

City of West Haven, Connecticut



Annual Financial Report For the Year Ended June 30, 2024

Annual Financial Report

of the

City of West Haven,

Connecticut

For the Year Ended

June 30, 2024

City of West Haven, Connecticut

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Introductory Section

City of West Haven, Connecticut

Principal Officials June 30, 2024

Mayor

Dorinda Borer

Treasurer

Ronald Quagliani

City Council

Nicholas Pascale, Chair
Sarah Ackbarali
Dawn Callahan
Michelle Coletti
Gary Donovan
Meli Garthwait
Anne Heffernan
Steven Johnstone
Brian Laucks
Mackie McMillian
Katie Mueller
Katherine Tucker
Christopher Vargo Jr.

Administration

Ann Marie Gradoia	Assessor
Frank Gladwin	Building Official
John Lewis	City Clerk
Michael Gormany	Finance Director
Abdul Quadir	City Engineer
Paul Dorsi	Corporation Counsel
Robert Sandella	Public Works Director
Joseph Perno	Chief of Police
Eric Murillo	Tax Collector
Mark Magri	Director - WPCA

Financial Section

Independent Auditors' Report

City Council
City of West Haven, Connecticut

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the City of West Haven, Connecticut ("City"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City'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, each major fund and the aggregate remaining fund information of the City, as of June 30, 2024, 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 City, 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 City'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.

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 City'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 City'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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and 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 financial report. The other information comprises the introductory and trend information 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 February 12, 2025 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

PKF O'Connor Davies, LLP

Wethersfield, Connecticut
February 12, 2025



Finance
Department

Office of the Finance Director

City of West Haven
355 Main Street
West Haven, Connecticut 06516
Telephone: 203-937-3510 ° Facsimile: 203-937-3705

Management's Discussion and Analysis For the Year Ended June 30, 2024

As management of the City of West Haven, Connecticut ("City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2024. Please read it in conjunction with the City's financial statements immediately following this section.

Financial highlights

- On a government-wide basis, the liabilities and deferred inflows of resources of the City exceeded its assets and deferred outflows of resources at the close of the most recent fiscal year as follows:

Change in net position	\$ 24,794,182
Total net position	(75,652,934)
Unrestricted net position	(339,155,264)

- The significant factors for the change are as follows:

Fund level activity:

➤ positive operations of the general fund of	\$ 6,449,634
➤ negative operations of the capital improvement fund of	(3,456,583)
➤ negative operations of the school lunch program fund of	(620,063)
➤ negative operations of the capital and nonrecurring fund of	(519,816)
➤ positive operations of the internal service funds of	4,748,777

Conversion to accrual basis on Exhibit E:

➤ capital outlay net of depreciation/amortization expense of	23,919,215
➤ net long-term debt activity of	(2,391,220)
➤ change in net pension liability of	10,886,072
➤ change in net OPEB liability of	74,883,876
➤ change in deferred outflows of resources related to pension and OPEB of	(29,879,569)
➤ change in deferred inflows of resources related to pension and OPEB of	(58,002,920)

- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balance of \$13,211,204, an increase of \$2,146,452 in comparison with the prior year. The majority of the increase is due to the operations of the governmental funds activity referenced above. Additional details regarding the operations are discussed in the governmental funds section.

Management's Discussion and Analysis (continued)

- General fund unassigned fund balance was \$21,208,580, an increase of \$6,449,634 in comparison with the prior year. This unassigned fund balance represents 12.48% of total budgetary basis general fund expenditures and transfers out as compared to 8.97% in the prior year.
- Net capital assets increased by \$23,846,477 or 7.06%
- Total long-term debt increased by \$843,353 or 0.90%

Overview of the basic financial statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components:

- Government-wide financial statements
- Fund financial statements
- Notes to financial statements

Government-wide financial statements

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

The statement of net position presents information on all of the City's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference between these accounts reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

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

The government-wide financial statements present the functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the City include general government, public safety, public works, human resources and health and welfare, parks and recreation, library, and education.

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 City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Management's Discussion and Analysis (continued)

Governmental funds

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

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

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for each major fund. The funds reported as major funds are as follows:

- General fund
- Allingtown Fire Department fund
- ARPA fund
- Sewer fund
- Education grants fund
- Capital improvement fund

Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these other governmental funds is provided in the form of combining statements on Schedules 5 and 6.

Proprietary funds

The City reports one type of proprietary fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its self-insured medical insurance benefits, general liability, and workers' compensation. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financials.

Fiduciary funds

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

Notes to financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Management's Discussion and Analysis (continued)

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 and Allingtown Fire Department fund to demonstrate compliance with these budgets
- Schedules to demonstrate the City's progress in funding its obligation to provide pension benefits
- Schedules to demonstrate the City's progress in funding its obligation to provide other post-employment benefits

Other information

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

Government-wide financial analysis

The analysis below focuses on the net position and the changes in net position. Unrestricted net position at year end totaled \$(339,155,264). This is an increase of \$10,235,618 from the prior year.

Summary Statement of Net Position June 30

	2024	2023
Current and other assets	\$ 94,172,355	\$ 73,315,105
Capital assets (net)	361,816,860	337,970,383
Total assets	455,989,215	411,285,488
Deferred outflows of resources	43,664,201	73,543,770
Current liabilities	86,969,500	73,678,091
Long-term liabilities	335,856,842	420,738,788
Total liabilities	422,826,342	494,416,879
Deferred inflows of resources	152,480,008	90,859,495
Net position:		
Net investment in capital assets	249,959,383	234,676,427
Restricted	13,542,947	14,267,339
Unrestricted	(339,155,264)	(349,390,882)
Total net position	\$ (75,652,934)	\$ (100,447,116)

The largest portion of net position of the City reflects its investment in capital assets, less any related debt and liabilities used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

Management's Discussion and Analysis (continued)

Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

A portion of the City's net position, \$13,542,947, represents resources that are subject to external restrictions on how they may be used.

Net position may serve over time as a useful indicator of a government's financial position. In the case of the City, the liabilities and deferred inflows of resources of the City exceeded its assets and deferred outflows of resources at the close of the most recent fiscal year by \$(75,652,934).

Statement of Changes in Net Position For the Years Ended June 30

	2024	2023
Revenues:		
Program revenues:		
Charges for services	\$ 22,052,664	\$ 21,397,779
Operating grants and contributions	104,829,306	96,885,476
Capital grants and contributions	18,457,718	10,507,612
General revenues:		
Property taxes	116,224,002	114,633,763
Grants and contributions not restricted to specific programs	12,260,809	11,645,101
Income from investments	2,817,765	1,780,291
Gain on sale of assets	14,999	317,431
Other general revenues	351,803	-
Total revenues	277,009,066	257,167,453
Expenses:		
General government	13,914,002	16,207,996
Public safety	44,616,291	49,534,573
Public works	34,230,206	28,877,021
Human resources and health and welfare	4,884,351	4,339,986
Parks and recreation	2,016,880	2,121,692
Library	1,678,980	1,171,323
Education	148,083,111	150,320,467
Interest	2,791,063	2,729,918
Total expenses	252,214,884	255,302,976
Change in net position	24,794,182	1,864,477
Net position - July 1	(100,447,116)	(102,311,593)
Net position - June 30	\$ (75,652,934)	\$ (100,447,116)

Management's Discussion and Analysis (continued)

Key elements of the change in net position of \$24,794,182 are as follows:

Revenues

Governmental activities revenues totaled \$277,009,066. This represents an increase of \$19,841,613 from the prior year. Property taxes are the largest revenue source for the City and represent 41.96% of revenues. Details for the other categories are as follows:

Charges for services	7.96%
Operating grants and contributions	37.83%
Capital grants and contributions	6.66%
Property taxes	41.96%
Grants and contributions not restricted to specific programs	4.43%
Income from investments	1.02%
Gain on sale of assets	0.01%
Other general revenues	0.13%
Total	<u>100.00%</u>

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

Revenue category	Amount	Description
Operating grants and contributions increased by:	\$ 7,943,830	Due to increases in education grants of \$6.06 million, ARPA operating related revenues recognized of \$1.41 million and teachers retirement pension and OPEB on-behalf payments of \$1.19 million
Capital grants and contributions increased by:	7,950,106	Due to increases in the school construction grant of \$6.45 million and ARPA capital related revenues recognized of \$2.52 million, offset by a decrease in public works grants of \$1.72 million for various improvement projects
Property taxes increased by:	1,590,239	Due to an increase in the budget and the amount required to be funded with property taxes
Income from investments increased by:	1,037,474	Due to positive operations of the general fund and continued higher interest rates

Management's Discussion and Analysis (continued)

Expenses

Governmental activity expenses totaled \$252,214,884, a decrease of \$3,088,092. Of the total expenses, \$148,083,11 or 58.71% is related to education. Details for the other categories are as follows:

General government	5.52%
Public safety	17.69%
Public works	13.57%
Human resources and health and welfare	1.94%
Parks and recreation	0.80%
Library	0.67%
Education	58.71%
Interest	1.10%
Total	<u>100.00%</u>

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

Expense category	Amount	Description
General government expenses decreased by:	\$ (2,293,994)	Change was due to the following:
		Decrease in OPEB expense of \$0.46 million
		Decrease in claims expense of \$0.58 million
		Prior year write off development project of \$1.33 million
Public safety expenses decreased by:	(4,918,282)	Change was due to the following:
		Decrease in pension expense of \$5.53 million
		Decrease in OPEB expense of \$2.90 million
		Increase in employee benefits of \$0.67 million
		Increase in public safety operations of \$0.67 million due to overtime costs
		Increase in Allingtown Fire Department's pension contribution of \$0.75 million and insurance benefits of \$0.47 million
Public works expenses increased by:	5,353,185	Change was due to the following:
		Increase in sewer expenses of \$2.99 million
		Decrease in ARPA grant expenses of \$3.89 million

Management's Discussion and Analysis (continued)

Expense category	Amount	Description
Education expenses decreased by:	\$ (2,237,356)	Change was due to the following:
		Decrease in OPEB expense of \$6.42 million
		Decrease in loss on disposals of \$4.99 million
		Increase in education grant expenses of \$3.00 million
		Decrease in capital project related activity that was not recorded as a capital asset of \$1.59 million
		Increase in depreciation expense of \$1.42 million
		Increase in teachers retirement pension and OPEB on-behalf payments of \$1.19 million
		Increase in claims expense of \$0.87 million
		Increase in cafeteria expenses of \$0.77 million

Financial analysis of the City's funds

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

Governmental funds

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

The City's governmental funds reported a combined ending fund balance of \$13,211,204.

The components of fund balance were as follows:

Nonspendable	\$ 149,832
Restricted	13,542,947
Committed	35,784,244
Unassigned	<u>(36,265,819)</u>
Total	<u>\$ 13,211,204</u>

The total fund balance increased by \$2,146,452. The increase is a result of the following activity:

General fund. The general fund is the operating fund of the City. The total fund balance of the general fund of \$21,208,580 was unassigned. This unassigned fund balance represents 12.48% of total budgetary basis general fund expenditures and transfers out. During the current fiscal year, the fund balance of the City's general fund increased by \$6,449,634. The increase was substantially attributable to revenues and other financing sources being higher than the budget by \$2,466,575 and the expenditure budget being underspent by \$3,983,059. See additional discussion in the budgetary highlights section below.

Management's Discussion and Analysis (continued)

General fund budgetary highlights

The significant budget transfers during the year were as follows:

- Finance/comptroller budget was increased by \$509,874 due to more than expected costs for consulting and professional services due to MARB requirements
- Public safety operations budget was increased by \$1,126,217 substantially due to the increased need for overtime due to open positions
- Highways and park maintenance budget was decreased by \$845,549 due to lower-than-expected utility rates and unfilled positions.
- Transfers out was increased by \$990,000 for funding for certain projects in the sewer fund

The most significant budget variances were as follows:

Revenues

- Intergovernmental revenues were in excess of the amount budgeted by \$681,465 primarily due to the municipal revenue sharing grant received of \$1,405,219 was not budgeted, offset by the education cost sharing grant being lower than the amount budgeted by \$886,731
- Charges for services were in excess of the amount budgeted by \$849,517 primarily due to building and electrical permits being greater than budgeted by \$627,496 as a result of multiple new construction projects during the year and park and recreation revenues were higher than budgeted by \$270,602 as a result of conservative budgeting
- Income from investments were in excess of the amount budgeted of \$1,548,112 due to the positive operations of the general fund and continued higher interest rates

Expenditures

- General government expenditures were underspent by \$712,196 primarily due to:
 - Planning and development costs being underspent by \$97,735 as a result of timing to fill open positions
 - Consulting services underspent by \$339,323 as a result of bringing services in-house by filling permanent roles
- Public works expenditures were underspent by \$617,159 due to:
 - Central garage expenditures being underspent by \$173,768 as a result of the automotive fuel budget which was increased for expected increase in gas prices
 - Grounds and building maintenance budget savings of \$102,382 as a result of lower-than-expected utility rates
 - Highways and park maintenance expenditures of \$176,137 as a result of lower-than-expected utility rates
- Debt service expenditures were underspent by \$2,009,286 mainly due to the change in timing of a bond issue from the late fall to February 2024

Allingtown Fire Department. The activities of the Fire Department are required to be accounted for separately since the City has two other Fire Departments that are legally separate taxing districts. Fund balance was \$4,200,685. This was the result of positive operations of \$49,727 due to expenditure savings of \$66,258, offset by revenue being under budgeted by \$16,531. See additional discussion in the budgetary highlights section below.

Management's Discussion and Analysis (continued)

Allingtown Fire Department budgetary highlights

The significant budget transfers during the year were as follows:

- The pension contribution budget was increased by \$1,107,947 from additional appropriations from revenue of \$403,093 and the following budget transfers:
 - Capital and nonrecurring fund budget of: \$500,000
 - Contingency budget of: 143,000
 - Telephone budget of: 61,854

The most significant budget variances were as follows:

- Property taxes were greater than the amount budgeted by \$230,876 primarily due to current collections greater than budget by \$152,663 due to conservative budgeting
- Intergovernmental revenues were lower than the amount budgeted by \$307,445 primarily due to the City not receiving FEMA grants of \$271,429 that was budgeted
- Personnel was overspent by \$120,452 due to overtime and vacation pay being overspent by \$80,549 and insurance being overspent by \$58,719 due to higher-than-expected premiums
- Capital outlay was underspent by \$121,064 due to certain capital purchases determined not to be necessary

ARPA fund. The City has approved projects to be funded with ARPA monies and had expended \$9,966,313 during the year, including \$2.00 million to fund the workers compensation fund. The remaining \$12,995,427 will be spent in future fiscal years.

Sewer fund. During the year, revenues and transfers in exceeded expenditures and transfers out by \$26,740. This increased the fund balance to \$6,209,865.

Education grants fund. The education grants fund accounts for financial resources received from the federal government and the State of Connecticut to be used in accordance with each grant award. The education grants fund expended \$33,310,917 during the year.

Capital improvement fund. The capital improvement fund accounts for financial resources to be used for various construction projects. The fund balance has decreased by \$3,456,583, which primarily resulted from the timing of expenditures offset by the issuance of debt of \$12,987,202 to fund school and City construction projects. The deficit fund balance of \$23,375,302 is a result of the timing of the receipt of grants and financing as compared to expenditures for the High School renovation project, as well as the use of bond anticipation notes and interim funding obligations to finance the projects.

Proprietary funds

The City's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail. The City has one proprietary fund: the internal service fund.

Internal service fund. The internal service fund is used to account for medical claims, general claim liabilities, and workers' compensation. The internal service fund ended the year with a total net position of \$(409,182). The fund had an increase in net position of \$4,748,777 due to an increase in workers' compensation funding during the year both from the general fund and a transfer of \$2.00 million from the ARPA fund.

Management's Discussion and Analysis (continued)

Capital assets and debt administration

Capital assets

The City's capital assets (net of accumulated depreciation/amortization) by type are detailed in the table below.

Capital Assets
(Net of Accumulated Depreciation/Amortization)
June 30

Category	2024	2023
Land	\$ 16,400,388	\$ 16,400,389
Construction in progress	28,363,850	18,860,243
Intangible right-to-use assets	1,270,329	1,865,302
Land improvements	12,071,851	9,708,967
Buildings and improvements	209,910,883	212,723,905
Machinery and equipment	12,000,941	10,373,748
Vehicles	7,989,947	6,958,226
Infrastructure	73,808,671	61,079,603
Total	<u>\$ 361,816,860</u>	<u>\$ 337,970,383</u>
Dollar change	<u>\$ 23,846,477</u>	
Percentage change	<u>7.06%</u>	

The increase in net capital assets is due to capital additions exceeding disposals and depreciation/ amortization expense. In the current year, the City had net capital asset additions totaling \$35,379,078.

The significant capital asset additions consisted of the following:

Category	Description	Amount
Construction in progress	Washington Elementary School rebuild	\$ 11,242,503
Land improvements	West Haven High School field	2,599,150
Building improvements	West Haven High School lecture hall	3,480,256
Machinery and equipment	Online education program	997,440
	Technology equipment	937,290
Vehicles	Public safety vehicles	1,148,022
Infrastructure	Beach Street improvements	8,916,145
	Dawson Avenue rehabilitation	1,898,450
	Chestnut Street sewer	1,272,489

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

Management's Discussion and Analysis (continued)

Long-term debt

At the end of the fiscal year, the City had total long-term debt outstanding as detailed in the table below. All debt is backed by the full faith and credit of the City.

Long-Term Debt		
June 30		
Category	2024	2023
General obligation bonds	\$ 74,045,000	\$ 71,665,000
Clean water notes payable - interim funding obligation	-	516,241
Clean water notes payable	19,450,675	19,792,987
Equipment financing notes payable	61,227	132,823
Leases	536,348	725,328
Subscriptions	793,621	1,211,139
Total	<u>\$ 94,886,871</u>	<u>\$ 94,043,518</u>
Dollar change	<u>\$ 843,353</u>	
Percentage change	<u>0.90%</u>	

During the current fiscal year, the City's total debt increased due to the issuance of bonds and notes of \$12,938,578 and leases of \$48,624, offset by scheduled principal payments of \$12,143,849.

The City's current credit rating is "AA" from Standard and Poor's Investor Service.

State Statutes limit the amount of general obligation debt a governmental entity may issue to 7 times total prior year tax collections including interest and lien fees and the tax relief for elderly freeze grant. The current debt limitation for the City is \$972,009,563, which is significantly in excess of the City's outstanding general obligation debt.

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

Economic factors and next year's budgets and rates

The 2024-2025 general fund adopted budget totaled \$182,597,920. The following economic factors currently affect the City of West Haven and were considered in developing the 2024-2025 fiscal year budget:

As of June 2024, the unemployment rate for the City was at 3.2%, which is lower than the State average unemployment rate of 3.9% and lower than the national unemployment rate of 4.1%.

The City is designated as a Tier IV Municipality. Under Tier IV, the membership of the MARB expands to include the Mayor, a selected City Council member and the City Treasurer as non-voting members. Under Tier IV, the MARB has to approve of the annual budget and related tax levy.

Requests for information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, City of West Haven, 355 Main Street, West Haven, Connecticut 06516.

