Counsel on behalf of the Issuer prior to the delivery of the Notes a completed “Certificate as to Issue Price” (in form satisfactory to Bond Counsel) for such Notes, setting forth the Initial Offering Price.

**Competitive Sale Rule Not Met.** In the event that the Competitive Sale Rule is not satisfied, the Issuer, or the Municipal Advisor on behalf of the Issuer, shall at the time of award advise the winning bidder. The Issuer may determine to treat (i) the first price at which ten percent (10%) of a Maturity of the Notes (the “Actual Sales Rule”) is sold to the Public as the issue price of that Maturity, and/or (ii) the Initial Offering Price to the Public as of the Sale Date of any Maturity of the Notes as the issue price of that Maturity (the “Hold-the-Offering-Price Rule”), in each case applied on a Maturity-by-Maturity basis. In the event that the Competitive Sale Rule is not satisfied, the winning bidder, by 4:30 p.m. (E.T.) on the Sale Date, shall notify and provide, via e-mail, Bond Counsel and the Municipal Advisor (I) of the first price at which ten percent (10%) of each Maturity has been sold to the Public and (II) reasonable supporting documentation or certifications of such price the form of which is acceptable to Bond Counsel; i.e., those Maturities that satisfy the Actual Sales Rule as of the Sale Date. After such receipt, the Issuer, or Bond Counsel on behalf of the Issuer, shall promptly confirm with the winning bidder, via e-mail, which Maturities of the Notes shall be subject to the Actual Sales Rule and which Maturities shall be subject to the Hold-the-Offering-Price Rule.

For those Maturities of Notes subject to the Hold-the-Offering-Price Rule, the winning bidder shall (i) provide Bond Counsel (via e-mail) a copy of pricing wire or equivalent communication for the Notes (ii) confirm that each Underwriter (as defined below) has offered or will offer all of the Notes to the Public on or before the date of award at the Initial Offering Prices and (iii) agree, on behalf of each Underwriter participating in the purchase of the Notes, that each Underwriter will neither offer nor sell unsold Notes of any Maturity to which the Hold-the-Offering-Price Rule shall apply to any person at a price that is higher than the Initial Offering Price for such Maturity during the period starting on the Sale Date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the Sale Date; or
- (2) the date on which the Underwriters have sold at least ten percent (10%) of that Maturity of the Notes to the Public at a price that is no higher than the Initial Offering Price.

The winning bidder shall promptly advise Bond Counsel and the Municipal Advisor, via e-mail, when the Underwriters have sold ten percent (10%) of that Maturity of the Notes to the Public at a price that is no higher than the Initial Offering Price, if that occurs prior to the close of the fifth (5th) business day after the Sale Date.

By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Notes to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, to (A) report the prices at which it sells to the Public the unsold Notes of each Maturity allotted to it until it is notified by the winning bidder that either the Actual Sales Rule has been satisfied as to the Notes of that Maturity or all Notes of that Maturity have been sold to the Public and (B) comply with the Hold-the-Offering-Price Rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among underwriters relating to the initial sale of the Notes to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Notes to the Public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the Public the unsold Notes of each Maturity allotted to it until it is notified by the winning bidder or such Underwriter that either the Actual Sales Rule has been satisfied as to the Notes of that Maturity or all Notes of that Maturity have been sold to the Public and (B) comply with the Hold-the-Offering-Price Rule, if applicable, in each case if and for so long as directed by the winning bidder or such Underwriter and as set forth in the related pricing wires.

Sales of any Notes to any person that is a Related Party (as defined below) to an Underwriter shall not constitute sales to the Public for purposes of this Notice of Sale.

**Definitions.** For purposes of this “Establishment of Issue Price” section:

- (1) “Maturity” means Notes with the same credit and payment terms. Notes with the same maturity date but different stated interest rates, are treated as separate Maturities.
- (2) “Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a Related Party to an Underwriter.
- (3) “Related Party” generally means any two or more persons who have greater than 50% common ownership, directly or indirectly.
- (4) “Underwriter” means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead Underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this definition to participate in the initial sale of the Notes to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Notes to the Public).

### **Official Statement**

For more information regarding the Notes or the Issuer, reference is made to the Preliminary Official Statement dated October 4, 2024 (the “Official Statement”) describing the Notes and the financial condition of the Issuer. The Preliminary Official Statement is available in electronic format at [www.i-dealprospectus.com](http://www.i-dealprospectus.com) and [www.munistat.com](http://www.munistat.com), and such electronic access is being provided as a matter of convenience only. Copies of the Preliminary Official Statement may be obtained from Mark Chapman, Munistat Services, Inc., 129 Samson Rock Drive, Suite A, Madison, CT 06443, Telephone: (203) 421-2087, E-mail: [Mark.Chapman@munistat.com](mailto:Mark.Chapman@munistat.com). The Issuer deems such Official Statement to be a final official statement for purposes of complying with Securities and Exchange Commission Rule 15c2-12 (the “Rule”), but such Official Statement is subject to revision or amendment as appropriate. The Issuer will make available to the purchaser a reasonable number of copies of the final Official Statement at the Issuer’s expense, and the final Official Statement will be made available to the purchaser by no later than the earlier of the delivery of the Notes or by the seventh (7th) business day after the day bids on the Notes are received. If the Issuer’s Municipal Advisor, is provided with the necessary information from the purchaser by 12:00 o’clock noon on the day after the Sale Date, the copies of the final Official Statement will include an additional cover page and other pages, if necessary, indicating the interest rates, rating(s), yields or reoffering prices and the name of the managing underwriter of the Notes, and any corrections. The purchaser shall arrange with the Municipal Advisor the method of delivery of the copies of the final Official Statement to the purchaser. Additional copies of the final Official Statement may be obtained by the purchaser at its own expense by arrangement with the printer.

### **Continuing Disclosure Agreement**

As required by the Rule, the Issuer will undertake, pursuant to a Continuing Disclosure Agreement (the “Agreement”), to provide notice of the occurrence of certain events with respect to the Notes within ten (10) business days of such event. A form of the Agreement is attached to the Official Statement as Appendix E. The purchaser’s obligation to purchase the Notes shall be conditioned upon its receiving, at or prior to delivery of the Notes, an executed Agreement.

TOWN OF NORTH HAVEN, CONNECTICUT

MICHAEL J. FREDA  
First Selectman

DONALD CLARK  
Town Treasurer

October 4, 2024