Basic Financial Statements

City of West Haven, Connecticut

Governmental Activities
Statement of Net Position
June 30, 2024

Assets

Current assets:	
Cash	\$ 21,814,595
Investments	55,500,919
Receivables (net):	
Property taxes	1,916,451
Sewer use	96,989
Intergovernmental	6,816,532
Loans	65,000
Other	1,196,292
Prepays	149,832
Total current assets	87,556,610
Noncurrent assets:	
Receivables (net):	
Property taxes	3,662,401
Sewer use	1,702,909
Loans	1,250,435
Total receivables (net)	6,615,745
Capital assets (net of accumulated depreciation/amortization):	
Land	16,400,388
Construction in progress	28,363,850
Intangible right-to-use assets	1,270,329
Land improvements	12,071,851
Buildings and improvements	209,910,883
Machinery and equipment	12,000,941
Vehicles	7,989,947
Infrastructure	73,808,671
Total capital assets (net of accumulated depreciation/amortization)	361,816,860
Total noncurrent assets	368,432,605
Total assets	455,989,215

Deferred Outflows of Resources

Pension related	1,829,943
OPEB related	41,834,258
Total deferred outflows of resources	43,664,201

(Continued)

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

City of West Haven, Connecticut

Governmental Activities
Statement of Net Position
June 30, 2024

Liabilities

Current liabilities:	
Accounts payable	\$ 23,146,310
Accrued payroll and related liabilities	10,006,447
Accrued interest payable	503,313
Retainage payable	726,903
Unearned revenue	14,264,073
Notes payable	11,017,103
Other	450,128
Long-term debt	13,721,006
Compensated absences	2,282,120
Heart and hypertension	96,266
Claims payable	3,204,831
Net OPEB liability	7,551,000
Total current liabilities	<u>86,969,500</u>
Noncurrent liabilities:	
Long-term debt and related liabilities	87,938,314
Compensated absences	9,128,477
Heart and hypertension	1,238,642
Claims payable	6,384,267
Net pension liability	59,821,411
Net OPEB liability	171,345,731
Total noncurrent liabilities	<u>335,856,842</u>
Total liabilities	<u>422,826,342</u>

Deferred Inflows of Resources

Advance property tax collections	4,063,471
Pension related	1,574,103
OPEB related	146,842,434
Total deferred inflows of resources	<u>152,480,008</u>

Net Position

Net investment in capital assets	249,959,383
Restricted:	
General government	161,515
Allingtown fire department operations	4,200,685
Public safety programs	271,838
Sewer operations	6,060,033
Housing rehabilitation	2,135,836
Education	713,040
Unrestricted	<u>(339,155,264)</u>
Total net position	<u>\$ (75,652,934)</u>

(Concluded)

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

City of West Haven, Connecticut

**Governmental Activities
Statement of Activities
For the Year Ended June 30, 2024**

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
General government	\$ 13,914,002	\$ 3,780,071	\$ 2,976,889	\$ 418,283	\$ (6,738,759)
Public safety	44,616,291	2,749,275	3,515,948	1,042,084	(37,308,984)
Public works	34,230,206	13,544,643	28,750	3,597,139	(17,059,674)
Human resources and health and welfare	4,884,351	138,109	2,777,522	595,102	(1,373,618)
Parks and recreation	2,016,880	341,602	276,353	549,431	(849,494)
Library	1,678,980	-	31,450	-	(1,647,530)
Education	148,083,111	1,498,964	95,222,394	12,255,679	(39,106,074)
Interest	2,791,063	-	-	-	(2,791,063)
Total	<u>\$ 252,214,884</u>	<u>\$ 22,052,664</u>	<u>\$104,829,306</u>	<u>\$ 18,457,718</u>	(106,875,196)
General revenues:					
Property taxes					116,224,002
Grants and contributions not restricted to specific programs					12,260,809
Income from investments					2,817,765
Gain on sale of assets					14,999
Other					<u>351,803</u>
Total general revenues					<u>131,669,378</u>
Change in net position					24,794,182
Net position - July 1, 2023					<u>(100,447,116)</u>
Net position - June 30, 2024					<u>\$ (75,652,934)</u>

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

City of West Haven, Connecticut

Governmental Funds
Balance Sheet
June 30, 2024

	General Fund	Allingtown Fire Department Fund	ARPA Fund	Sewer Fund	Education Grants Fund	Capital Improvement Fund	Other Governmental Funds	Total Governmental Funds
<u>Assets</u>								
Cash	\$ 7,128,100	\$ 6,908,445	\$ -	\$ 6,415,251	\$ -	\$ 510	\$ 1,362,289	\$ 21,814,595
Investments	55,500,919	-	-	-	-	-	-	55,500,919
Receivables (net):								
Property taxes	5,144,227	434,625	-	-	-	-	-	5,578,852
Sewer use	-	-	-	1,799,898	-	-	-	1,799,898
Intergovernmental	-	-	-	-	191,415	2,517,880	4,107,237	6,816,532
Loans	-	-	-	-	-	-	1,315,435	1,315,435
Other	380,742	102,408	-	204,844	61,987	198	446,113	1,196,292
Due from other funds	12,683,587	-	14,332,352	990,000	1,799,118	571,429	3,933,446	34,309,932
Prepays	-	-	-	149,832	-	-	-	149,832
Total assets	<u>\$80,837,575</u>	<u>\$ 7,445,478</u>	<u>\$14,332,352</u>	<u>\$9,559,825</u>	<u>\$ 2,052,520</u>	<u>\$ 3,090,017</u>	<u>\$ 11,164,520</u>	<u>\$128,482,287</u>
<u>Liabilities</u>								
Accounts payable	\$ 9,584,949	\$ 1,758,669	\$ 1,309,667	\$1,178,757	\$ 2,036,095	\$ 4,869,476	\$ 1,048,816	\$ 21,786,429
Accrued payroll and related liabilities	9,992,075	14,372	-	-	-	-	-	10,006,447
Retainage payable	-	-	27,258	-	-	699,645	-	726,903
Due to other funds	31,225,461	940,681	-	-	-	8,705,130	3,978,457	44,849,729
Unearned revenue	94,769	-	12,995,427	-	16,425	926,919	230,533	14,264,073
Notes payable	-	-	-	-	-	11,017,103	-	11,017,103
Other	425,425	-	-	24,703	-	-	-	450,128
Total liabilities	<u>51,322,679</u>	<u>2,713,722</u>	<u>14,332,352</u>	<u>1,203,460</u>	<u>2,052,520</u>	<u>26,218,273</u>	<u>5,257,806</u>	<u>103,100,812</u>
<u>Deferred Inflows of Resources</u>								
Unavailable revenue:								
Property taxes	4,731,767	388,751	-	-	-	-	-	5,120,518
Sewer use	-	-	-	1,799,898	-	-	-	1,799,898
Intergovernmental	-	-	-	-	-	247,046	939,338	1,186,384
Advance collections	3,574,549	142,320	-	346,602	-	-	-	4,063,471
Total deferred inflows of resources	<u>8,306,316</u>	<u>531,071</u>	<u>-</u>	<u>2,146,500</u>	<u>-</u>	<u>247,046</u>	<u>939,338</u>	<u>12,170,271</u>
<u>Fund Balances</u>								
Nonspendable	-	-	-	149,832	-	-	-	149,832
Restricted	-	4,200,685	-	6,060,033	-	-	3,282,229	13,542,947
Committed	-	-	-	-	-	32,027,954	3,756,290	35,784,244
Unassigned	21,208,580	-	-	-	-	(55,403,256)	(2,071,143)	(36,265,819)
Total fund balances	<u>21,208,580</u>	<u>4,200,685</u>	<u>-</u>	<u>6,209,865</u>	<u>-</u>	<u>(23,375,302)</u>	<u>4,967,376</u>	<u>13,211,204</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$80,837,575</u>	<u>\$ 7,445,478</u>	<u>\$14,332,352</u>	<u>\$9,559,825</u>	<u>\$ 2,052,520</u>	<u>\$ 3,090,017</u>	<u>\$ 11,164,520</u>	<u>\$128,482,287</u>

(Continued)

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

City of West Haven, Connecticut
Reconciliation of Fund Balance
to Net Position of Governmental Activities
June 30, 2024

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

Total fund balance (Exhibit C, Page 1)	<u>\$ 13,211,204</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)	337,970,383
Current year additions (net of construction in progress):	
City	35,191,528
Allingtown Fire Department	187,550
Depreciation/amortization expense	(11,459,863)
Disposal of capital assets	<u>(72,738)</u>
Total	<u>361,816,860</u>

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

Deferred outflows related to pensions	1,829,943
Deferred outflows related to OPEB	<u>41,834,258</u>
Total	<u>43,664,201</u>

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

Property taxes and sewer use revenue - accrual basis change	6,920,416
Intergovernmental revenue - accrual basis change	<u>1,186,384</u>
Total	<u>8,106,800</u>

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

The assets and liabilities of the internal service funds are included in the statement of net position	<u>(409,182)</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:

Accrued interest payable	(503,313)
Bonds and notes payable	(93,556,902)
Premium	(6,772,449)
Leases payable	(536,348)
Subscription payable	(793,621)
Compensated absences	(11,410,597)
Heart and hypertension	(1,334,908)
Net pension liability	(59,821,411)
Net OPEB liability	(178,896,731)
Deferred inflows related to pensions	(1,574,103)
Deferred inflows related to OPEB	<u>(146,842,434)</u>
Total	<u>(502,042,817)</u>

Net position (Exhibit A)	<u><u>\$ (75,652,934)</u></u>
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(Concluded)

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

City of West Haven, Connecticut
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2024

	General Fund	Allington Fire Department Fund	ARPA Fund	Sewer Fund	Education Grants Fund	Capital Improvement Fund	Other Governmental Funds	Total Governmental Funds
Revenues:								
Property taxes	\$ 109,715,942	\$ 7,184,489	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 116,900,431
Intergovernmental	73,580,828	2,058,525	9,966,313	-	33,160,446	7,869,509	7,290,817	133,926,438
Charges for services	5,616,636	225,131	-	12,869,850	-	403,701	2,750,400	21,865,718
Contributions	526,523	100,000	-	-	-	405,245	726,883	1,758,651
Income from investments	2,806,112	-	-	-	-	-	11,653	2,817,765
Other	201,332	-	-	-	150,471	-	-	351,803
Total revenues	<u>192,447,373</u>	<u>9,568,145</u>	<u>9,966,313</u>	<u>12,869,850</u>	<u>33,310,917</u>	<u>8,678,455</u>	<u>10,779,753</u>	<u>277,620,806</u>
Expenditures:								
Current:								
General government	7,948,565	-	450,366	-	-	503,752	57,478	8,960,161
Public safety	18,996,978	9,374,482	1,136,783	-	-	255,835	1,119,194	30,883,272
Public works	12,288,904	-	28,750	11,000,218	-	875,548	448,986	24,642,406
Benefits and insurance	23,407,135	-	-	-	-	-	-	23,407,135
Human resources and health and welfare	1,300,476	-	372,385	-	-	-	1,929,867	3,602,728
Parks and recreation	1,053,876	-	274,353	-	-	-	437,645	1,765,874
Library	1,625,000	-	31,450	-	-	-	3,594	1,660,044
Education	106,361,591	-	-	-	30,105,567	-	6,250,671	142,717,829
Capital outlay	-	143,936	5,672,226	385,190	3,205,350	25,021,528	1,342,917	35,771,147
Debt service	12,349,639	-	-	2,134,506	-	129,682	-	14,613,827
Total expenditures	<u>185,332,164</u>	<u>9,518,418</u>	<u>7,966,313</u>	<u>13,519,914</u>	<u>33,310,917</u>	<u>26,786,345</u>	<u>11,590,352</u>	<u>288,024,423</u>
Excess (deficiency) of revenues over expenditures	<u>7,115,209</u>	<u>49,727</u>	<u>2,000,000</u>	<u>(650,064)</u>	<u>-</u>	<u>(18,107,890)</u>	<u>(810,599)</u>	<u>(10,403,617)</u>
Other financing sources (uses):								
Issuance of debt	-	-	-	-	-	12,987,202	-	12,987,202
Premium	-	-	-	-	-	1,547,867	-	1,547,867
Sale of assets	15,000	-	-	-	-	-	-	15,000
Transfers in	309,425	-	-	990,000	-	116,238	-	1,415,663
Transfers out	(990,000)	-	(2,000,000)	(313,196)	-	-	(112,467)	(3,415,663)
Net other financing sources (uses)	<u>(665,575)</u>	<u>-</u>	<u>(2,000,000)</u>	<u>676,804</u>	<u>-</u>	<u>14,651,307</u>	<u>(112,467)</u>	<u>12,550,069</u>
Net change in fund balances	6,449,634	49,727	-	26,740	-	(3,456,583)	(923,066)	2,146,452
Fund balances - July 1, 2023	14,758,946	4,150,958	-	6,183,125	-	(19,918,719)	5,890,442	11,064,752
Fund balances - June 30, 2024	<u>\$ 21,208,580</u>	<u>\$ 4,200,685</u>	<u>\$ -</u>	<u>\$ 6,209,865</u>	<u>\$ -</u>	<u>\$ (23,375,302)</u>	<u>\$ 4,967,376</u>	<u>\$ 13,211,204</u>

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

City of West 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, 2024**

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

Net change in fund balances - total governmental funds (Exhibit D)	<u>\$ 2,146,452</u>
--------------------------------------------------------------------	---------------------

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	35,379,078
Depreciation/amortization expense	<u>(11,459,863)</u>
Total	<u>23,919,215</u>

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 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.

Loss on disposal of capital assets	<u>(72,738)</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:

Change in property taxes and sewer use revenue - accrual basis change	(489,483)
Change in intergovernmental revenue - accrual basis change	<u>(137,256)</u>
Total	<u>(626,739)</u>

The issuance of long-term debt (e.g., bonds, notes, leases and subscriptions) 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:	
Bonds	(12,050,000)
Notes payable	(888,578)
Leases	(48,624)
Premium	(1,547,867)
Principal repayments:	
Bonds	9,670,000
Notes	1,818,727
Leases	237,604
Subscriptions	<u>417,518</u>
Total	<u>(2,391,220)</u>

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

(Continued)

City of West 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, 2024**

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	\$ (86,780)
Premium	492,413
Compensated absences	(1,546,524)
Heart and hypertension	323,867
Net pension liability	10,886,072
Net OPEB liability	74,883,876
Deferred outflows related to pension	(13,448,146)
Deferred inflows related to pension	(1,574,103)
Deferred outflows related to OPEB	(16,431,423)
Deferred inflows related to OPEB	<u>(56,428,817)</u>
Total	<u>(2,929,565)</u>
Internal service funds are used by management for risk financing activities:	
The net revenue (expense) of the activities of the internal service funds is reported with governmental activities	<u>4,748,777</u>
Change in net position (Exhibit B)	<u><u>\$ 24,794,182</u></u>
	(Concluded)

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

City of West Haven, Connecticut

Proprietary Funds
Statement of Net Position
June 30, 2024

	Governmental Activities
	<u>Internal Service Funds</u>
<u>Assets</u>	
Current assets:	
Due from other funds	<u>\$ 10,539,797</u>
<u>Liabilities</u>	
Current liabilities:	
Accounts payable	1,359,881
Claims payable	<u>3,204,831</u>
Total current liabilities	4,564,712
Noncurrent liabilities:	
Claims payable	<u>6,384,267</u>
Total liabilities	<u>10,948,979</u>
<u>Net Position</u>	
Unrestricted	<u><u>\$ (409,182)</u></u>

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

City of West Haven, Connecticut

Proprietary Funds
Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended June 30, 2024

	Governmental Activities
	Internal Service Funds
Operating revenues:	
Charges for services	\$ 17,419,174
Operating expenses:	
Claims	12,878,257
Administration	1,267,140
OPEB contribution	525,000
Total operating expenses	14,670,397
Operating income (loss) before transfers	2,748,777
Transfers in	2,000,000
Change in net position	4,748,777
Net position - July 1, 2023	(5,157,959)
Net position - June 30, 2024	\$ (409,182)

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

City of West Haven, Connecticut

Proprietary Funds
Statement of Cash Flows
For the Year Ended June 30, 2024

	Governmental Activities
	Internal Service Funds
Cash flows from (used in) operating activities:	
Cash received for charges	\$ 12,535,587
Cash paid for claims and other	(13,936,479)
Cash paid for OPEB contributions	(525,000)
Cash paid for administration	(75,164)
Cash paid for insurance	1,056
	<hr/>
Net cash from (used in) operating activities	(2,000,000)
Cash flows from noncapital activities:	
Transfer in	2,000,000
	<hr/>
Net increase (decrease) in cash	-
Cash - July 1, 2023	<hr/> -
Cash - June 30, 2024	<hr/> <u>\$ -</u>
Reconciliation of operating income (loss) to net cash from (used in) operating activities:	
Operating income (loss)	\$ 2,748,777
Adjustments to reconcile operating income (loss) to net cash from (used in) operating activities:	
(Increase) decrease in:	
Due from other funds	(4,883,587)
Increase (decrease) in:	
Accounts payable	1,193,032
Claims payable	(1,058,222)
	<hr/>
Net cash from (used in) operating activities	<u><u>\$ (2,000,000)</u></u>

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

City of West Haven, Connecticut
Fiduciary Funds
Statement of Fiduciary Net Position
June 30, 2024

	<u>Pension and OPEB Trust Funds</u>
<u>Assets</u>	
Investments:	
Bank money market	\$ 3,029,379
Mutual funds:	
Money market	2,973,328
Equity	25,180,095
U.S. government securities	3,019,621
Exchange traded funds	50,822,107
Equity - domestic	23,176,603
Real estate investment trust	440,923
Corporate bonds	8,526,393
Alternative investments:	
Private equity funds	10,524,319
Real estate LLC/LP	8,671,731
Annuities	9,534,142
Variable rate note	<u>3,013,200</u>
Total investments	148,911,841
Contribution receivable	<u>1,199,000</u>
Total assets	<u>150,110,841</u>
<u>Net Position</u>	
Restricted for:	
Pensions	148,968,047
OPEB	<u>1,142,794</u>
Total net position	<u><u>\$ 150,110,841</u></u>

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

City of West Haven, Connecticut
Fiduciary Funds
Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2024

	<u>Pension and OPEB Trust Funds</u>
Additions:	
Contributions:	
Employer	\$ 16,454,431
Plan members	<u>491,532</u>
Total contributions	<u>16,945,963</u>
Investment income (loss):	
Change in fair value of investments	16,094,133
Interest and dividends	<u>3,304,442</u>
Total investment income (loss)	19,398,575
Less investment expenses	<u>414,818</u>
Net investment income (loss)	<u>18,983,757</u>
Total additions	<u>35,929,720</u>
Deductions:	
Benefits	18,857,622
Administration	<u>82,302</u>
Total deductions	<u>18,939,924</u>
Changes in net position	16,989,796
Net position - July 1, 2023	<u>133,121,045</u>
Net position - June 30, 2024	<u><u>\$150,110,841</u></u>

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

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

History and organization

The City of West Haven, Connecticut ("City") operates under a Mayor-Council form of government established by a charter and adopted by a referendum of voters on June 27, 1961. The City offers a full range of services authorized by the charter, including public safety, public works, social services, parks and recreation, education, planning, zoning and general administrative services to its residents.

The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable. The City 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.

As of July 1, 2012, the City Council voted to absorb the Allingtown Fire District into the reporting entity as a department of the City. Since the fire department has a separate tax rate and the City has two other fire departments with separate tax rates that are not part of the City, State statutes require that all costs related to the fire department be charged to the Allingtown Fire Department fund and that City funds cannot be used to support the department's operations.

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 City. *Governmental activities* are normally supported by taxes and intergovernmental revenues.

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

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

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.

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

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 City considers tax revenues to be available if they are collected within 60 days of the end of the current fiscal period. In addition, the City considers reimbursement grants to be available if they are collected within one year 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, certain other employee benefits, and certain other long-term liabilities are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in the governmental funds.

Property taxes, charges and fees, 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. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

General Fund	The City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
Allingtown Fire Department Fund	Accounts for all the financial resources and expenditures of the Allingtown Fire Department. The types of revenues recorded in this fund are taxes, grants, and charges for services.
ARPA Fund	Accounts for and reports the proceeds and expenditures of the American Rescue Plan Act ("ARPA") grant.
Sewer Fund	Accounts for and report resources and expenditures that are restricted, committed or assigned for the acquisition and construction of capital facilities, including those that are financed through special assessments. In addition, the fund accounts for the operating activity of the sewer operations.
Education Grants Fund	Accounts for specially financed school programs under education grants and tuition.
Capital Improvement Fund	Accounts for and report resources and expenditures that are restricted, committed or assigned for the acquisition and construction of capital facilities.

The City reports the following proprietary fund:

Internal Service Funds	Accounts for risk financing activities for medical insurance benefits, general liability, and workers' compensation.
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City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

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

Additionally, the City reports the following fund types:

Special Revenue Funds	Accounts for and report the proceeds of specific revenue resources that are restricted or committed to expenditures for specified purposes other than debt.
Capital Project Funds	Accounts for resources and expenditures that are restricted, committed or assigned for the acquisition and construction of capital facilities, including those that are financed through special assessments.
Pension Trust Funds	Accounts for the activities of the Police Retirement Plan and Allingtown Fire Department Retirement Plan, which accumulate resources for pension benefit payments to qualified employees.
Other Post-Employment Benefit ("OPEB") Trust Funds	Accounts for the activities of the City and Allingtown Fire Department OPEB Plans, which accumulate resources for retiree medical and life insurance benefits.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions are charges between certain City functions because 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 in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's internal service funds are charges for services. Operating expenses for internal service funds include the cost of services and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

For purposes of measuring the net pension and OPEB 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 Police and Allingtown Fire Department pension plans and OPEB, the Connecticut State Teachers' Retirement System ("TRS"), and the Connecticut State Retiree Health Insurance Plan ("RHIP") have been determined on the same basis as they are reported by the City'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 City considers cash as cash on hand and demand deposits.

For cash flow purposes the City considers cash equivalents money market accounts and short-term investments with original maturities of three months or less from the date of acquisition.

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

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

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

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

The investment guidelines are as follows:

Asset Class	Pension		OPEB	
	Target Allocation		Target Allocation	
	Police	Allintown	City	Allintown
Equities	52.50%	14.50%	47.00%	47.00%
Fixed income	20.00%	85.23%	35.00%	35.00%
Alternatives	19.00%	0.00%	10.00%	10.00%
Real estate and REIT's	5.00%	0.00%	3.00%	3.00%
Cash	3.50%	0.27%	5.00%	5.00%
Total	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

C. Assets, liabilities, deferred outflows/inflows of resources and equity (continued)**c. Method used to value investments**

Investments for the City 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. Certain pension investments are valued using the most recent valuation available from the external fund manager and is based on net asset value. These estimated values do not necessarily represent the amounts that will ultimately be realized upon the disposition of those assets, which may be materially higher or lower than values determined if a readily available market for the securities existed.

Fair value of investments

The City 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. Fair values are primarily obtained from third party pricing services for identical comparable assets
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 City 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 City 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 City follows the limitations specified in the Connecticut General Statutes. Generally, the City's deposits cannot be 75% or more of the total capital in any one depository.

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

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

Custodial credit risk	Custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The City 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 City does not have a formal policy with respect to the foreign currency risk.

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).

b. Property taxes and other receivables

In the fund financial and government-wide financial statements, all trade, loans and property tax receivables are shown net of an allowance for uncollectibles. Allowance percentages range from 8.50% to 44.50% of outstanding receivable balances and are calculated based upon prior collections.

In the fund financial statements, property taxes receivable 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. Taxes collected during the 60-day period have been recorded as revenue.

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, on 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 year following the due date.

Loan receivables consist of Community Development Block Grant loans. The City provides the low interest loans for residential rehabilitation as well as loans to local businesses for facility improvements.

3. Prepaid items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

C. Assets, liabilities, deferred outflows/inflows of resources and equity (continued)**4. Capital assets**

Capital assets are reported in the applicable governmental columns in the government-wide financial statements. Capital assets are defined by the City 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.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets are depreciated/amortized using the straight-line method. Estimated useful lives and capitalization thresholds by asset type are as follows:

Category	Years		Capitalization Threshold
	City	Allingtown	
Intangible right-to-use leased assets	Lease term	Lease term	\$ 25,000
Intangible right-to-use subscription assets	Subscription term	Subscription term	25,000
Land improvements	50-75	N/A	50,000
Buildings and improvements	40	15-20	100,000
Machinery and equipment	7-50	5-10	10,000
Vehicles	5-25	5-20	10,000
Infrastructure	25-100	10-39	100,000

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.

The City 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 may also include deferred outflows relating to advance refunding of debt. These amounts are deferred and are amortized over the shorter of the new or old debt life.

City of West Haven, Connecticut

**Notes to Financial Statements
As of and for the Year Ended June 30, 2024****C. Assets, liabilities, deferred outflows/inflows of resources and equity (continued)**

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

For governmental funds, the City 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), sewer assessment and use charges, and intergovernmental. These amounts are recognized as an inflow of resources in the period that the amounts become available.

6. Compensated absences

City employees accumulate vacation and sick leave hours for subsequent use or for payment upon termination or retirement. Sick leave and vacation leave expenditures are recognized in the governmental funds in the current year to the extent they are paid during the year or the vested amount is expected to be paid with available resources. A liability for these amounts has been recorded in the government-wide financial statements.

7. Long-term liabilities

In the government-wide financial statements, long-term debt and other long-term liabilities are reported as liabilities in the governmental activities' 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, as well as bond issuance costs, 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.

8. Lease and subscription liabilities

The City 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 City 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.

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

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

Key estimates and judgments related to leases and subscription include:

Discount rate	The City 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 City 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 City is reasonably certain to exercise.

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

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

9. Net position and fund balances

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 is 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 City which is not classified in the previous two categories

Sometimes the City 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 City's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

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

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 City. Commitments may be established, modified, or rescinded only through resolutions approved by the City Council.
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 City Council 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 City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds, as needed, unless City Council has provided otherwise in its commitment or assignment actions.

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 including disclosures of contingent assets and liabilities and reported revenues, expenses and expenditures during the fiscal year. Accordingly, 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.

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

II. Stewardship, compliance and accountability**Capital projects authorizations**

Generally, aside from the Capital Improvement Fund, all unencumbered appropriations lapse at year end. Appropriations for capital projects are continued until completion of applicable projects, even when projects extend more than one fiscal year.

The following is a summary of certain capital projects:

Project	Project Authorization	Cumulative Expenditures	Balance
WHHS expansion and renovation	\$ 133,250,000	\$ 125,751,177	\$ 7,498,823
Washington Elementary School	41,745,795	16,525,251	25,220,544
Oyster River wastewater pumping station	6,950,000	788,111	6,161,889
Beach Street reconstruction project	8,700,000	8,221,291	478,709
Dawson Avenue	1,125,000	83,236	1,041,764
Totals	<u>\$ 191,770,795</u>	<u>\$ 151,369,066</u>	<u>\$ 40,401,729</u>

III. Detailed notes**A. Cash and investments****1. Deposits – custodial credit risk**

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

Bank balance	<u>\$ 29,267,501</u>
Uninsured and uncollateralized	\$ 20,619,818
Uninsured and collateral held by the pledging bank's trust department, not in the City's name	<u>7,124,563</u>
Total amount subject to custodial credit risk	<u>\$ 27,744,381</u>

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

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

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

- a. The City's investments consisted of the following types and maturities. Specific identification was used to determine maturities:

Type of Investment	Fair Value	Investment Maturities (In Years)				
		N/A	Less Than 1	1-5 Years	5-10 Years	Greater than 10
Bank money market	\$ 3,029,379	\$ -	\$ 3,029,379	\$ -	\$ -	\$ -
Pooled fixed income	55,500,919	-	55,500,919	-	-	-
Mutual funds:						
Money market	2,973,328	-	2,973,328	-	-	-
Equity	25,180,095	25,180,095	-	-	-	-
U.S. government securities	3,019,621	-	3,019,621	-	-	-
Exchange traded funds	50,822,107	50,822,107	-	-	-	-
Equity - domestic	23,176,603	23,176,603	-	-	-	-
Real estate investment trusts	440,923	440,923	-	-	-	-
Corporate bonds	8,526,393	-	140,774	4,330,790	3,793,196	261,633
Alternative investments:						
Private equity funds	10,524,319	10,524,319	-	-	-	-
Real estate LLC/LP	8,671,731	8,671,731	-	-	-	-
Annuities	9,534,142	-	-	7,646,770	-	1,887,372
Variable rate note	3,013,200	-	-	3,013,200	-	-
Total	204,412,760	<u>\$118,815,778</u>	<u>\$64,664,021</u>	<u>\$14,990,760</u>	<u>\$3,793,196</u>	<u>\$2,149,005</u>
Less fiduciary funds	<u>(148,911,841)</u>					
Other funds	<u>\$ 55,500,919</u>					

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

A. Cash and investments (continued)

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

		Quoted Market Prices in Active Markets	Significant Observable Inputs	Significant Unobservable Inputs
	Amount	Level 1	Level 2	Level 3
<u>Investments by fair value level</u>				
Mutual funds:				
Money market	\$ 2,973,328	\$ 2,973,328	\$ -	\$ -
Equity	25,180,095	25,180,095	-	-
U.S. government securities	3,019,621	3,019,621	-	-
Exchange traded funds	50,822,107	50,822,107	-	-
Equity - domestic	23,176,603	23,176,603	-	-
Real estate investment trusts	440,923	440,923	-	-
Corporate bonds	8,526,393	-	8,526,393	-
Annuities	9,534,142	-	-	9,534,142
Variable rate note	3,013,200	-	3,013,200	-
Total investments by fair value level	126,686,412	\$ 105,612,677	\$ 11,539,593	\$ 9,534,142
<u>Investments measured at the net asset value (NAV)</u>				
Alternative investments:				
Private equity funds	10,524,319			
Real estate LLC/LP	8,671,731			
Total investments measured at the NAV	19,196,050			
<u>Other investments not subject to fair value measurement</u>				
Bank money market	3,029,379			
Pooled fixed income	55,500,919			
Total other investments	58,530,298			
Total investments	\$ 204,412,760			

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. Fair values are determined based upon quoted prices in less active, dealer or broker markets. Fair values are primarily obtained from third-party pricing service for identical or comparable assets.

Level 3: Unobservable inputs. Fair value is based upon the carrying value or fair value of the underlying investments as available.

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

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 City values these investments based on the partnerships’ audited financial statements. If June 30 statements are available, those values are used preferentially. However, some partnerships have fiscal years ending at other than June 30. If June 30 valuations are not available, the value is 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 City’s alternative investments measured at NAV:

Investment Description		Fair Value	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Alternative investments:					
Private equity funds	1	\$ 10,524,319	\$ -	Quarterly	90 days
Real estate LLC/LP	2	8,671,731	-	N/A	N/A
Total investments measured at the NAV		<u>\$ 19,196,050</u>	<u>\$ -</u>		

1. Private equity funds - This type includes limited partnership funds. These investments have various redemption frequencies and notice periods. The nature of the investments in this type is that distributions are received through the liquidation of the underlying assets of the fund capital. It is probable that all of the investments in this type will be sold at an amount different from the NAV per share (or its equivalent) of the Plan’s ownership interest in partner’s capital. Therefore, the fair values of the investments in this type have been determined using recent observable transaction information for similar investments and nonbinding bids received from potential buyers of the investments.
2. Real estate LLC/LP - This type includes 4 real estate LLC/LP’s that invest primarily in U.S. commercial real estate. The LLC/LP’s permit redemptions as determined by the general partner. Distributions from the LLC/LP will be received as the underlying investments of the LLC/LP are liquidated. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the Plan’s ownership interest in partners’ capital.

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

A. Cash and investments (continued)

- d. The City's investments subject to credit risk had average ratings by Standard & Poor's and AM Best (annuities) as follows:

Type of Investment	Ratings							Total
	AAA	AA	A	BBB	BB	B	Unrated	
Pooled fixed income	\$ 55,500,919	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 55,500,919
Mutual funds:								
Money market	-	-	-	-	-	-	2,973,328	2,973,328
U.S. government securities	-	-	-	-	-	-	3,019,621	3,019,621
Corporate bonds	-	473,439	3,583,941	2,082,857	1,925,955	412,951	47,250	8,526,393
Annuities	-	-	9,534,142	-	-	-	-	9,534,142
Variable rate note	-	-	-	-	-	-	3,013,200	3,013,200
Total	\$ 55,500,919	\$ 473,439	\$ 13,118,083	\$ 2,082,857	\$ 1,925,955	\$ 412,951	\$ 9,053,399	\$ 82,567,603

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

	Total	Less Insured Amounts	Amount Subject to Custodial Credit Risk
Exchange traded funds	\$ 50,822,107	\$ 500,000	\$ 50,322,107
Equity - domestic	23,176,603	500,000	22,676,603
Real estate investment trusts	440,923	-	440,923
Corporate bonds	8,526,393	-	8,526,393
Variable rate note	3,013,200	-	3,013,200
Total	\$ 85,979,226	\$ 1,000,000	\$ 84,979,226

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

B. Receivables

Receivable balances have been disaggregated by type and presented separately in the financial statements. Receivables and the related allowances for uncollectible accounts are presented below:

	City Property Taxes		
	Taxes	Interest and Lien Fees	Total
Current portion	\$1,322,179	\$ 498,388	\$ 1,820,567
Long-term portion	3,526,294	2,537,161	6,063,455
Less allowance for uncollectibles	<u>(1,450,000)</u>	<u>(1,289,795)</u>	<u>(2,739,795)</u>
Net long-term portion	<u>2,076,294</u>	<u>1,247,366</u>	<u>3,323,660</u>
Total receivable (net)	<u>\$3,398,473</u>	<u>\$ 1,745,754</u>	<u>\$ 5,144,227</u>
	Allingtown Property Taxes		
	Taxes	Interest and Lien Fees	Total
Current portion	\$ 74,834	\$ 21,050	\$ 95,884
Long-term portion	295,813	334,279	630,092
Less allowance for uncollectibles	<u>(148,749)</u>	<u>(142,602)</u>	<u>(291,351)</u>
Net long-term portion	<u>147,064</u>	<u>191,677</u>	<u>338,741</u>
Total receivable (net)	<u>\$ 221,898</u>	<u>\$ 212,727</u>	<u>\$ 434,625</u>
	Total Property Taxes		
	Taxes	Interest and Lien Fees	Total
Current portion	\$1,397,013	\$ 519,438	\$ 1,916,451
Net long-term portion	<u>2,223,358</u>	<u>1,439,043</u>	<u>3,662,401</u>
Total receivable (net)	<u>\$3,620,371</u>	<u>\$ 1,958,481</u>	<u>\$ 5,578,852</u>

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

B. Receivables (continued)

	Sewer Use				
	Use	Interest and Lien Fees	Total	CDBG Loans	Police Private Duty
Current portion	\$ 59,357	\$ 37,632	\$ 96,989	\$ 65,000	\$ 273,209
Long-term portion	929,925	947,984	1,877,909	1,390,435	-
Less allowance for uncollectibles	(88,000)	(87,000)	(175,000)	(140,000)	(121,262)
Net long-term portion	841,925	860,984	1,702,909	1,250,435	
Total receivable (net)	<u>\$ 901,282</u>	<u>\$ 898,616</u>	<u>\$ 1,799,898</u>	<u>\$ 1,315,435</u>	<u>\$ 151,947</u>

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

A summary of interfund balances is as follows:

	Corresponding Fund	Due From	Due To
General fund:			
ARPA	N/A	\$ -	\$ 14,332,352
Sewer	N/A	-	990,000
Education grants	N/A	-	1,799,118
Capital improvement	N/A	8,705,130	-
Community development block grant	N/A	-	60,744
Document preservation	N/A	-	161,303
Sports facilities	N/A	-	314,988
Miscellaneous grants	N/A	3,978,457	-
Public safety	N/A	-	1,541,287
Health and welfare	N/A	-	77,278
Savin Rock	N/A	-	47,227
School lunch program	N/A	-	99,868
Career and adult education	N/A	-	221,674
Capital and nonrecurring	N/A	-	1,159,077
Medical	N/A	-	4,190,717
General liability	N/A	-	437,244
Workers' compensation	N/A	-	5,792,584
Total general fund		<u>12,683,587</u>	<u>31,225,461</u>

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

C. Interfund accounts (continued)

	Corresponding Fund	Due From	Due To
Allingtown fire department:			
Capital improvement	N/A	\$ -	\$ 571,429
Capital and nonrecurring	N/A	-	250,000
Medical	N/A	-	50,000
Workers' compensation	N/A	-	69,252
Total Allingtown fire department		-	940,681
ARPA:			
General fund	N/A	14,332,352	-
Sewer:			
General fund	N/A	990,000	-
Education grants:			
General fund	N/A	1,799,118	-
Capital improvement:			
General fund	N/A	-	8,705,130
Allingtown fire department	N/A	571,429	-
Total capital improvement		571,429	8,705,130
Other governmental funds:			
Community development block grant	General fund	60,744	-
Document preservation	General fund	161,303	-
Sports facilities	General fund	314,988	-
Miscellaneous grants	General fund	-	3,978,457
Public safety	General fund	1,541,287	-
Health and welfare	General fund	77,278	-
Savin Rock	General fund	47,227	-
School lunch program	General fund	99,868	-
Career and adult education	General fund	221,674	-
Capital and nonrecurring	General fund	1,159,077	-
Capital and nonrecurring	Allingtown fire department	250,000	-
Total other governmental funds		3,933,446	3,978,457
Total governmental funds		34,309,932	44,849,729

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

C. Interfund accounts (continued)

	Corresponding Fund	Due From	Due To
Internal service funds:			
Medical	General fund	\$ 4,190,717	\$ -
Medical	Allingtown fire department	50,000	-
General liability	General fund	437,244	-
Workers' compensation	General fund	5,792,584	-
Workers' compensation	Allingtown fire department	69,252	-
Total internal service funds		10,539,797	-
Totals		<u>\$ 44,849,729</u>	<u>\$ 44,849,729</u>

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.

2. Interfund transfers

A summary of interfund transfers for the fiscal year is as follows:

	Corresponding Fund	Transfers In	Transfers Out
General fund:			
Sewer	N/A	\$ 309,425	\$ 990,000
ARPA:			
Workers' compensation	N/A	-	2,000,000
Sewer:			
General fund	N/A	990,000	309,425
Capital improvement	N/A	-	3,771
Total sewer		990,000	313,196
Capital improvement:			
Sewer	N/A	3,771	-
Public safety	N/A	112,467	-
Total capital improvement fund		116,238	-
Other governmental funds:			
Public safety	Capital improvement	-	112,467
Total governmental funds		1,415,663	3,415,663
Internal service funds:			
Workers' compensation	ARPA	2,000,000	-
Totals		<u>\$ 3,415,663</u>	<u>\$ 3,415,663</u>

Transfers are used to account for the financing by the general fund of various programs and activities in other funds. Transfers to the general fund are for sewer debt service payments.

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

D. Capital assets

Capital asset activity for the fiscal year was as follows:

City	Balance July 1, 2023	Increases	Decreases	Balance June 30, 2024
Capital assets, not being depreciated/ amortized:				
Land	\$ 16,363,486	\$ -	\$ 1	\$ 16,363,485
Construction in progress	18,860,243	30,876,602	21,476,992	28,259,853
Total capital assets, not being depreciated/ amortized	35,223,729	30,876,602	21,476,993	44,623,338
Capital assets, being depreciated/amortized:				
Intangible right-to-use assets	2,780,683	-	-	2,780,683
Land improvements	20,049,493	2,953,943	-	23,003,436
Buildings and improvements	316,006,097	3,508,008	-	319,514,105
Machinery and equipment	35,042,435	3,078,032	97,093	38,023,374
Vehicles	10,430,906	1,563,447	261,729	11,732,624
Infrastructure	114,809,769	14,688,488	-	129,498,257
Total capital assets, being depreciated/ amortized	499,119,383	25,791,918	358,822	524,552,479
Total capital assets	534,343,112	56,668,520	21,835,815	569,175,817
Less accumulated depreciation/ amortization for:				
Intangible right-to-use assets	915,381	594,973	-	1,510,354
Land improvements	10,340,526	591,059	-	10,931,585
Buildings and improvements	103,621,005	6,298,048	-	109,919,053
Machinery and equipment	25,013,170	1,446,827	72,649	26,387,348
Vehicles	4,595,190	352,640	213,436	4,734,394
Infrastructure	53,783,150	1,950,699	-	55,733,849
Total accumulated depreciation/amortization	198,268,422	11,234,246	286,085	209,216,583
Total capital assets, being depreciated/ amortized, net	300,850,961	14,557,672	72,737	315,335,896
Capital assets, net	\$ 336,074,690	\$ 45,434,274	\$ 21,549,730	\$ 359,959,234

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

Type	Asset	Accumulated Amortization
Intangible right-to-use building and improvements	\$ 590,666	\$ 219,207
Intangible right-to-use machinery and equipment	579,339	403,387
Intangible right-to-use subscription assets	1,610,678	887,760
Total intangible right-to-use assets	<u>\$ 2,780,683</u>	<u>\$ 1,510,354</u>

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

D. Capital assets (continued)

Allingtown Fire Department	Balance July 1, 2023	Increases	Decreases	Balance June 30, 2024
Capital assets, not being depreciated/amortized:				
Land	\$ 36,903	\$ -	\$ -	\$ 36,903
Construction in progress	-	103,997	-	103,997
Total capital assets, not being depreciated/amortized	36,903	103,997	-	140,900
Capital assets, being depreciated/amortized:				
Buildings and improvements	765,680	-	-	765,680
Machinery and equipment:				
Fire equipment	1,351,197	59,690	-	1,410,887
Other	133,160	-	-	133,160
Vehicles and fire trucks	3,062,643	23,863	-	3,086,506
Infrastructure - hydrants	367,097	-	-	367,097
Total capital assets, being depreciated/amortized	5,679,777	83,553	-	5,763,330
Total capital assets	5,716,680	187,550	-	5,904,230
Less accumulated depreciation/amortization for:				
Buildings and improvements	426,867	22,982	-	449,849
Machinery and equipment:				
Fire equipment	1,017,908	38,612	-	1,056,520
Other	121,966	646	-	122,612
Vehicles and fire trucks	1,940,133	154,656	-	2,094,789
Infrastructure - hydrants	314,113	8,721	-	322,834
Total accumulated depreciation/amortization	3,820,987	225,617	-	4,046,604
Total capital assets, being depreciated/amortized, net	1,858,790	(142,064)	-	1,716,726
Capital assets, net	\$ 1,895,693	\$ (38,067)	\$ -	\$ 1,857,626

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

	City	Allingtown	Total
General government	\$ 1,277,107	\$ -	\$ 1,277,107
Public safety	1,144,766	225,617	1,370,383
Public works	3,031,970	-	3,031,970
Health and welfare	129,203	-	129,203
Parks and recreation	260,292	-	260,292
Education	5,390,908	-	5,390,908
Total depreciation/amortization expense	\$ 11,234,246	\$ 225,617	\$ 11,459,863

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

D. Capital assets (continued)

Total capital assets, net, are as follows:

City	\$ 359,959,234
Allingtown	1,857,626
	<hr/>
Total	<u>\$ 361,816,860</u>

E. Construction commitments

The City has the following construction commitments:

Washington Elementary School	\$ 26,213,723
Oyster River wastewater pumping station project	4,879,323
Carrigan boilers piping	934,908
	<hr/>
Total	<u>\$ 32,027,954</u>

F. Short-term liabilities

The City uses bond anticipation notes ("BANs") 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 fiscal year was as follows:

Type of Obligation/ Purpose	Issue Date	Maturity Date	Interest Rate	Balance July 1, 2023	Additions	Deductions	Balance June 30, 2024
<u>Bond anticipation notes:</u>							
High School	3/28/2023	9/28/2023	5.00%	\$ 330,000	\$ -	\$ 330,000	\$ -
High School	9/28/2023	2/15/2024	5.00%	-	6,555,000	6,555,000	-
High School	2/1/2024	2/13/2025	5.00%	-	10,135,000	-	10,135,000
<u>Clean water fund notes:</u>							
CWF 226-CSL	6/9/2023	6/30/2024	2.00%	530,901	112,957	643,858	-
CWF 748-CSL	(1)	(1)	2.00%	-	815,514	-	815,514
CWF 760-DC	(1)	(1)	2.00%	-	66,589	-	66,589
				<hr/>	<hr/>	<hr/>	<hr/>
Total				<u>\$ 860,901</u>	<u>\$ 17,685,060</u>	<u>\$ 7,528,858</u>	<u>\$ 11,017,103</u>

(1) This loan is currently an interim funding obligation

Subsequent debt issuance

In October 2024, the City issued \$902,358 of interim funding obligation notes at an interest rate of 2.00% maturing in January 2026.

In February 2025, the City issued \$5,030,000 of bond anticipation notes for the high school project at an interest rate of 5.00% and true interest cost of 3.72% maturing in March 2025.

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

G. Changes in long-term liabilities

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

1. Summary of changes

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

Description	Original Amount	Date of Issue	Date of Maturity	Interest Rate	Balance July 1, 2023	Additions	Deductions	Balance June 30, 2024	Current Portion	Long-Term Portion
Bonds:										
General purpose:										
Debt issue	\$ 7,435,994	03/31/10	02/15/25	5.10%	\$ 990,112	\$ -	\$ 495,056	\$ 495,056	\$ 495,056	\$ -
Refunding issue	38,380,000	05/31/12	08/01/26	3.00-5.00%	5,387,000	-	2,091,000	3,296,000	2,110,000	1,186,000
Debt issue	1,225,000	05/31/12	08/01/26	3.00-5.00%	435,000	-	101,000	334,000	106,000	228,000
Debt issue	7,865,000	09/03/14	09/01/34	3.00-5.00%	4,164,000	-	462,000	3,702,000	462,000	3,240,000
Debt issue (deficit)	16,135,000	11/01/17	11/01/27	3.00-5.00%	8,060,000	-	1,615,000	6,445,000	1,615,000	4,830,000
Debt issue	5,815,000	11/01/17	11/01/37	3.00-5.00%	3,510,000	-	440,000	3,070,000	435,000	2,635,000
Debt issue	5,543,000	10/02/20	03/15/40	3.00-4.00%	4,271,000	-	342,000	3,929,000	402,000	3,527,000
Debt issue	4,367,000	09/15/21	09/15/41	4.00%	3,715,000	-	650,000	3,065,000	650,000	2,415,000
Debt issue	3,420,000	02/15/24	02/15/44	4.00%	-	3,420,000	-	3,420,000	415,000	3,005,000
Total general purpose	90,185,994				30,532,112	3,420,000	6,196,056	27,756,056	6,690,056	21,066,000
School bonds:										
Debt issue	4,280,006	03/31/10	02/15/25	5.10%	569,888	-	284,944	284,944	284,944	-
Refunding issue	7,260,000	05/31/12	08/01/26	3.00-5.00%	3,299,000	-	1,242,000	2,057,000	1,258,000	799,000
Debt issue	2,250,000	05/31/12	08/01/26	3.00-5.00%	795,000	-	184,000	611,000	194,000	417,000
Debt issue	1,235,000	09/03/14	09/01/34	3.00-5.00%	736,000	-	63,000	673,000	63,000	610,000
Debt issue	600,000	11/01/17	11/01/37	3.00-5.00%	455,000	-	31,000	424,000	31,000	393,000
Debt issue	13,630,000	10/02/20	03/15/40	3.00-4.00%	11,324,000	-	593,000	10,731,000	843,000	9,888,000
Debt issue	16,178,000	09/15/21	09/15/41	4.00%	15,290,000	-	885,000	14,405,000	885,000	13,520,000
Debt issue	14,830,000	02/15/24	02/15/44	4.00%	6,200,000	8,630,000	-	14,830,000	845,000	13,985,000
Total school bonds	60,263,006				38,668,888	8,630,000	3,282,944	44,015,944	4,403,944	39,612,000
Sewer bonds:										
Refunding issue	1,980,000	05/31/12	08/01/26	3.00-5.00%	14,000	-	7,000	7,000	7,000	-
Debt issue	3,220,000	11/01/17	11/01/37	3.00-5.00%	2,450,000	-	184,000	2,266,000	179,000	2,087,000
Total sewer bonds	5,200,000				2,464,000	-	191,000	2,273,000	186,000	2,087,000
Total bonds	155,649,000				71,665,000	12,050,000	9,670,000	74,045,000	11,280,000	62,765,000

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

G. Changes in long-term liabilities (continued)

Description	Original Amount	Date of Issue	Date of Maturity	Interest Rate	Balance July 1, 2023	Additions	Deductions	Balance June 30, 2024	Current Portion	Long-Term Portion
<u>Notes (direct borrowings):</u>										
Clean water:										
CWF 549-C	\$ 28,250,103	07/01/13	07/01/32	2.00%	\$ 14,101,246	\$ -	\$ 1,430,037	\$ 12,671,209	\$ 1,458,901	\$ 11,212,308
CWF 549-CD2	1,425,544	06/30/15	07/01/32	2.00%	814,682	-	83,455	731,227	85,140	646,087
CWF 223-CSL	588,849	11/30/21	06/30/41	2.00%	545,121	-	23,220	521,901	26,040	495,861
CWF 222-CSL	3,925,943	06/30/22	06/30/41	2.00%	3,566,639	-	166,298	3,400,341	169,654	3,230,687
CWF 225-CSL	781,774	01/31/23	06/30/42	2.00%	765,299	-	33,448	731,851	34,123	697,728
CWF 228-CSL	760,961	02/29/24	08/30/43	2.00%	516,241	244,720	10,673	750,288	32,449	717,839
CWF 226-CSL	643,858	06/28/24	12/31/43	2.00%	-	643,858	-	643,858	27,276	616,582
Equipment financing notes:										
Police SUV	234,463	09/14/20	07/01/24	3.00%	120,389	-	59,162	61,227	61,227	-
Transit van	48,774	05/21/20	07/01/23	4.00%	12,434	-	12,434	-	-	-
Total notes	36,660,269				20,442,051	888,578	1,818,727	19,511,902	1,894,810	17,617,092
Total bonds and notes	192,309,269				92,107,051	12,938,578	11,488,727	93,556,902	13,174,810	80,382,092
Leases	1,067,762				725,328	48,624	237,604	536,348	132,389	403,959
Subscriptions	1,610,678				1,211,139	-	417,518	793,621	413,807	379,814
Total long-term debt	<u>\$194,987,709</u>				94,043,518	12,987,202	12,143,849	94,886,871	13,721,006	81,165,865
Premium					5,716,995	1,547,867	492,413	6,772,449	-	6,772,449
Total long-term debt and related liabilities					99,760,513	14,535,069	12,636,262	101,659,320	13,721,006	87,938,314
Compensated absences (net change)					9,263,138	1,508,720	-	10,771,858	2,154,372	8,617,486
Heart and hypertension					1,658,775	-	323,867	1,334,908	96,266	1,238,642
Claims payable					10,085,805	1,300,197	3,001,991	8,384,011	2,433,136	5,950,875
Net pension liability					49,630,178	12,788,431	21,678,990	40,739,619	-	40,739,619
Net OPEB liability					228,865,531	13,809,791	85,283,816	157,391,506	6,745,000	150,646,506
Total long term liabilities					<u>\$ 399,263,940</u>	<u>\$ 43,942,208</u>	<u>\$ 122,924,926</u>	<u>\$ 320,281,222</u>	<u>\$ 25,149,780</u>	<u>\$295,131,442</u>

All long-term liabilities are generally liquidated by the general fund.

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

G. Changes in long-term liabilities (continued)

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

Description	Original Amount	Date of Issue	Date of Maturity	Interest Rate	Balance July 1, 2023	Additions	Deductions	Balance June 30, 2024	Current Portion	Long-Term Portion
Compensated absences (net change)					\$ 600,935	\$ 37,804	\$ -	\$ 638,739	\$ 127,748	\$ 510,991
Claims payable					190,515	565,126	157,554	598,087	164,695	433,392
Net pension liability					21,077,305	3,856,771	5,852,284	19,081,792	-	19,081,792
Net OPEB liability					24,915,076	5,203,571	8,613,422	21,505,225	806,000	20,699,225
Total long term liabilities					<u>\$ 46,783,831</u>	<u>\$ 9,663,272</u>	<u>\$ 14,623,260</u>	<u>\$ 41,823,843</u>	<u>\$ 1,098,443</u>	<u>\$ 40,725,400</u>

Total of long-term liabilities:

Description	Original Amount	Date of Issue	Date of Maturity	Interest Rate	Balance July 1, 2023	Additions	Deductions	Balance June 30, 2024	Current Portion	Long-Term Portion
Total long-term debt and related liabilities					\$ 99,760,513	\$ 14,535,069	\$ 12,636,262	\$ 101,659,320	\$ 13,721,006	\$ 87,938,314
Compensated absences (net change)					9,864,073	1,546,524	-	11,410,597	2,282,120	9,128,477
Heart and hypertension					1,658,775	-	323,867	1,334,908	96,266	1,238,642
Claims payable					10,276,320	1,865,323	3,159,545	8,982,098	2,597,831	6,384,267
Net pension liability					70,707,483	16,645,202	27,531,274	59,821,411	-	59,821,411
Net OPEB liability					253,780,607	19,013,362	93,897,238	178,896,731	7,551,000	171,345,731
Total long term liabilities					<u>\$ 446,047,771</u>	<u>\$ 53,605,480</u>	<u>\$ 137,548,186</u>	<u>\$ 362,105,065</u>	<u>\$ 26,248,223</u>	<u>\$ 335,856,842</u>

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

G. Changes in long-term liabilities (continued)

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

City:

Year Ending June 30,	Debt Maturities			
	Bond Principal	Bond Interest	Notes Principal	Notes Interest
2025	\$ 11,280,000	\$ 3,104,510	\$ 1,894,810	\$ 374,401
2026	8,710,000	2,615,506	1,870,590	335,256
2027	6,735,000	2,259,563	1,908,348	297,499
2028	5,860,000	1,975,500	1,946,870	258,983
2029	3,930,000	1,756,991	1,986,161	219,684
2030	3,645,000	1,586,313	2,026,251	179,596
2031	3,520,000	1,428,700	2,067,149	138,700
2032	3,520,000	1,274,800	2,108,874	96,970
2033	3,350,000	1,124,300	481,082	68,362
2034	3,350,000	977,200	346,589	61,271
2035	3,070,000	830,600	353,588	54,274
2036	2,710,000	704,350	360,723	47,138
2037	2,710,000	585,450	368,001	39,855
2038	2,690,000	466,950	375,431	32,429
2039	2,370,000	356,850	383,010	24,850
2040	2,315,000	254,750	390,740	17,120
2041	1,465,000	155,400	398,626	9,233
2042	1,465,000	96,800	131,810	3,697
2043	675,000	54,000	85,577	1,483
2044	675,000	27,000	27,672	135
Totals	<u>\$ 74,045,000</u>	<u>\$ 21,635,533</u>	<u>\$ 19,511,902</u>	<u>\$ 2,260,936</u>

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

G. Changes in long-term liabilities (continued)**3. Assets pledged as collateral**

The City's outstanding equipment financing notes are secured with collateral of the equipment purchased of:

City	<u>\$ 61,227</u>
------	------------------

4. Statutory debt limitations

The City'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	\$ 312,431,645	\$ 27,756,056	\$ 284,675,589
Schools	624,863,291	54,150,944	570,712,347
Sewers	520,719,409	2,273,000	518,446,409
Urban renewal	451,290,154	-	451,290,154
Pension deficit	416,575,527	-	416,575,527

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

\$ 972,009,563

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.

Debt of the fire districts located within the City is legally considered underlying debt of the City. At year end, the fire districts had no outstanding debt.

5. Authorized/unissued bonds

The amount of authorized, unissued bonds are as follows:

General purpose	\$ 13,066,700
Schools	63,639,014
Sewers	<u>15,421,000</u>
Total	<u>\$ 92,126,714</u>

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

G. Changes in long-term liabilities (continued)**6. Leases**

City lease agreements are summarized as follows:

Description	Year	Lease Term (years)	Interest Rate*	Original Amount	Balance
City building	2022	12	2.50%	\$ 292,904	\$ 238,287
City cell tower	2022	8	2.50%	213,560	153,336
City postage machine	2023	5	4.50%	16,080	9,477
City copiers	2022-2024	4-5	2.50%/4.50%	141,627	61,306
Education copiers	2022-2024	3-4	2.50%/4.50%	403,591	73,942
Total				<u>\$1,067,762</u>	<u>\$ 536,348</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.

Description	Terms
City building	This lease includes three additional 3-year extension terms that the City intends to exercise.
City cell tower	This lease does include an option to extend, but either party can elect not to renew.
City postage machine	This lease is not renewable and the City will not acquire the equipment at the end of the term.
City copiers	These leases are not renewable and the City will not acquire the equipment at the end of the term.
Education copiers	These leases are not renewable and the City will not acquire the equipment at the end of the term.

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

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	Principal	Interest
2025	\$ 132,389	\$ 29,273
2026	94,116	25,566
2027	67,778	16,598
2028	59,019	6,078
2029	61,766	4,576
2030	27,820	3,032
2031	29,441	2,337
2032	31,130	1,601
2033	32,889	822
Totals	<u>\$ 536,348</u>	<u>\$ 89,883</u>

7. Subscription arrangements

City subscription arrangements are summarized as follows:

Description	Year	Subscription Term (years)	Interest Rate*	Original Amount	Balance
Police body camera software	2023	4	4.50%	\$ 853,418	\$ 445,479
Police and fire dispatch management software	2023	4	4.50%	570,492	297,794
Digital learning software licenses	2023	3	4.50%	186,768	50,348
Total				<u>\$ 1,610,678</u>	<u>\$ 793,621</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.

Description	Terms
Police body camera software	The City has a subscription arrangement for the police body camera software, tasers and cloud storage of camera footage. This arrangement does not include extension or termination terms.
Police and fire dispatch management software	The City has a subscription arrangement for police and fire dispatch management software. This arrangement does not include extension or termination terms.
Digital learning software licenses	The City has a subscription arrangement for digital learning licenses. These arrangements do not include extension or termination terms.

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

G. Changes in long-term liabilities (continued)

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

Year Ending June 30	Principal	Interest
2025	\$ 413,807	\$ 74,612
2026	379,814	17,092
Totals	<u>\$ 793,621</u>	<u>\$ 91,704</u>

H. Fund balance classifications and restricted net position

Fund balances are composed of the following:

	General Fund	Allington Fire Department Fund	Sewer Fund	Capital Improvement Fund	Other Governmental Funds	Total
Nonspendable						
Prepays	\$ -	\$ -	\$ 149,832	\$ -	\$ -	\$ 149,832
Restricted						
Allington Fire Department operations *	-	4,200,685	-	-	-	4,200,685
Document preservation *	-	-	-	-	161,515	161,515
Public safety programs	-	-	-	-	271,838	271,838
Sewer operations *	-	-	6,060,033	-	-	6,060,033
Housing rehabilitation	-	-	-	-	2,135,836	2,135,836
Cafeteria operations *	-	-	-	-	566,922	566,922
School activity programs	-	-	-	-	146,118	146,118
Total restricted	-	4,200,685	6,060,033	-	3,282,229	13,542,947
Committed						
Construction contracts	-	-	-	32,027,954	-	32,027,954
Public safety programs	-	-	-	-	1,402,221	1,402,221
Health and welfare programs	-	-	-	-	53,983	53,983
Culture and recreation	-	-	-	-	398,033	398,033
Education programs	-	-	-	-	75,037	75,037
School activity programs	-	-	-	-	447,614	447,614
Approved projects	-	-	-	-	1,379,402	1,379,402
Total committed	-	-	-	32,027,954	3,756,290	35,784,244
Unassigned	21,208,580	-	-	(55,403,256)	(2,071,143)	(36,265,819)
Total	<u>\$ 21,208,580</u>	<u>\$ 4,200,685</u>	<u>\$ 6,209,865</u>	<u>\$ (23,375,302)</u>	<u>\$ 4,967,376</u>	<u>\$ 13,211,204</u>

* The amount of net position restricted by enabling legislation totaled: \$ 10,989,155

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

I. Deficit equity

The City had deficit equity balances in the following funds, which will be eliminated by future charges, employer premiums or transfers from the General Fund:

Other governmental funds:	
Miscellaneous grants	\$2,071,143
Internal service funds:	
Workers' compensation	2,748,663

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

The City is exposed to various risks of loss including torts, theft of, damage to and destruction of assets; errors or omissions; injuries to employees and natural disasters. Generally, the City obtains commercial insurance for these risks, but has chosen to retain limited risks for workers' compensation claims, general liability claims, heart and hypertension claims, and employee medical and prescriptions claims. The City contracts with outside organizations to pay claims and provide administrative services. Additionally, insurance coverage has been purchased to limit the City's liability for workers' compensation, general liability, and medical claims. Settled claims have not exceeded commercial coverage in any of the past three years, and there has not been any significant reductions in insurance coverage from amounts held in prior years.

The City purchases commercial insurance coverage for all City buildings (flood, fire, and casualty), errors and omissions, and general liability. The City's policies have the following deductibles and claim limits:

Policy Type	Deductible	Claim limit
General liability	\$500,000	\$10,000,000
Automobile liability	\$500,000	\$10,000,000
Law enforcement liability	\$1,000,000	\$10,000,000
Workers' compensation	\$500,000	\$10,000,000
Medical (individual claims)	\$250,000	

The City 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 in the government-wide statements.

The claims liability reported is based upon accounting principles which require that a liability for estimated claims incurred but not reported be accrued. 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 social factors and incremental claim adjustment expenses, net of estimated subrogation recoveries. The claim accrual does not include other allocated or unallocated claims adjustment expenses.

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

A. Risk management (continued)

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>General Liability</u>						
2022-2023	\$ 504,033	\$ 545,744	\$ 621,559	\$ 428,218	\$ 253,542	\$ 174,676
2023-2024	428,218	535,851	569,547	394,522	233,073	161,449
<u>Workers' Compensation</u>						
2022-2023	9,859,219	1,987,428	1,998,545	9,848,102	2,711,868	7,136,234
2023-2024	9,848,102	1,329,472	2,589,998	8,587,576	2,364,758	6,222,818
<u>Subtotal</u>						
2022-2023	10,363,252	2,533,172	2,620,104	10,276,320	2,965,410	7,310,910
2023-2024	10,276,320	1,865,323	3,159,545	8,982,098	2,597,831	6,384,267
<u>Medical</u>						
2022-2023	525,000	9,547,493	9,701,493	371,000	371,000	-
2023-2024	371,000	11,012,934	10,776,934	607,000	607,000	-
<u>Totals</u>						
2022-2023	10,888,252	12,080,665	12,321,597	10,647,320	3,336,410	7,310,910
2023-2024	\$10,647,320	\$12,878,257	\$13,936,479	\$ 9,589,098	\$ 3,204,831	\$ 6,384,267

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 City expects such amounts, if any, to be immaterial.

The City 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 City.

C. Tax abatements

The City established an economic development tax incentive program pursuant to Section 12-65b of the Connecticut General Statutes. This program is intended to attract new businesses to the City and encourage the expansion of existing businesses to strengthen the City's tax base.

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

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. The level of improvements that qualify are determined by individual agreements between the City and the entity and will qualify for a 3 to 7-year phase-in.

There are currently 2 companies participating in the economic development tax incentive program. The amount of the tax abatement under this program was as follows:

	<u>Amount</u>
City	\$ 111,278
Allingtown Fire District	<u>37,114</u>
Total	<u><u>\$ 148,392</u></u>

D. State oversight

In November 2018, the City was identified as a Tier III municipality by the State of Connecticut Municipal Accountability Review Board (MARB). As a Tier III municipality, the City is subject to significant accountability and oversight by the MARB. Under MARB oversight, the City is required to submit and present at a public meeting monthly financial reports to ensure the City is operating with fiscal diligence in conformity with the annual budget and five-year recovery plan. The City's General Fund budget, including the revenue budget, must be reviewed by the MARB on an annual basis. Union contracts must also be reviewed by the MARB. The City may also be eligible to receive municipal restructuring funds from the State of Connecticut's Office of Policy and Management.

The City was required to provide a five-year recovery plan for fiscal years 2021-2025, and other various reports and corrective action plans to the MARB and a subcommittee for review. The City will resubmit an updated municipal recovery plan annually along with the Mayor's recommended general fund budget.

In May 2022, the City was designated as a Tier IV Municipality. Under Tier IV, the membership of the MARB expands to include the Mayor, a selected City Council member and the City Treasurer as non-voting members.

Under Tier IV, the MARB has the following additional responsibilities:

- Approval of annual budget and related tax levy
- Approval of bond ordinances
- Approve collective bargaining agreements
- Approval of transfers over \$50,000
- Appointment of a financial manager
- Submit all contracts \$50,000 or more to MARB for review and approval

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

V. Pensions and other post-employment benefit plans**A. Pension plans****1. Plan description****a. Plan administration**

The City administers two single-employer, contributory, defined benefit pension plans (City of West Haven Police and Allingtown Fire Department). The City benefits and contribution requirements are established by plan documents adopted July 1, 2010, by approval of the City Council. Allingtown Fire Department benefits and contribution requirements are established by plan documents adopted July 1, 1998, by approval of the Board of Fire Commissioners. Both plans are considered to be part of the City's reporting entity and are included in the financial report as a pension trust fund. The plans do not issue separate standalone financial reports.

The plans are closed to new participants as follows:

Police	Effective November 1, 2009
Allingtown	Effective July 1, 2013

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

b. Plan membership

The memberships in the Plans as of the date indicated are comprised of the following:

	<u>July 1, 2022</u>	<u>July 1, 2023</u>
	<u>Police</u>	<u>Allingtown</u>
Retirees and beneficiaries currently receiving benefits	158	30
Active members	56	11
Vested terminated employees	<u>2</u>	<u>-</u>
Total	<u><u>216</u></u>	<u><u>41</u></u>

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

A. Pension plans (continued)**2. Benefit provisions**

	Police	Allingtown
Normal retirement	The earlier of attaining age 65 or 20 years of service	20 years from initial date of appointment
Benefit calculation	Equal to 2.25% of basic annual salary at retirement for each year of service up through 20 years of service, plus an additional 3.00% of salary for each year in excess of 20 years up to a maximum of 75% of such annual salary	50% of salary base, plus 2.00% of salary base for each year over 20 years up to 25 years, plus 3.00% of salary base for each year over 25 years; maximum benefit 75% of salary base
Vesting service	Occurs when a participant has accumulated a minimum of 10 years of active service	15 years

The Police Plan provides for disability and death benefits in addition to retirement benefits.

Each employee may enter the Allingtown Fire Department on their date of employment. The plan provides retirement benefits for substantially all full-time employees of the Department.

3. Contributions

Required contributions to the plan are as follows:

	Police	Allingtown
Employer average contribution rate as a percentage of covered payroll	79.93% of pensionable wages	384.24% of pensionable wages
Employee contributions	9.50% of pensionable wages	
Hired before July 1, 1998		9.50% of pensionable wages
Hired after June 30, 1998		11.50% of pensionable wages

4. Investments**a. Investment policy and rate of return**

The Plans' trustees have developed and approved an investment policy which specifies investment target allocations. Investments are stated at fair value, based on quoted market prices, except as disclosed below.

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

A. Pension plans (continued)

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

Best estimates of arithmetic real rates of return for each major asset class are included in the pension plan's target asset allocation.

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

The following was the Board's adopted asset allocation policy and long-term expected real rate of return for the Police and Allingtown Fire Department plans:

Police	Long-Term	Long-Term
Asset Class	Target Allocation	Expected Real Rate of Return
U.S. large caps	12.50%	5.39%
U.S. equity market	10.00%	5.52%
U.S. small caps	5.00%	6.99%
U.S. mid caps	10.00%	5.98%
Global equity	15.00%	6.18%
U.S. high yield bonds	20.00%	4.43%
U.S. REITs (real estate)	5.00%	6.91%
Private equity	10.00%	10.45%
Hedge funds - multistrategy	9.00%	4.18%
Cash	3.50%	0.94%
Total/weighted average	<u>100.00%</u>	5.79%
Long-term inflation expectation		2.75%
Portfolio nominal mean return		8.54%
Long-term expected rate of return		<u>6.90%</u>

Annual money-weighted rate of return

The annual money-weighted rate of return on pension plan investments (net of pension plan investment expense) was:

14.65%

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

A. Pension plans (continued)

Allingtown	Long-Term	Long-Term
Asset Class	Target Allocation	Expected Real Rate of Return
U.S. equity market	14.50%	5.52%
U.S. fixed income	9.62%	2.52%
U.S. long credit bonds	75.61%	3.57%
Cash	0.27%	0.94%
Total/weighted average	<u>100.00%</u>	3.74%
Long-term inflation expectation		2.75%
Portfolio nominal mean return		6.49%
Long-term expected rate of return		<u>6.25%</u>

Annual money-weighted rate of return

The annual money-weighted rate of return on pension plan investments (net of pension plan investment expense) was:

6.13%

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

b. Concentrations

The investments in any one organization that represented 5.00% or more of the pension plan's net position follows:

Asset Class	Police
Alternative investments:	
Private equity funds	6.01%
Real estate - LLC	5.15%

5. Net pension liability

The components of the net pension liability were as follows:

	Police	Allingtown
Total pension liability	\$ 172,527,857	\$ 36,261,601
Plan fiduciary net position	131,788,238	17,179,809
Net pension liability	<u>\$ 40,739,619</u>	<u>\$ 19,081,792</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>76.39%</u>	<u>47.38%</u>

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

A. Pension plans (continued)**6. Actuarial methods and significant assumptions**

The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

	Police	Allingtown
Valuation date	July 1, 2022	July 1, 2023
Actuarial cost method	Entry age normal	Entry age normal
Amortization method	Level percentage	Level percentage
Asset valuation method	Fair value	Fair value
Salary increases	3.50%	3.50%
Inflation	2.75%	2.75%
Investment rate of return	6.90%	6.25%
Mortality rates	PubS-2010 Mortality Table with generational projection per the MP-2021 ultimate scale	PubS-2010 Mortality Table with generational projection per the MP-2021 ultimate scale
Cost of living increases	3.00% for members hired before 7/1/1993 and 1.75% for members hired after 7/1/1993	Plans 1 & 2: 1.75% for retirements on or before 11/27/13. Plans 3 & 4: 1.01% for retirements on or before 11/27/13. 2.75% for all retirements after 11/27/13

7. Changes from prior year**a. Changes in assumptions**

	Allingtown	
Description	From	To
Mortality rate	MP-2019 ultimate scale	MP-2021 ultimate scale

b. Changes in benefit terms

There were no changes in benefit terms.

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

A. Pension plans (continued)**8. Discount rate**

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

	<u>Police</u>	<u>Allingtown</u>
Discount rate	6.90%	6.25%

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 City 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 projected fiduciary net position will be sufficient to cover projected benefit payments and administrative expenses indefinitely. Therefore, the long-term expected rate of return on pension plan investments was used to discount plan liabilities.

9. Changes in the net pension liability

The Police plan's net pension liability was measured on June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation noted below. The changes in net pension liability were as follows:

	<u>Increase (Decrease)</u>		
<u>Valuation Date: July 1, 2022</u>	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
<u>Police</u>	<u>(a)</u>	<u>(b)</u>	<u>(a) - (b)</u>
Balance at July 1, 2023	\$ 169,180,754	\$ 119,550,576	\$ 49,630,178
Service cost	1,328,961	-	1,328,961
Interest	11,445,356	-	11,445,356
Contributions - employer	-	4,023,000	(4,023,000)
Contributions - member	-	393,604	(393,604)
Net investment income	-	17,262,386	(17,262,386)
Benefit payments, including refunds of member contributions	(9,427,214)	(9,427,214)	-
Administration	-	(14,114)	14,114
Net change	3,347,103	12,237,662	(8,890,559)
Balance at June 30, 2024	<u>\$172,527,857</u>	<u>\$131,788,238</u>	<u>\$40,739,619</u>

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

A. Pension plans (continued)

Allingtown's net pension liability was measured on June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as noted below.

The changes in net pension liability were as follows:

	Increase (Decrease)		
<u>Valuation Date: July 1, 2023</u>	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
<u>Allingtown</u>	<u>(a)</u>	<u>(b)</u>	<u>(a) - (b)</u>
Balance at July 1, 2023	\$ 34,647,774	\$ 13,570,469	\$21,077,305
Service cost	332,428	-	332,428
Interest	2,128,383	-	2,128,383
Differences between expected and actual experience	1,327,772	-	1,327,772
Changes in assumptions	(294,083)	-	(294,083)
Contributions - employer	-	3,739,196	(3,739,196)
Contributions - member	-	97,928	(97,928)
Net investment income	-	1,721,077	(1,721,077)
Benefit payments, including refunds of member contributions	(1,880,673)	(1,880,673)	-
Administration	-	(68,188)	68,188
Net change	1,613,827	3,609,340	(1,995,513)
Balance at June 30, 2024	\$ 36,261,601	\$ 17,179,809	\$19,081,792

10. Sensitivity of the net pension liability to changes in the discount rate

The following presents the net pension liability, calculated using the discount rate as well as what the City'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>Plan</u>	<u>Discount Rate</u>	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Police	<u>6.90%</u>	<u>\$ 62,403,862</u>	<u>\$ 40,739,619</u>	<u>\$ 22,892,381</u>
Allingtown	<u>6.25%</u>	<u>\$ 23,423,418</u>	<u>\$ 19,081,792</u>	<u>\$ 15,530,460</u>

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

A. Pension plans (continued)**11. Pension expense and deferred outflows and inflows of resources**

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

<u>Police</u>			
Description of Outflows/Inflows	Deferred Outflows of Resources	Deferred Inflows of Resources	Net
Differences between expected and actual experience	\$ 370,254	\$ -	\$ 370,254
Changes in assumptions	145,667	-	145,667
Net difference between projected and actual earnings on pension plan investments	-	1,463,822	(1,463,822)
Total	<u>\$ 515,921</u>	<u>\$ 1,463,822</u>	<u>\$ (947,901)</u>
<u>Pension Expense</u>			
The plan recognized pension expense of:			<u>\$ 10,198,657</u>

<u>Allingtown</u>			
Description of Outflows/Inflows	Deferred Outflows of Resources	Deferred Inflows of Resources	Net
Differences between expected and actual experience	\$ 497,914	\$ -	\$ 497,914
Changes in assumptions	-	110,281	(110,281)
Net difference between projected and actual earnings on pension plan investments	816,108	-	816,108
Total	<u>\$ 1,314,022</u>	<u>\$ 110,281</u>	<u>\$ 1,203,741</u>
<u>Pension Expense</u>			
The plan recognized pension expense of:			<u>\$ 1,699,716</u>

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

A. Pension plans (continued)

Actual investment earnings below (or above) projected earnings are amortized over 5.00 years. Changes of assumptions and experience losses (gains) are amortized over the average remaining service period of actives and inactive employees, which were as follows:

	<u>Years</u>
Police	2.10
Allingtown	1.60

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

<u>Year Ending</u> <u>June 30,</u>	<u>Police</u>	<u>Allingtown</u>
2025	\$ (391,811)	\$ 767,301
2026	3,592,824	443,372
2027	(2,356,585)	(16,899)
2028	<u>(1,792,329)</u>	<u>9,967</u>
Total	<u>\$ (947,901)</u>	<u>\$ 1,203,741</u>

B. Defined contribution retirement savings plan

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

The Plan requires the City to contribute an amount equal to 5.00% of the employee's annual salary. The City contributions for each employee (and interest allocated to the employee's account) are vested as follows:

<u>Years of Credited Service</u>	<u>Vesting Percentage</u>
Under 2	0%
2	20%
3	40%
4	60%
5	80%
6 or more	100%

Voluntary contributions of up to 25.00% of compensation for all participating years of service may be made by employees. These contributions may be withdrawn at any time, although earned interest will not be paid until such time as benefits are otherwise payable to the employee.

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

B. Defined contribution retirement savings plan (continued)

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

During the year, the contributions were as follows:

Employee contributions	\$ 2,691,841
Employer contributions	\$ 1,971,552

C. 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.

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)
Minimum benefit	Effective January 1, 1999, Public Act 98-251 provides a minimum monthly completed at least 25 years of full time Connecticut service at retirement.
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

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

C. 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	5 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 salary for the pension benefit.

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

C. 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 City 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 City 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 City were as follows:

City's proportionate share of the collective net pension liability	\$ -
State's proportionate share of the collective net pension liability associated with the City	<u>174,390,422</u>
Total	<u>\$ 174,390,422</u>
The plan recognized pension expense and revenue for on-behalf amounts for contributions to the plan by the State of:	<u>\$ 16,180,979</u>

The collective net pension liability was measured as of June 30, 2023, and the collective total pension liability used to calculate the collective net pension liability was determined by an actuarial valuation as of June 30, 2023. The City has no proportionate share of the collective net pension liability.

5. Actuarial assumptions

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

Valuation date	June 30, 2023
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

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

C. Connecticut state teachers' retirement system (continued)

Future cost-of-living increases are as follows:

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
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%
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. 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, 2023 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.

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

C. Connecticut state teachers' retirement system (continued)

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 Target Expected Real Rate of Return</u>
Global equity	37.00%	6.80%
Public credit	2.00%	2.90%
Core fixed income	13.00%	0.40%
Liquidity fund	1.00%	(0.40%)
Risk mitigation	5.00%	0.10%
Private equity	15.00%	11.20%
Private credit	10.00%	6.10%
Real estate	10.00%	6.30%
Infrastructure and natural resources	7.00%	7.70%
Total	<u>100.00%</u>	

6. Discount rate

The discount rate used to measure the 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 total pension liability.

7. Sensitivity of the collective net pension liability to changes in the discount rate and the health care cost trend rate

The City'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

The net pension liability and proportional share of pension expense presented in this report have been determined based on Connecticut State Teachers Retirement Systems' fiduciary net position included in the State of Connecticut ACFR as of and for the year ended June 30, 2023, which was audited by the State of Connecticut Auditors of Public Accounts and is included in the State of Connecticut's ACFR as a pension trust fund.

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

D. Total pension plans

<u>Plan</u>	<u>Net Pension Liability</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Pension Expense</u>
Police	\$ 40,739,619	\$ 515,921	\$ 1,463,822	\$ 10,198,657
Allingtown	19,081,792	1,314,022	110,281	1,699,716
Total	<u>\$ 59,821,411</u>	<u>\$ 1,829,943</u>	<u>\$ 1,574,103</u>	<u>\$ 11,898,373</u>

E. Other post-employment benefit plan**1. Plan description****a. Plan administration**

The City currently provides to certain former employees Other Post-Employment Benefits (OPEB). The plan provides medical, dental and life insurance benefits for eligible retirees and their spouses. The plan does not issue a stand alone financial report.

The Allingtown Fire Department currently provides to certain former employees Other Post-Employment Benefits (OPEB). The plan provides health and life insurance benefits for eligible retirees and their spouses. The plan does not issue a stand alone financial report.

b. Employees covered by benefit terms

The memberships in the plans as of the date indicated are comprised of the following:

<u>Valuation date: July 1, 2023</u>	<u>City</u>	<u>Allingtown</u>
Retirees and beneficiaries currently receiving benefits	591	51
Active members	<u>1,044</u>	<u>20</u>
Total	<u>1,635</u>	<u>71</u>

2. Benefit provisions

The City's Plan provides for medical, dental and life insurance benefits for all eligible City and Board of Education retirees and their spouses. Benefits are established by contract and may be amended by union negotiations.

The Allingtown Fire Department's Plan provides for health and life insurance benefits for all eligible Department retirees and their spouses. Benefits are established by contract and may be amended by union negotiations.

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

E. Other post-employment benefit plan (continued)**3. Contributions****a. Employer contributions**

Required contributions to the plan are as follows:

	City	Allingtown
Employer average contribution rate as a percentage of covered payroll	6.22% of pensionable wages	69.17% of pensionable wages

The City's recommended contributions are actuarially determined on an annual basis using the entry age normal method. Contributions are established by contract and may be amended by union negotiations.

The Allingtown Fire Department's recommended contributions are actuarially determined on an annual basis using the projected unit credit method. Contributions are established and may be amended by the Department.

b. Employee contributions

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 City'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 City.

4. Investments**Investment policy and rate of return**

The Plans' trustees have developed and approved an investment policy which specifies investment target allocations. Investments are stated at fair value, based on quoted market prices, except as disclosed below.

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

Best estimates of arithmetic real rates of return for each major asset class are included in the pension plan's target asset allocation.

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

E. Other post-employment benefit plan (continued)

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

The following was the Board's adopted asset allocation policy and long-term expected real rate of return for the City and Allingtown Fire Department plans:

Asset Class	Long-Term Target Allocation	Long-Term Expected Real Rate of Return
U.S. large cap	10.00%	5.39%
U.S. mid cap	15.00%	5.98%
International - developed	15.00%	7.62%
Emerging markets	7.00%	9.34%
International developed bond	10.00%	0.88%
Emerging market bonds	5.00%	4.93%
Investment grade	15.00%	2.52%
High yield	5.00%	4.43%
Real estate	3.00%	6.91%
Alternatives	10.00%	2.55%
Cash	5.00%	0.94%
Total/weighted average	<u>100.00%</u>	4.68%
Long-term inflation expectation		<u>2.50%</u>
Portfolio nominal mean return		<u>7.18%</u>
Long-term expected rate of return		<u>6.50%</u>

Annual money-weighted rate of return

The annual money-weighted rate of return on OPEB plan investments (net of OPEB plan investment expense) was:

0.32%

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

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

E. Other post-employment benefit plan (continued)**5. Net OPEB liability**

The components of the net OPEB liability were as follows:

	City	Allingtown
Total OPEB liability	\$ 158,316,744	\$ 21,722,781
Plan fiduciary net position	925,238	217,556
Net OPEB liability	<u>\$ 157,391,506</u>	<u>\$ 21,505,225</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>0.58%</u>	<u>1.00%</u>

6. Actuarial methods and significant assumptions

The total OPEB liability for the City Plan and the Allingtown Fire Department Plan was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

	City	Allingtown
Valuation date	July 1, 2023	July 1, 2023
Discount rate	6.50%	6.50%
Inflation	2.50%	2.50%
Healthcare cost trend rates:		
City	6.40% - 4.00% over 55 years	
Education	6.30% - 3.90% over 51 years	
Allingtown		6.30% - 3.90% over 51 years
Mortality:		
Police	PubS-2010 mortality table with generational projection per the MP-2021 ultimate scale	
Teachers and administrators	PubT-2010 mortality table with generational projection per the MP-2021 ultimate scale	
All others	PubG-2010 mortality table with generational projection per the MP-2021 ultimate scale	Pub-2010 mortality tables with generational projection per the MP-2021 ultimate scale

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

E. Other post-employment benefit plan (continued)**7. Changes from prior year****a. Changes in assumptions**

Description	City		Allingtown	
	From	To	From	To
Discount rate	3.65%	6.50%	3.65%	6.50%
Mortality rate			MP-2019 ultimate scale	MP-2021 ultimate scale
Healthcare cost trend rates			6.10% - 3.90%	6.30% - 3.90%

b. Changes in benefit terms

For the City plan, all employees hired before July 1, 2023 will receive 100% reimbursement for Medicare Part B.

8. Discount rate

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

	City	Allingtown
Discount rate	6.50%	6.50%

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 City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the OPEB 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 OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

9. Changes in the net OPEB liability

The City's and Allingtown Fire Department's net OPEB liabilities were measured as of June 30, 2024, and the total OPEB liabilities used to calculate the net OPEB liabilities were determined by an actuarial valuation dated as noted below.

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

E. Other post-employment benefit plan (continued)

The changes in the net OPEB liabilities were as follows:

Valuation Date: July 1, 2023	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
City	(a)	(b)	(a) - (b)
Balance at July 1, 2023	\$228,865,531	\$ -	\$ 228,865,531
Service cost	4,744,179	-	4,744,179
Interest	8,404,775	-	8,404,775
Change of benefit terms	660,837	-	660,837
Differences between expected and actual experience	(42,390,226)	-	(42,390,226)
Changes in assumptions	(35,224,057)	-	(35,224,057)
Contributions - employer	-	7,669,295	(7,669,295)
Net investment income	-	238	(238)
Benefit payments, including refunds of member contributions	(6,744,295)	(6,744,295)	-
Net change	(70,548,787)	925,238	(71,474,025)
Balance at June 30, 2024	\$158,316,744	\$ 925,238	\$157,391,506

Valuation Date: July 1, 2023	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Allingtown	(a)	(b)	(a) - (b)
Balance at July 1, 2023	\$ 24,915,076	\$ -	\$ 24,915,076
Service cost	334,126	-	334,126
Interest	907,028	-	907,028
Differences between expected and actual experience	3,962,417	-	3,962,417
Changes in assumptions	(7,590,426)	-	(7,590,426)
Contributions - employer	-	1,022,940	(1,022,940)
Net investment income	-	56	(56)
Benefit payments, including refunds of member contributions	(805,440)	(805,440)	-
Net change	(3,192,295)	217,556	(3,409,851)
Balance at June 30, 2024	\$ 21,722,781	\$ 217,556	\$ 21,505,225

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

E. Other post-employment benefit plan (continued)**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:

Plan	Discount Rate	1% Decrease	Current Discount Rate	1% Increase
City	6.50%	\$ 176,622,844	\$ 157,391,506	\$ 141,321,616
Allintown	6.50%	\$ 24,482,049	\$ 21,505,225	\$ 19,069,081

11. Sensitivity of the net OPEB liability to changes in the health care 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:

Plan	Current Trend Rate Plan	Current Trend Rate	1% Decrease	Current Trend Rate	1% Increase
City	City	6.40%-4.00%			
City	Education	6.30%-3.90%	\$ 139,082,004	\$ 157,391,506	\$ 179,671,777
Allintown	Allintown	6.30%-3.90%	\$ 18,753,341	\$ 21,505,225	\$ 24,848,521

12. OPEB expense and deferred outflows and inflows of resources

The City reported deferred outflows of resources and deferred inflows of resources and OPEB expense as follows:

City	Deferred Outflows of Resources	Deferred Inflows of Resources	Net
Description of Outflows/Inflows			
Differences between expected and actual experience	\$ 15,916,153	\$ 54,463,538	\$ (38,547,385)
Changes in assumptions	22,960,267	83,984,674	(61,024,407)
Total	\$ 38,876,420	\$138,448,212	\$ (99,571,792)
OPEB Expense			
The plan recognized OPEB expense of:			\$ 7,778,765

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

E. Other post-employment benefit plan (continued)

<u>Allingtown</u>	<u>Deferred</u>	<u>Deferred</u>	
Description of Outflows/Inflows	Outflows of Resources	Inflows of Resources	Net
Differences between expected and actual experience	\$ 2,919,676	\$ 60,948	\$ 2,858,728
Changes in assumptions	<u>38,162</u>	<u>8,333,274</u>	<u>(8,295,112)</u>
Total	<u>\$ 2,957,838</u>	<u>\$ 8,394,222</u>	<u>\$ (5,436,384)</u>
<u>OPEB Expense</u>			
The plan recognized OPEB expense of:			<u>\$ (1,110,166)</u>

Differences between expected and actual experience and changes in assumptions are recognized over the average remaining service life for all active and inactive members, which were as follows:

	<u>Years</u>
City	8.2
Allingtown	3.8

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

<u>Year Ending June 30,</u>	<u>City</u>	<u>Allingtown</u>
2025	\$ (8,978,875)	\$ (2,434,265)
2026	(9,598,708)	(2,192,037)
2027	(12,248,837)	(810,082)
2028	(23,184,612)	-
2029	(23,221,863)	-
Thereafter	<u>(22,338,897)</u>	<u>-</u>
Total	<u>\$ (99,571,792)</u>	<u>\$ (5,436,384)</u>

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

F. 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.

2. Benefit provisions

The Plan provides for retiree health insurance benefits to retired teachers and administrators of public schools. 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	5 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 health care benefits offered. 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.

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

F. Connecticut state teachers' retirement board retiree health insurance plan (continued)

The subsidy amounts are set by State statutes as follows:

Members that are not currently participating in Medicare Parts A & B	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
Members who has attained the normal retirement age to participate in Medicare but is not eligible for Part A of Medicare without cost	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 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/retirees

Employees: Each active member is required to contribute 1.25% of their pensionable wages

Retirees: Retirees are required to pay for 1/3 of the plan cost through monthly premiums

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

F. 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 City 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 City 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 City were as follows:

City's proportionate share of the collective net OPEB liability	\$ -
State's proportionate share of the collective net OPEB liability associated with the City	16,337,988
Total	<u>\$ 16,337,988</u>
The plan recognized OPEB expense and revenue for on-behalf amounts for contributions to the plan by the State of:	<u>\$ 220,191</u>

The collective net OPEB liability was measured as of June 30, 2023, and the collective total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation as of June 30, 2023. The City has no proportionate share of the collective net OPEB liability.

5. Actuarial assumptions

The collective total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation date	June 30, 2023
Investment rate of return	3.00%
Discount rate	3.64%
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	2028

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

F. Connecticut state teachers' retirement board retiree health insurance plan (continued)

The actuarial assumptions used in the June 30, 2023 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 3.53% to 3.64% 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 (treasuries). The expected 10-year geometric rate of return is 0.77%. The long-term real rate of return as of June 30, 2023 was 3.25%.

6. Discount rate

The discount rate used to measure the collective total OPEB liability was the Municipal Bond Index rate of 3.64%. 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 City'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

The net pension liability and proportional share of pension expense presented in this report have been determined based on Connecticut State Teachers Retiree Health Insurance Plan's fiduciary net position included in the State of Connecticut ACFR as of and for the year ended June 30, 2023, which was audited by the State of Connecticut Auditors of Public Accounts and is included in the State of Connecticut's ACFR as a OPEB trust fund.

G. Total OPEB plans

<u>Plan</u>	<u>Net OPEB Liability</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>OPEB Expense</u>
City	\$ 157,391,506	\$ 38,876,420	\$ 138,448,212	\$ 7,778,765
Allintown	21,505,225	2,957,838	8,394,222	(1,110,166)
Total	<u>\$ 178,896,731</u>	<u>\$ 41,834,258</u>	<u>\$ 146,842,434</u>	<u>\$ 6,668,599</u>

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

H. Plan statements

Pension and OPEB Trust Funds
Combining Statement of Fiduciary Net Position
June 30, 2024

	Police Pension Plan	Allingtown Fire Department Pension Plan	City OPEB Trust Fund	Allingtown Fire Department OPEB Fund	Total
<u>Assets</u>					
Investments:					
Bank money market	\$ 1,874,162	\$ 12,423	\$ 925,238	\$ 217,556	\$ 3,029,379
Mutual funds:					
Money market	803,971	2,169,357	-	-	2,973,328
Equity	25,180,095	-	-	-	25,180,095
U.S. government securities	3,019,621	-	-	-	3,019,621
Exchange traded funds	48,960,731	1,861,376	-	-	50,822,107
Equity - domestic	22,676,603	500,000	-	-	23,176,603
Real estate investment trust	440,923	-	-	-	440,923
Corporate bonds	8,526,393	-	-	-	8,526,393
Alternative investments:					
Private equity funds	10,524,319	-	-	-	10,524,319
Real estate LLC/LP	6,768,220	1,903,511	-	-	8,671,731
Annuities	-	9,534,142	-	-	9,534,142
Variable rate note	3,013,200	-	-	-	3,013,200
Total investments	131,788,238	15,980,809	925,238	217,556	148,911,841
Contribution receivable	-	1,199,000	-	-	1,199,000
Total assets	131,788,238	17,179,809	925,238	217,556	150,110,841
<u>Net Position</u>					
Restricted for:					
Pensions	131,788,238	17,179,809	-	-	148,968,047
OPEB	-	-	925,238	217,556	1,142,794
Total net position	\$ 131,788,238	\$ 17,179,809	\$ 925,238	\$ 217,556	\$ 150,110,841

City of West Haven, Connecticut

Notes to Financial Statements
As of and for the Year Ended June 30, 2024

H. Plan statements (continued)

Pension and OPEB Trust Funds
Combining Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2024

	Police Pension Plan	Allingtown Fire Department Pension Plan	City OPEB Trust Fund	Allingtown Fire Department OPEB Fund	Total
Additions:					
Contributions:					
Employer	\$ 4,023,000	\$ 3,739,196	\$ 7,669,295	\$ 1,022,940	\$ 16,454,431
Plan members	393,604	97,928	-	-	491,532
Total contributions	4,416,604	3,837,124	7,669,295	1,022,940	16,945,963
Investment income (loss):					
Change in fair value of investments	14,723,902	1,370,231	-	-	16,094,133
Interest and dividends	2,900,115	404,033	238	56	3,304,442
Total investment income (loss)	17,624,017	1,774,264	238	56	19,398,575
Less investment expenses	361,631	53,187	-	-	414,818
Net investment income (loss)	17,262,386	1,721,077	238	56	18,983,757
Total additions	21,678,990	5,558,201	7,669,533	1,022,996	35,929,720
Deductions:					
Benefits	9,427,214	1,880,673	6,744,295	805,440	18,857,622
Administration	14,114	68,188	-	-	82,302
Total deductions	9,441,328	1,948,861	6,744,295	805,440	18,939,924
Changes in net position	12,237,662	3,609,340	925,238	217,556	16,989,796
Net position - July 1, 2023	119,550,576	13,570,469	-	-	133,121,045
Net position - June 30, 2024	\$ 131,788,238	\$ 17,179,809	\$ 925,238	\$ 217,556	\$ 150,110,841

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
	Schedule of Revenues - Budget and Actual - Allingtown Fire Department Fund
	Schedule of Expenditures and Other Financing Uses - Budget and Actual - Allingtown Fire Department Fund
	Notes to Required Supplementary Information - Budgets and Budgetary Accounting
<u>Pension Plans</u> Police Allingtown Fire Department State Teachers' Retirement System	Schedule of Changes in Net Pension Liability and Related Ratios and Schedule of Investment Returns
	Schedule of Proportionate Share of the Collective Net Pension Liability
	Schedule of Contributions
	Notes to Required Supplementary Information
<u>Other Post-Employment Benefits Plans</u> City Allingtown Fire Department State Teachers' Retirement Board Retiree Health Insurance Plan	Schedule of Changes in Net OPEB Liability and Related Ratios and Schedule of Investment Returns
	Schedule of Proportionate Share of the Collective Net OPEB Liability
	Schedule of Contributions
	Notes to Required Supplementary Information

City of West Haven, Connecticut

Required Supplementary Information

General Fund
Schedule of Revenues and Other Financing Sources
Budget and Actual
For the Year Ended June 30, 2024

	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual	Variance with Final Budget
Property taxes:					
Current levy	\$ 106,622,316	\$ -	\$ 106,622,316	\$ 105,628,886	\$ (993,430)
Motor vehicle supplement	1,300,000	-	1,300,000	1,201,792	(98,208)
Prior year levies	500,000	-	500,000	993,194	493,194
Suspense taxes	150,000	-	150,000	235,996	85,996
Interest and lien fees	966,000	-	966,000	1,083,238	117,238
Telephone access line	79,000	-	79,000	113,438	34,438
PILOT- SCCRWA water grant	285,000	-	285,000	288,755	3,755
PILOT- housing authority	148,000	-	148,000	170,643	22,643
Total property taxes	110,050,316	-	110,050,316	109,715,942	(334,374)
Intergovernmental:					
Education cost sharing	45,140,487	-	45,140,487	44,253,756	(886,731)
Health/welfare services - parochial school	73,000	-	73,000	46,291	(26,709)
Tiered pilot	8,756,669	-	8,756,669	8,974,220	217,551
Municipal revenue sharing	147,516	-	147,516	1,552,735	1,405,219
Mashantucket Pequot	807,097	-	807,097	807,097	-
Property tax relief - totally disabled	4,600	-	4,600	3,779	(821)
Property tax relief - veterans reimbursement	110,000	-	110,000	100,509	(9,491)
Town aid road	621,029	-	621,029	618,802	(2,227)
Motor vehicle tax reimbursement	672,795	-	672,795	672,795	-
State miscellaneous grants	165,000	-	165,000	149,674	(15,326)
Total intergovernmental	56,498,193	-	56,498,193	57,179,658	681,465
Charges for services:					
Animal licenses	6,000	-	6,000	9,093	3,093
Marriage licenses	10,000	-	10,000	17,266	7,266
Sporting licenses	250	-	250	-	(250)
Building permits	1,100,000	-	1,100,000	1,605,483	505,483
Electrical permits	190,000	-	190,000	312,013	122,013
Excavation permits	6,000	-	6,000	15,205	9,205
Plumbing and heating permits	91,000	-	91,000	125,109	34,109
Zoning permits	103,000	-	103,000	100,387	(2,613)
Alcoholic beverage licenses	1,000	-	1,000	1,270	270
Police licenses and protection permits	27,000	-	27,000	20,830	(6,170)
City clerk fees collected	6,500	-	6,500	4,952	(1,548)
Dog pound releases	1,000	-	1,000	3,568	2,568
Health licenses and restaurant permits	105,000	-	105,000	114,950	9,950
Parking tags	100,000	-	100,000	103,579	3,579
Fines and penalties	60,000	-	60,000	85,551	25,551
Building code violations	9,000	-	9,000	1,352	(7,648)
Blight liens	-	-	-	5,640	5,640
Rents from City facilities	28,000	-	28,000	17,500	(10,500)
Record legal instruments fee	1,555,000	-	1,555,000	1,302,751	(252,249)
Police charges - public safety	12,900	-	12,900	12,675	(225)
Miscellaneous public works/sewer-orange	2,100	-	2,100	-	(2,100)
Miscellaneous general government-all other	50,000	-	50,000	127,094	77,094
Miscellaneous parks and recreation	71,000	-	71,000	341,602	270,602

(Continued)

See Notes to Required Supplementary Information.

City of West Haven, Connecticut
Required Supplementary Information

General Fund
Schedule of Revenues and Other Financing Sources
Budget and Actual
For the Year Ended June 30, 2024

	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual	Variance with Final Budget
Charges for services (continued):					
Public works	\$ 13,000	\$ -	\$ 13,000	\$ 17,665	\$ 4,665
Parking meter revenue	300,000	-	300,000	252,815	(47,185)
Sewer collection fee	55,166	-	55,166	55,166	-
Insurance reimbursement	4,000	-	4,000	-	(4,000)
Quigley / Yale parking	43,603	-	43,603	43,603	-
Fire district share of ERS	806,000	-	806,000	908,202	102,202
Organic recycling/compost	10,600	-	10,600	11,315	715
Total charges for services	4,767,119	-	4,767,119	5,616,636	849,517
Contributions (Yale)	506,000	-	506,000	526,523	20,523
Income from investments	1,258,000	-	1,258,000	2,806,112	1,548,112
Other	65,000	-	65,000	201,332	136,332
Total revenues	173,144,628	-	173,144,628	176,046,203	2,901,575
Other financing sources:					
Sale of assets	250,000	-	250,000	15,000	(235,000)
Transfers in:					
Public safety fund	200,000	-	200,000	-	(200,000)
Sewer fund	309,425	-	309,425	309,425	-
Total transfers in	509,425	-	509,425	309,425	(200,000)
Total other financing sources	759,425	-	759,425	324,425	(435,000)
Total revenues and other financing sources	\$ 173,904,053	\$ -	\$ 173,904,053	\$ 176,370,628	\$ 2,466,575

(Concluded)

See Notes to Required Supplementary Information.

City of West Haven, Connecticut
Required Supplementary Information

General Fund
Schedule of Expenditures and Other Financing Uses
Budget and Actual
For the Year Ended June 30, 2024

	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual	Variance with Final Budget
General government:					
City council	\$ 98,589	\$ 15,703	\$ 114,292	\$ 110,478	\$ 3,814
Mayor's office	350,191	8,927	359,118	317,579	41,539
Corporate counsel	746,626	36,401	783,027	778,809	4,218
Labor relations and personnel	458,162	(95,007)	363,155	356,302	6,853
Communications	285,644	53,352	338,996	338,996	-
Town and city clerk	431,175	42,049	473,224	437,049	36,175
Registrar of voters	179,104	5,103	184,207	172,511	11,696
Probate court	9,658	-	9,658	5,830	3,828
Planning and development	516,075	(62,465)	453,610	355,875	97,735
Grants administration	281,234	(104,435)	176,799	167,200	9,599
Building department	568,616	(36,484)	532,132	513,265	18,867
Treasurer	7,600	-	7,600	7,600	-
Finance/comptroller	1,133,322	509,874	1,643,196	1,632,996	10,200
Purchasing department	289,454	(15,666)	273,788	273,786	2
Information and technology/data processing	782,273	(24,744)	757,529	704,768	52,761
Central services	150,900	47,436	198,336	172,907	25,429
Department of assessment	494,254	14,100	508,354	504,353	4,001
Board of assessment appeals	3,600	-	3,600	3,540	60
Department of tax collections	488,851	508	489,359	474,138	15,221
Primary and elections	85,805	26,249	112,054	89,252	22,802
Payroll processing	200,000	(56,065)	143,935	143,935	-
Security	-	46,257	46,257	46,257	-
Consulting services	600,000	21,302	621,302	281,979	339,323
Unallocated	61,765	5,468	67,233	59,160	8,073
Contingency	1,157,000	(1,157,000)	-	-	-
Total general government	9,379,898	(719,137)	8,660,761	7,948,565	712,196
Public safety:					
Emergency reporting system	2,112,308	206,254	2,318,562	2,179,859	138,703
Public safety administration	1,216,416	49,973	1,266,389	1,187,349	79,040
Public safety operations	13,171,725	1,126,217	14,297,942	13,933,065	364,877
Public safety support	1,095,727	(109,441)	986,286	1,334,375	(348,089)
Animal control	306,900	33,066	339,966	311,183	28,783
Emergency management	53,500	-	53,500	51,147	2,353
Total public safety	17,956,576	1,306,069	19,262,645	18,996,978	265,667
Public works:					
Administration	810,697	(141,820)	668,877	662,968	5,909
Bureau of engineering	513,449	(55,425)	458,024	425,518	32,506
Central garage	1,626,391	(243,342)	1,383,049	1,209,281	173,768
Compost site	127,200	-	127,200	88,916	38,284
Disposal of solid waste	4,241,700	5,078	4,246,778	4,158,605	88,173
Grounds and building maintenance	1,792,375	(251,763)	1,540,612	1,438,230	102,382
Highways and park maintenance	5,327,072	(845,549)	4,481,523	4,305,386	176,137
Total public works	14,438,884	(1,532,821)	12,906,063	12,288,904	617,159

(Continued)

See Notes to Required Supplementary Information.

City of West Haven, Connecticut

Required Supplementary Information

General Fund
Schedule of Expenditures and Other Financing Uses
Budget and Actual
For the Year Ended June 30, 2024

	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual	Variance with Final Budget
Benefits and insurance:					
Insurance	\$ 1,460,000	\$ 176,671	\$ 1,636,671	\$ 1,571,062	\$ 65,609
Pensions and hospitalizations	21,556,499	(114,998)	21,441,501	21,295,164	146,337
OPEB contribution	500,000	-	500,000	500,000	-
C-Med programs	43,023	-	43,023	40,909	2,114
Total benefits and insurance	23,559,522	61,673	23,621,195	23,407,135	214,060
Human resources and health and welfare:					
Department of human resources	465,052	(52,832)	412,220	400,436	11,784
Department of elderly services	439,201	213	439,414	401,627	37,787
Health department	588,116	(85,156)	502,960	498,413	4,547
Total human resources and health and welfare	1,492,369	(137,775)	1,354,594	1,300,476	54,118
Parks and recreation	1,132,458	31,991	1,164,449	1,053,876	110,573
Library	1,625,000	-	1,625,000	1,625,000	-
Education	89,960,421	-	89,960,421	89,960,421	-
Debt service	14,358,925	-	14,358,925	12,349,639	2,009,286
Total expenditures	173,904,053	(990,000)	172,914,053	168,930,994	3,983,059
Other financing uses:					
Transfers out	-	990,000	990,000	990,000	-
Total expenditures and other financing uses	\$173,904,053	\$ -	\$173,904,053	\$169,920,994	\$3,983,059

(Concluded)

See Notes to Required Supplementary Information.

City of West Haven, Connecticut

Required Supplementary Information

Allingtown Fire Department Fund
Schedule of Revenues
Budget and Actual
For the Year Ended June 30, 2024

	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual	Variance with Final Budget
Property taxes:					
Current property taxes	\$ 6,788,447	\$ -	\$ 6,788,447	\$ 6,941,110	\$ 152,663
Prior year property taxes	72,000	-	72,000	110,850	38,850
Interest and lien fees	44,000	-	44,000	83,412	39,412
PILOT - regional water authority	49,166	-	49,166	49,117	(49)
Total property taxes	6,953,613	-	6,953,613	7,184,489	230,876
Intergovernmental:					
Tiered PILOT	770,501	-	770,501	733,961	(36,540)
Motor vehicle tax allocation	960,525	342,000	1,302,525	1,302,849	324
FEMA grants	271,429	-	271,429	-	(271,429)
State miscellaneous grants	21,515	-	21,515	21,715	200
Total intergovernmental	2,023,970	342,000	2,365,970	2,058,525	(307,445)
Charges for services:					
Bundle billing	40,000	-	40,000	9,656	(30,344)
Police/fire outside services	4,000	-	4,000	11,935	7,935
Fire department transportation fees	-	-	-	57,401	57,401
Insurance reimbursement	-	-	-	15,360	15,360
Other fees	60,000	61,093	121,093	130,779	9,686
Total charges for services	104,000	61,093	165,093	225,131	60,038
Contributions:					
University of New Haven and Yale donations	100,000	-	100,000	100,000	-
Total revenues	<u>\$ 9,181,583</u>	<u>\$ 403,093</u>	<u>\$ 9,584,676</u>	<u>\$ 9,568,145</u>	<u>\$ (16,531)</u>

See Notes to Required Supplementary Information.

City of West Haven, Connecticut
Required Supplementary Information
Allington Fire Department Fund
Schedule of Expenditures and Other Financing Uses
Budget and Actual
For the Year Ended June 30, 2024

	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual	Variance with Final Budget
Personnel:					
Salaries	\$1,809,574	\$ -	\$ 1,809,574	\$1,813,063	\$ (3,489)
Overtime and vacation pay	525,000	-	525,000	605,549	(80,549)
Uniforms	26,000	-	26,000	26,287	(287)
Life insurance	31,000	-	31,000	26,387	4,613
Pension contribution	2,706,196	1,107,947	3,814,143	3,814,142	1
OPEB contribution	117,500	-	117,500	117,500	-
Heart and hypertension	35,000	-	35,000	35,000	-
Workers' compensation insurance	125,000	-	125,000	125,000	-
Insurance	1,666,842	-	1,666,842	1,725,561	(58,719)
Education incentive (EMT-certification)	115,250	-	115,250	90,225	25,025
Social security and medicare (FICA)	81,721	-	81,721	88,768	(7,047)
Total personnel	7,239,083	1,107,947	8,347,030	8,467,482	(120,452)
Maintenance:					
Building maintenance	20,000	-	20,000	12,008	7,992
Equipment purchase/maintenance	60,000	25,000	85,000	127,292	(42,292)
Tools	70,000	-	70,000	49,833	20,167
Radio	40,000	-	40,000	3,641	36,359
Total maintenance	190,000	25,000	215,000	192,774	22,226
Administration:					
Training	31,000	-	31,000	43,004	(12,004)
Business	16,000	-	16,000	22,105	(6,105)
Financial services	20,000	-	20,000	-	20,000
Total administration	67,000	-	67,000	65,109	1,891
Utilities, insurance and equipment:					
Heating	15,000	-	15,000	10,143	4,857
Electricity	17,000	-	17,000	15,597	1,403
Water	198,000	-	198,000	206,208	(8,208)
Telephone	14,000	(54,854)	(40,854)	22,415	(63,269)
Emergency reporting system	305,000	-	305,000	219,187	85,813
Medical testing and equipment	54,000	-	54,000	44,294	9,706
Office supplies	6,000	-	6,000	5,091	909
Gasoline and diesel	18,000	-	18,000	20,389	(2,389)
General liability insurance	60,000	-	60,000	60,063	(63)
Workers' compensation	-	-	-	3,356	(3,356)
Personal computers	42,500	-	42,500	39,242	3,258
Contingency	175,000	(175,000)	-	-	-
Professional services	16,000	-	16,000	3,132	12,868
Total utilities, insurance and equipment	920,500	(229,854)	690,646	649,117	41,529
Capital outlay	265,000	-	265,000	143,936	121,064
Total expenditures	8,681,583	903,093	9,584,676	9,518,418	66,258
Other financing uses:					
Transfer out - capital and nonrecurring fund	500,000	(500,000)	-	-	-
Total expenditures and other financing uses	\$9,181,583	\$ 403,093	\$ 9,584,676	\$9,518,418	\$ 66,258

See Notes to Required Supplementary Information.

City of West Haven, Connecticut
Notes to Required Supplementary Information

Budgets and Budgetary Accounting
For the Year Ended June 30, 2024

The City adheres to the following procedures in establishing the budgetary data included in the General Fund and Allingtown Fire Department financial statements. The operating budget, which is prepared by function and department, includes proposed expenditures and the means of financing them.

General Fund

This budget is adopted on a basis consistent with Generally Accepted Accounting Principles (modified accrual basis) with the following exception:

- The City does not budget for as revenue or expenditures payments made for the State Teachers' pension and OPEB by the State of Connecticut on the City's behalf.

<u>Reconciliation to Exhibit D</u>	<u>Revenues</u>	<u>Expenditures</u>
Budgetary Basis - RSI-1	\$176,046,203	\$168,930,994
State Teachers' pension on behalf amount	16,180,979	16,180,979
State Teachers' OPEB on behalf amount	<u>220,191</u>	<u>220,191</u>
GAAP Basis - Exhibit D	<u><u>\$192,447,373</u></u>	<u><u>\$185,332,164</u></u>

By Charter, the Mayor's recommended budget for the fiscal year beginning July 1 is presented to the City Council no later than the third Thursday in March, with Council action mandated on or before the first Thursday in May.

After adoption of the original budget, budget transfer amounts less than \$1,500 within departments require the approval of both the Mayor and the Director of Finance. Budget transfer amounts exceeding \$1,500 require the approval of the City Council.

See Note IV.D for additional current approvals required by the Municipal Accountability Review Board (MARB).

The legal level of control (the level at which expenditures may not legally exceed appropriations) is the department level for the general fund.

Formal budgetary integration is employed as a management control device during the year.

The Board of Education, which is not a separate legal entity but a function of the City, is authorized under State law to make any transfers required within their budget at their discretion.

The City Council can approve additional appropriations on recommendation of the Mayor and certification from the Director of Finance that there is available fund balance.

Allingtown Fire Department Fund

The legal level of control (the level at which expenditures may not legally exceed appropriations) is the fund level for the Allingtown Fire Department.

During the year, there were additional appropriations from revenue of: \$ 403,093

Town of West Haven, Connecticut

Required Supplementary Information

Police Pension Plan
Last Ten Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Schedule of Changes in Net Pension Liability and Related Ratios										
Total pension liability:										
Service cost	\$ 1,328,961	\$ 1,212,535	\$ 785,814	\$ 1,148,323	\$ 1,392,240	\$ 1,259,486	\$ 1,557,421	\$ 1,456,995	\$ 1,734,676	\$ 1,615,531
Interest	11,445,356	10,836,258	10,597,499	10,001,560	9,775,544	10,276,337	9,998,157	9,985,109	9,687,559	9,377,636
Differences between expected and actual experience	-	7,775,336	-	(8,754,588)	-	(9,950,205)	-	(3,803,033)	-	(1,106,768)
Changes in assumptions	-	3,059,023	-	14,149,801	-	3,856,902	-	(311,559)	-	-
Benefit payments, including refunds of member contributions	(9,427,214)	(9,000,541)	(7,935,813)	(7,705,238)	(7,796,598)	(7,631,461)	(7,345,028)	(7,160,318)	(7,064,026)	(6,758,653)
Net change in total pension liability	3,347,103	13,882,611	3,447,500	8,839,858	3,371,186	(2,188,941)	4,210,550	167,194	4,358,209	3,127,746
Total pension liability - July 1	169,180,754	155,298,143	151,850,643	143,010,785	139,639,599	141,828,540	137,617,990	137,450,796	133,092,587	129,964,841
Total pension liability - June 30 (a)	<u>\$ 172,527,857</u>	<u>\$ 169,180,754</u>	<u>\$ 155,298,143</u>	<u>\$ 151,850,643</u>	<u>\$ 143,010,785</u>	<u>\$ 139,639,599</u>	<u>\$ 141,828,540</u>	<u>\$ 137,617,990</u>	<u>\$ 137,450,796</u>	<u>\$ 133,092,587</u>
Plan fiduciary net position:										
Contributions - employer	\$ 4,023,000	\$ 2,396,000	\$ 2,430,000	\$ 2,412,000	\$ 2,203,317	\$ 1,994,500	\$ 2,091,000	\$ 1,850,000	\$ 1,850,000	\$ 1,274,950
Contributions - member	393,604	464,214	436,179	462,875	473,136	522,344	566,567	580,520	571,774	590,403
Net investment income (loss)	17,262,386	11,533,635	(20,598,365)	31,437,890	(894,112)	4,655,627	9,468,710	11,560,855	(2,589,880)	2,067,404
Benefit payments, including refunds of member contributions	(9,427,214)	(9,000,541)	(7,935,813)	(7,705,238)	(7,796,598)	(7,631,461)	(7,345,028)	(7,160,318)	(7,064,026)	(6,758,653)
Administration	(14,114)	(20,297)	(324,395)	(484,899)	(14,030)	(13,867)	(16,843)	(23,123)	(14,646)	(26,720)
Net change in plan fiduciary net position	12,237,662	5,373,011	(25,992,394)	26,122,628	(6,028,287)	(472,857)	4,764,406	6,807,934	(7,246,778)	(2,852,616)
Plan fiduciary net position - July 1	119,550,576	114,177,565	140,169,959	114,047,331	120,075,618	120,548,475	115,784,069	108,976,135	116,222,913	119,075,529
Plan fiduciary net position - June 30 (b)	<u>\$ 131,788,238</u>	<u>\$ 119,550,576</u>	<u>\$ 114,177,565</u>	<u>\$ 140,169,959</u>	<u>\$ 114,047,331</u>	<u>\$ 120,075,618</u>	<u>\$ 120,548,475</u>	<u>\$ 115,784,069</u>	<u>\$ 108,976,135</u>	<u>\$ 116,222,913</u>
Net pension liability - June 30 (a)-(b)	<u>\$ 40,739,619</u>	<u>\$ 49,630,178</u>	<u>\$ 41,120,578</u>	<u>\$ 11,680,684</u>	<u>\$ 28,963,454</u>	<u>\$ 19,563,981</u>	<u>\$ 21,280,065</u>	<u>\$ 21,833,921</u>	<u>\$ 28,474,661</u>	<u>\$ 16,869,674</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>76.39%</u>	<u>70.66%</u>	<u>73.52%</u>	<u>92.31%</u>	<u>79.75%</u>	<u>85.99%</u>	<u>85.00%</u>	<u>84.13%</u>	<u>79.28%</u>	<u>87.32%</u>
Covered payroll	<u>\$ 5,033,228</u>	<u>\$ 4,995,379</u>	<u>\$ 4,995,379</u>	<u>\$ 5,765,537</u>	<u>\$ 5,765,537</u>	<u>\$ 6,588,354</u>	<u>\$ 6,588,354</u>	<u>\$ 6,588,354</u>	<u>\$ 7,160,460</u>	<u>\$ 7,160,460</u>
Net pension liability as a percentage of covered payroll	<u>809.41%</u>	<u>993.52%</u>	<u>823.17%</u>	<u>202.59%</u>	<u>502.35%</u>	<u>296.95%</u>	<u>323.00%</u>	<u>331.40%</u>	<u>397.67%</u>	<u>235.59%</u>
Schedule of Investment Returns										
Annual money weighted rate of return, net of investment expense	<u>14.65%</u>	<u>9.68%</u>	<u>(14.60%)</u>	<u>27.31%</u>	<u>(0.76%)</u>	<u>3.95%</u>	<u>8.60%</u>	<u>10.64%</u>	<u>(1.87%)</u>	<u>1.43%</u>

See Notes to Required Supplementary Information.

City of West Haven, Connecticut

Required Supplementary Information

Police Pension Plan
Schedule of Contributions
Last Ten Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contributions	\$ 3,951,680	\$ 2,396,000	\$ 2,598,048	\$ 2,411,601	\$ 2,203,317	\$ 1,994,500	\$ 1,927,100	\$ 1,861,931	\$ 1,848,528	\$ 2,342,798
Contributions in relation to the actuarially determined contribution	4,023,000	2,396,000	2,430,000	2,412,000	2,203,317	1,994,500	2,091,000	1,850,000	1,850,000	1,274,950
Contribution excess (deficiency)	\$ 71,320	\$ -	\$ (168,048)	\$ 399	\$ -	\$ -	\$ 163,900	\$ (11,931)	\$ 1,472	\$ (1,067,848)
Covered payroll	\$ 5,033,228	\$ 4,995,379	\$ 4,995,379	\$ 5,765,537	\$ 5,765,537	\$ 6,588,354	\$ 6,588,354	\$ 6,588,354	\$ 7,160,460	\$ 7,160,460
Contributions as a percentage of covered payroll	79.93%	47.96%	48.64%	41.83%	38.22%	30.27%	31.74%	28.08%	25.84%	17.81%

See Notes to Required Supplementary Information.

City of West Haven, Connecticut
Notes to Required Supplementary Information

Police Pension Plan
Schedule of Contributions
Last Ten Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
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, 2022	July 1, 2020	July 1, 2020	July 1, 2018	July 1, 2018	January 1, 2016	January 1, 2016	January 1, 2014	January 1, 2014
Actuarial methods and assumptions used to determine contribution rates:										
Actuarial cost method	Projected unit credit	Projected unit credit	Projected unit credit	Projected unit credit	Projected unit credit	Projected unit credit	Projected unit credit	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 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	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%
Salary increases	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
Investment rate of return (net)	6.90%	6.90%	7.13%	7.13%	7.13%	7.13%	7.38%	7.38%	7.38%	7.38%
Mortality rate	PubS-2010 Mortality Table with generational projection per the MP-2021 ultimate scale	PubS-2010 Mortality Table with generational projection per the MP-2021 ultimate scale	PubS-2010 Mortality Table with generational projection per the MP-2019 ultimate scale	PubS-2010 Mortality Table with generational projection per the MP-2019 ultimate scale	RP-2000 Mortality Table projected to 2020 per Scale AA	RP-2000 Mortality Table projected to 2020 per Scale AA	RP-2000 Mortality Table projected to 2020 per Scale AA	RP-2000 Mortality Table projected to 2020 per Scale AA	RP-2000 Mortality Table projected to 2020 per Scale AA	RP-2000 Mortality Table projected to 2020 per Scale AA

City of West Haven, Connecticut

Required Supplementary Information

Allington Fire Department Pension Plan
Last Ten Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Schedule of Changes in Net Pension Liability and Related Ratios										
Total pension liability:										
Service cost	\$ 332,428	\$ 354,848	\$ 300,800	\$ 308,556	\$ 285,870	\$ 386,203	\$ 373,143	\$ 524,520	\$ 491,354	\$ 462,468
Interest	2,128,383	2,091,434	2,224,428	2,170,227	2,035,642	2,005,277	1,936,364	1,894,119	1,832,169	1,838,710
Differences between expected and actual experience	1,327,772	-	(2,368,752)	-	(360,338)	-	551,655	-	(1,272,361)	-
Effect of plan changes	-	-	-	-	-	-	-	-	1,419,497	-
Changes in assumptions	(294,083)	-	2,008,196	-	1,729,217	-	-	-	1,515,081	-
Benefit payments, including refunds of member contributions	(1,880,673)	(1,786,158)	(1,634,720)	(1,700,317)	(1,737,525)	(1,941,719)	(1,767,724)	(1,519,142)	(1,361,295)	(1,366,522)
Net change in total pension liability	1,613,827	660,124	529,952	778,466	1,952,866	449,761	1,093,438	899,497	2,624,445	934,656
Total pension liability - July 1	34,647,774	33,987,650	33,457,698	32,679,232	30,726,366	30,276,605	29,183,167	28,283,670	25,659,225	24,724,569
Total pension liability - June 30 (a)	<u>\$ 36,261,601</u>	<u>\$ 34,647,774</u>	<u>\$ 33,987,650</u>	<u>\$ 33,457,698</u>	<u>\$ 32,679,232</u>	<u>\$ 30,726,366</u>	<u>\$ 30,276,605</u>	<u>\$ 29,183,167</u>	<u>\$ 28,283,670</u>	<u>\$ 25,659,225</u>
Plan fiduciary net position:										
Contributions - employer	\$ 3,739,196	\$ 2,943,412	\$ 3,113,800	\$ 3,138,868	\$ 2,250,737	\$ 2,150,220	\$ 1,894,851	\$ 1,691,815	\$ 1,559,866	\$ 1,571,325
Contributions - member	97,928	145,700	107,081	110,639	99,374	102,602	121,477	145,266	164,437	161,935
Net investment income (loss)	1,721,077	686,877	(1,354,196)	1,065,826	498,305	610,128	515,517	454,693	71,139	(89,385)
Benefit payments, including refunds of member contributions	(1,880,673)	(1,786,158)	(1,634,720)	(1,700,317)	(1,737,525)	(1,941,719)	(1,767,724)	(1,519,142)	(1,361,295)	(1,366,522)
Administration	(68,188)	(76,639)	(328,556)	(78,038)	(125)	(77,486)	(35)	(9,551)	(28,895)	(100)
Net change in plan fiduciary net position	3,609,340	1,913,192	(96,591)	2,536,978	1,110,766	843,745	764,086	763,081	405,252	277,253
Plan fiduciary net position - July 1	13,570,469	11,657,277	11,753,868	9,216,890	8,106,124	7,262,379	6,498,293	5,735,212	5,329,960	5,052,707
Plan fiduciary net position - June 30 (b)	<u>\$ 17,179,809</u>	<u>\$ 13,570,469</u>	<u>\$ 11,657,277</u>	<u>\$ 11,753,868</u>	<u>\$ 9,216,890</u>	<u>\$ 8,106,124</u>	<u>\$ 7,262,379</u>	<u>\$ 6,498,293</u>	<u>\$ 5,735,212</u>	<u>\$ 5,329,960</u>
Net pension liability - June 30 (a)-(b)	<u>\$ 19,081,792</u>	<u>\$ 21,077,305</u>	<u>\$ 22,330,373</u>	<u>\$ 21,703,830</u>	<u>\$ 23,462,342</u>	<u>\$ 22,620,242</u>	<u>\$ 23,014,226</u>	<u>\$ 22,684,874</u>	<u>\$ 22,548,458</u>	<u>\$ 20,329,265</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>47.38%</u>	<u>39.17%</u>	<u>34.30%</u>	<u>35.13%</u>	<u>28.20%</u>	<u>26.38%</u>	<u>23.99%</u>	<u>22.27%</u>	<u>20.28%</u>	<u>20.77%</u>
Covered payroll	<u>\$ 973,137</u>	<u>\$ 973,137</u>	<u>\$ 984,212</u>	<u>\$ 984,212</u>	<u>\$ 1,275,933</u>	<u>\$ 1,275,933</u>	<u>\$ 1,689,604</u>	<u>\$ 1,689,604</u>	<u>\$ 1,678,136</u>	<u>\$ 1,678,136</u>
Net pension liability as a percentage of covered payroll	<u>1960.85%</u>	<u>2165.91%</u>	<u>2268.86%</u>	<u>2205.20%</u>	<u>1838.84%</u>	<u>1772.84%</u>	<u>1362.11%</u>	<u>1342.61%</u>	<u>1343.66%</u>	<u>1211.42%</u>
Schedule of Investment Returns										
Annual money weighted rate of return, net of investment expense	<u>6.13%</u>	<u>7.38%</u>	<u>(11.36%)</u>	<u>9.45%</u>	<u>5.79%</u>	<u>8.22%</u>	<u>7.77%</u>	<u>7.53%</u>	<u>1.29%</u>	<u>(1.70%)</u>

See Notes to Required Supplementary Information.

City of West Haven, Connecticut

Required Supplementary Information

Allingtown Fire Department Pension Plan
Schedule of Contributions
Last Ten Years

	<u>2024</u>	<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>
Actuarially determined contributions	\$ 2,125,280	\$ 2,053,411	\$ 2,488,867	\$ 2,404,702	\$ 2,250,737	\$ 2,174,625	\$ 2,080,270	\$ 2,009,923	\$ 1,597,526	\$ 1,536,083
Contributions in relation to the actuarially determined contribution	<u>3,739,196</u>	<u>2,943,412</u>	<u>3,113,800</u>	<u>3,138,868</u>	<u>2,250,737</u>	<u>2,150,220</u>	<u>1,894,851</u>	<u>1,691,815</u>	<u>1,559,866</u>	<u>1,571,325</u>
Contribution excess (deficiency)	<u>\$ 1,613,916</u>	<u>\$ 890,001</u>	<u>\$ 624,933</u>	<u>\$ 734,166</u>	<u>\$ -</u>	<u>\$ (24,405)</u>	<u>\$ (185,419)</u>	<u>\$ (318,108)</u>	<u>\$ (37,660)</u>	<u>\$ 35,242</u>
Covered payroll	<u>\$ 973,137</u>	<u>\$ 973,137</u>	<u>\$ 984,212</u>	<u>\$ 984,212</u>	<u>\$ 1,275,933</u>	<u>\$ 1,275,933</u>	<u>\$ 1,689,604</u>	<u>\$ 1,689,604</u>	<u>\$ 1,678,136</u>	<u>\$ 1,678,136</u>
Contributions as a percentage of covered payroll	<u>384.24%</u>	<u>302.47%</u>	<u>316.37%</u>	<u>318.92%</u>	<u>176.40%</u>	<u>168.52%</u>	<u>112.15%</u>	<u>100.13%</u>	<u>92.95%</u>	<u>93.64%</u>

See Notes to Required Supplementary Information.

City of West Haven, Connecticut

Notes to Required Supplementary Information

Allingtown Fire Department Pension Plan
Schedule of Contributions
Last Ten Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
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, 2021	July 1, 2019	July 1, 2019	July 1, 2017	July 1, 2017	July 1, 2016	July 1, 2016	July 1, 2015	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	Entry age normal	Entry age normal
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	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.00%
Salary increases	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	2.00%
Investment rate of return (net)	6.25%	6.25%	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	7.50%
Mortality rate	PubS-2010 Mortality Table with generational projection per the MP-2019 Ultimate scale	PubS-2010 Mortality Table with generational projection per the MP-2019 Ultimate scale	PubS-2010 Mortality Table with generational projection per the MP Ultimate Scale	PubS-2010 Mortality Table with generational projection per the MP Ultimate Scale	RP-2000 Mortality Table with generational projection per Scale AA	RP-2000 Mortality Table with generational projection per Scale AA	RP-2000 Mortality Table with generational projection per Scale AA	RP-2000 Mortality Table with generational projection per Scale AA	RP-2000 Mortality Table with generational projection per Scale AA	RP-2000 Mortality Table with generational projection per Scale AA

City of West Haven, Connecticut

Required Supplementary Information

Connecticut State Teachers' Retirement System
Last Ten Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<u>Schedule of Proportionate Share of the Collective Net Pension Liability</u>										
City'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%	0.00%
City's proportionate share of the collective net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of Connecticut's proportionate share of the collective net pension liability associated with the City	174,390,422	190,244,877	152,929,267	193,090,442	178,544,596	137,668,256	142,269,191	150,095,086	113,727,170	105,117,977
Total	<u>\$ 174,390,422</u>	<u>\$ 190,244,877</u>	<u>\$ 152,929,267</u>	<u>\$ 193,090,442</u>	<u>\$ 178,544,596</u>	<u>\$ 137,668,256</u>	<u>\$ 142,269,191</u>	<u>\$ 150,095,086</u>	<u>\$ 113,727,170</u>	<u>\$ 105,117,977</u>
City's covered payroll	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
City's proportionate share of the collective net pension liability as a percentage of covered payroll	0.00%	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	58.39%	54.06%	60.77%	49.24%	52.00%	57.69%	55.93%	52.26%	59.50%	61.51%
<u>Schedule of Contributions</u>										
Contractually required contribution (1)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contribution	-	-	-	-	-	-	-	-	-	-
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	(2)	(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%	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.

City of West Haven, Connecticut

Notes to Required Supplementary Information

Connecticut State Teachers' Retirement System
Schedule of Contributions
Last Ten Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Changes of benefit terms	None	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	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	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	Level percent of salary, closed
Remaining amortization period (equivalent single period)	26.8 years	27.8 years	28.8 years	29.8 years	30 years	30 years	20.4 years	21.4 years	22.4 years	23.4 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	4 year smoothing
Inflation rate	2.50%	2.50%	2.50%	2.50%	2.75%	2.75%	3.00%	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	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	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%	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	RP-2000 Combined Mortality Table projected 19 years using scale AA

City of West Haven, Connecticut
Required Supplementary Information
City Other Post-Employment Benefit (OPEB) Plan
Last Eight Years (1)

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<u>Schedule of Changes in Net OPEB Liability and Related Ratios</u>								
OPEB liability:								
Service cost	\$ 4,744,179	\$ 6,806,957	\$ 10,813,464	\$ 11,080,550	\$ 7,360,854	\$ 5,120,818	\$ 5,336,119	\$ 5,146,556
Interest	8,404,775	8,067,835	7,098,495	6,970,456	7,085,244	7,156,576	5,961,628	5,137,998
Changes of benefit terms	660,837	-	-	-	(1,191,970)	-	(318,736)	-
Differences between expected and actual experience	(42,390,226)	-	(27,385,705)	-	44,337,855	-	21,704,481	-
Changes in assumptions	(35,224,057)	(3,450,435)	(80,266,789)	2,644,827	59,017,168	9,917,381	(7,576,180)	(17,603,501)
Benefit payments, including refunds of member contributions	<u>(6,744,295)</u>	<u>(7,250,562)</u>	<u>(6,740,573)</u>	<u>(7,653,556)</u>	<u>(7,045,915)</u>	<u>(6,797,571)</u>	<u>(6,199,457)</u>	<u>(7,056,148)</u>
Net change in OPEB liability	(70,548,787)	4,173,795	(96,481,108)	13,042,277	109,563,236	15,397,204	18,907,855	(14,375,095)
OPEB liability - July 1	<u>228,865,531</u>	<u>224,691,736</u>	<u>321,172,844</u>	<u>308,130,567</u>	<u>198,567,331</u>	<u>183,170,127</u>	<u>164,262,272</u>	<u>178,637,367</u>
OPEB liability - June 30	<u>\$ 158,316,744</u>	<u>\$ 228,865,531</u>	<u>\$ 224,691,736</u>	<u>\$ 321,172,844</u>	<u>\$ 308,130,567</u>	<u>\$ 198,567,331</u>	<u>\$ 183,170,127</u>	<u>\$ 164,262,272</u>
Plan fiduciary net position: (2)								
Contributions - employer	\$ 7,669,295							
Net investment income (loss)	238							
Benefit payments, including refunds of member contributions	<u>(6,744,295)</u>							
Net change in plan fiduciary net position	925,238							
Plan fiduciary net position - July 1	<u>-</u>							
Plan fiduciary net position - June 30 (b)	<u>\$ 925,238</u>							
Net OPEB liability - June 30 (a)-(b)	<u>\$ 157,391,506</u>							
Plan fiduciary net position as a percentage of the total OPEB liability	<u>0.58%</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>\$ 123,206,770</u>	<u>\$ 112,066,977</u>	<u>\$ 112,066,977</u>	<u>\$ 78,710,730</u>	<u>\$ 78,710,730</u>	<u>\$ 59,634,262</u>	<u>\$ 59,634,262</u>	<u>\$ 61,793,967</u>
OPEB liability as a percentage of covered payroll	<u>128.50%</u>	<u>204.22%</u>	<u>200.50%</u>	<u>408.04%</u>	<u>391.47%</u>	<u>332.98%</u>	<u>307.16%</u>	<u>265.82%</u>
<u>Schedule of Investment Returns</u>								
Annual money weighted rate of return, net of investment expense	<u>0.32%</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>

(1) This schedule is intended to present information for 10 years. Additional years will be presented as the information becomes available.

(2) Trust established during fiscal year 2024.

N/A - Not available or not applicable

See Notes to Required Supplementary Information.

City of West Haven, Connecticut

Required Supplementary Information

City Other Post-Employment Benefit (OPEB) Plan
Schedule of Contributions
June 30, 2024 (1)

Actuarially determined contributions	N/A
Contributions in relation to the actuarially determined contribution	<u>\$ 7,669,295</u>
Contribution excess (deficiency)	<u>N/A</u>
Covered payroll	<u>\$123,206,770</u>
Contributions as a percentage of covered payroll	<u>6.22%</u>

(1) These schedules are intended to present information for 10 years. Additional years will be presented as the information becomes available.

N/A - As of the latest actuarial valuation, the plan has been pay-as-you-go. The last actuarial valuation was as of July 1, 2023, therefore, no actuarially determined contribution has been calculated.

See Notes to Required Supplementary Information.

City of West Haven, Connecticut

Notes to Required Supplementary Information

City Other Post-Employment Benefit (OPEB) Plan
Schedule of Contributions
June 30, 2024 (1)

Changes of benefit terms	None
The actuarially determined contribution rates are calculated as of	July 1, 2023
Actuarial methods and assumptions used to determine contribution rates:	
Actuarial cost method	Entry age normal
Amortization method	Level percentage
Asset valuation method	5 year smoothing
Inflation rate	2.50%
Salary increases	3.50%
Investment rate of return (net)	6.50%
Mortality rate	PubS-2010 Mortality Table with generational projection per the MP-2021 Ultimate scale

(1) These schedules are intended to present information for 10 years.
Additional years will be presented as the information becomes available.

City of West Haven, Connecticut

Required Supplementary Information

Allingtown Fire Department Other Post-Employment Benefit (OPEB) Plan
Last Eight Years (1)

	2024	2023	2022	2021	2020	2019	2018	2017
<u>Schedule of Changes in Net OPEB Liability and Related Ratios</u>								
OPEB liability:								
Service cost	\$ 334,126	\$ 769,872	\$ 1,201,059	\$ 1,094,843	\$ 775,734	\$ 824,372	\$ 868,068	\$ 958,243
Interest	907,028	884,476	680,490	666,669	999,677	997,948	932,668	818,437
Change of benefit terms	-	-	(373,777)	-	-	-	-	-
Differences between expected and actual experience	3,962,417	-	(162,527)	-	(4,782,737)	-	(26,980)	-
Changes in assumptions	(7,590,426)	(509,241)	(6,566,832)	292,562	5,070,555	1,736,228	(1,298,327)	(3,655,785)
Benefit payments, including refunds of member contributions	(805,440)	(883,048)	(852,422)	(792,064)	(762,820)	(705,950)	(688,973)	(703,461)
Net change in OPEB liability	(3,192,295)	262,059	(6,074,009)	1,262,010	1,300,409	2,852,598	(213,544)	(2,582,566)
OPEB liability - July 1	24,915,076	24,653,017	30,727,026	29,465,016	28,164,607	25,312,009	25,525,553	28,108,119
OPEB liability - June 30	<u>\$21,722,781</u>	<u>\$ 24,915,076</u>	<u>\$ 24,653,017</u>	<u>\$30,727,026</u>	<u>\$29,465,016</u>	<u>\$ 28,164,607</u>	<u>\$25,312,009</u>	<u>\$25,525,553</u>
Plan fiduciary net position: (2)								
Contributions - employer	\$ 1,022,940							
Net investment income (loss)	56							
Benefit payments, including refunds of member contributions	(805,440)							
Net change in plan fiduciary net position	217,556							
Plan fiduciary net position - July 1	-							
Plan fiduciary net position - June 30 (b)	<u>\$ 217,556</u>							
Net OPEB liability - June 30 (a)-(b)	<u>\$21,505,225</u>							
Plan fiduciary net position as a percentage of the total OPEB liability	<u>1.00%</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>\$ 1,478,931</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>
OPEB liability as a percentage of covered payroll	<u>1468.82%</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>Schedule of Investment Returns</u>								
Annual money weighted rate of return, net of investment expense	<u>0.32%</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>

(1) This schedule is intended to present information for 10 years. Additional years will be presented as the information becomes available.

(2) Trust established during fiscal year 2024.

N/A - Not available or not applicable

See Notes to Required Supplementary Information

City of West Haven, Connecticut

Required Supplementary Information

Allingtown Fire Department Other Post-Employment Benefit (OPEB) Plan
Schedule of Contributions
June 30, 2024 (1)

Actuarially determined contributions	N/A
Contributions in relation to the actuarially determined contribution	<u>\$ 1,022,940</u>
Contribution excess (deficiency)	<u>N/A</u>
Covered payroll	<u>\$ 1,478,931</u>
Contributions as a percentage of covered payroll	<u>69.17%</u>

(1) These schedules are intended to present information for 10 years.
 Additional years will be presented as the information becomes available.

N/A - As of the latest actuarial valuation, the plan has been pay-as-you-go. The last actuarial valuation was as of July 1, 2023, therefore, no actuarially determined contribution has been calculated.

See Notes to Required Supplementary Information.

City of West Haven, Connecticut

Notes to Required Supplementary Information

**Allingtown Other Post-Employment Benefit (OPEB) Plan
Schedule of Contributions
June 30, 2024 (1)**

Changes of benefit terms	None
The actuarially determined contribution rates are calculated as of	July 1, 2023
Actuarial methods and assumptions used to determine contribution rates:	
Actuarial cost method	Entry age normal
Amortization method	Level percentage
Asset valuation method	5 year smoothing
Inflation rate	2.50%
Salary increases	3.50%
Investment rate of return (net)	6.50%
Mortality rate	PubS-2010 Mortality Table with generational projection per the MP-2021 Ultimate scale

(1) These schedules are intended to present information for 10 years.
Additional years will be presented as the information becomes available.

City of West Haven, Connecticut

Required Supplementary Information

Connecticut State Teachers' Retirement Board Retiree Health Insurance Plan
Last Seven Years (3)

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<u>Schedule of Proportionate Share of the Collective Net OPEB Liability</u>							
City's proportion of the collective net OPEB liability	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
City's proportionate share of the collective net OPEB liability	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
State of Connecticut's proportionate share of the collective net OPEB liability associated with the City	<u>16,337,988</u>	<u>16,661,088</u>	<u>16,661,363</u>	<u>28,799,446</u>	<u>27,845,037</u>	<u>27,520,758</u>	<u>36,618,483</u>
Total	<u>\$ 16,337,988</u>	<u>\$ 16,661,088</u>	<u>\$ 16,661,363</u>	<u>\$ 28,799,446</u>	<u>\$ 27,845,037</u>	<u>\$ 27,520,758</u>	<u>\$ 36,618,483</u>
City's covered payroll	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>
City's proportionate share of the collective net OPEB liability as a percentage of its covered payroll	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Plan fiduciary net position as a percentage of the collective total OPEB liability	<u>11.92%</u>	<u>9.46%</u>	<u>6.11%</u>	<u>2.50%</u>	<u>2.08%</u>	<u>1.49%</u>	<u>1.79%</u>
<u>Schedule of Contributions</u>							
Contractually required contribution (1)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Contributions in relation to the contractually required contribution	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>
Contributions as a percentage of covered payroll	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>

(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 the information becomes available.

See Notes to Required Supplementary Information.

City of West Haven, Connecticut

Notes to Required Supplementary Information

Connecticut State Teachers' Retirement Board Retiree Health Insurance Plan
Schedule of Contributions
Last Seven Years (1)

	2024	2023	2022	2021	2020	2019	2018
Changes of benefit terms	Increase in maximum monthly subsidy amount for retiree and dependent from \$110/\$220 to \$220/\$440	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	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	Entry age
Amortization method	Level percentage, open	Level percentage, closed	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	30 years
Asset valuation method	Fair value	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%	2.75%
Healthcare inflation rate	Initial 6.75% decreasing to 4.50% (ultimate) by 2031	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	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	3.25% to 6.50%, including inflation
Investment rate of return (net)	3.00%	3.00%	3.00%	3.00%	3.00%	4.25%	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	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.

Supplemental Schedules

General Fund

General Fund

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

City of West Haven, Connecticut

General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2024

	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual	Variance With Final Budget
Revenues:					
Property taxes	\$ 110,050,316	\$ -	\$ 110,050,316	\$ 109,715,942	\$ (334,374)
Intergovernmental	56,498,193	-	56,498,193	57,179,658	681,465
Charges for services	4,767,119	-	4,767,119	5,616,636	849,517
Contributions	506,000	-	506,000	526,523	20,523
Income from investments	1,258,000	-	1,258,000	2,806,112	1,548,112
Other	65,000	-	65,000	201,332	136,332
Total revenues	173,144,628	-	173,144,628	176,046,203	2,901,575
Expenditures:					
Current:					
General government	9,379,898	(719,137)	8,660,761	7,948,565	712,196
Public safety	17,956,576	1,306,069	19,262,645	18,996,978	265,667
Public works	14,438,884	(1,532,821)	12,906,063	12,288,904	617,159
Benefits and insurance	23,559,522	61,673	23,621,195	23,407,135	214,060
Human resources and health and welfare	1,492,369	(137,775)	1,354,594	1,300,476	54,118
Parks and recreation	1,132,458	31,991	1,164,449	1,053,876	110,573
Library	1,625,000	-	1,625,000	1,625,000	-
Education	89,960,421	-	89,960,421	89,960,421	-
Debt service	14,358,925	-	14,358,925	12,349,639	2,009,286
Total expenditures	173,904,053	(990,000)	172,914,053	168,930,994	3,983,059
Excess (deficiency) of revenues over expenditures	(759,425)	990,000	230,575	7,115,209	6,884,634
Other financing sources (uses):					
Sale of assets	250,000	-	250,000	15,000	(235,000)
Transfers in	509,425	-	509,425	309,425	(200,000)
Transfers out	-	(990,000)	(990,000)	(990,000)	-
Net other financing sources (uses)	759,425	(990,000)	(230,575)	(665,575)	(435,000)
Net change in fund balance	\$ -	\$ -	\$ -	6,449,634	\$ 6,449,634
Fund balance - July 1, 2023				14,758,946	
Fund balance - June 30, 2024				\$ 21,208,580	

City of West Haven, Connecticut

**General Fund
Report of Tax Collector
For the Year Ended June 30, 2024**

Grand List Year	Uncollected Taxes July 1, 2023	Current Year Levy	Lawful Corrections		Transfers to Suspense	Adjusted Taxes Collectible	Collections			Uncollected Taxes June 30, 2024
			Additions	Deductions			Net Taxes Collected	Interest and Liens	Total	
2007	\$ 53,939	\$ -	\$ -	\$ 53,939	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2008	98,083	-	-	-	-	98,083	-	621	621	98,083
2009	109,390	-	-	-	-	109,390	1,262	6,248	7,510	108,128
2010	75,497	-	-	-	-	75,497	-	-	-	75,497
2011	73,666	-	-	-	-	73,666	-	-	-	73,666
2012	90,569	-	-	-	-	90,569	155	368	523	90,414
2013	146,187	-	-	-	-	146,187	153	249	402	146,034
2014	163,774	-	-	-	-	163,774	2,647	3,334	5,981	161,127
2015	110,304	-	-	-	-	110,304	4,574	6,008	10,582	105,730
2016	157,241	-	1,059	2,341	-	155,959	5,214	8,008	13,222	150,745
2017	102,241	-	467	3,407	-	99,301	1,645	4,357	6,002	97,656
2018	122,268	-	473	3,911	-	118,830	21,459	16,851	38,310	97,371
2019	142,891	-	2,594	5,633	-	139,852	25,787	18,389	44,176	114,065
2020	1,172,489	-	26,726	27,909	787,365	383,941	248,872	138,423	387,295	135,069
2021	<u>3,215,916</u>	<u>-</u>	<u>78,941</u>	<u>1,371,348</u>	<u>-</u>	<u>1,923,509</u>	<u>712,791</u>	<u>272,046</u>	<u>984,837</u>	<u>1,210,718</u>
Subtotal	5,834,455	-	110,260	1,468,488	787,365	3,688,862	1,024,559	474,902	1,499,461	2,664,303
2022	<u>-</u>	<u>109,221,941</u>	<u>107,489</u>	<u>356,885</u>	<u>-</u>	<u>108,972,545</u>	<u>106,788,375</u>	<u>664,915</u>	<u>107,453,290</u>	<u>2,184,170</u>
Total	<u>\$ 5,834,455</u>	<u>\$ 109,221,941</u>	<u>\$ 217,749</u>	<u>\$ 1,825,373</u>	<u>\$ 787,365</u>	<u>\$ 112,661,407</u>	<u>\$ 107,812,934</u>	<u>\$ 1,139,817</u>	<u>\$ 108,952,751</u>	4,848,473
Interest and liens receivable										3,035,549
Allowance for doubtful accounts										<u>(2,739,795)</u>
Taxes, interest and liens receivable (net)										<u>\$ 5,144,227</u>

Allingtown Fire Department

The Allingtown fire department fund is used to account for the operations of the Allingtown Fire Department. The operations are required to be accounted for separately under State Statutes since the City has two other departments that are taxing districts. The department is funded principally by property taxes, charges for services and fees and grants from other governmental units.

City of West Haven, Connecticut
Allingtown Fire Department Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2024

	Original Budget	Additional Appropriations and Transfers	Final Budget	Actual	Variance With Final Budget
Revenues:					
Property taxes	\$ 6,953,613	\$ -	\$ 6,953,613	\$ 7,184,489	\$ 230,876
Intergovernmental	2,023,970	342,000	2,365,970	2,058,525	(307,445)
Charges for services	104,000	61,093	165,093	225,131	60,038
Contributions	100,000	-	100,000	100,000	-
Total revenues	<u>9,181,583</u>	<u>403,093</u>	<u>9,584,676</u>	<u>9,568,145</u>	<u>(16,531)</u>
Expenditures:					
Current:					
Personnel	7,239,083	1,107,947	8,347,030	8,467,482	(120,452)
Maintenance	190,000	25,000	215,000	192,774	22,226
Administration	67,000	-	67,000	65,109	1,891
Utilities, insurance, and equipment	920,500	(229,854)	690,646	649,117	41,529
Capital outlay	265,000	-	265,000	143,936	121,064
Total expenditures	<u>8,681,583</u>	<u>903,093</u>	<u>9,584,676</u>	<u>9,518,418</u>	<u>66,258</u>
Excess (deficiency) of revenues over expenditures	500,000	(500,000)	-	49,727	49,727
Other financing sources (uses):					
Transfers out	<u>(500,000)</u>	<u>500,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	49,727	<u>\$ 49,727</u>
Fund balance - July 1, 2023				<u>4,150,958</u>	
Fund balance - June 30, 2024				<u>\$ 4,200,685</u>	

City of West Haven, Connecticut

**Allingtown Fire Department
Report of Tax Collector
For the Year Ended June 30, 2024**

Grand List Year	Uncollected Taxes July 1, 2023	Current Year Levy	Lawful Corrections		Transfers to Suspense	Adjusted Taxes Collectible	Collections			Uncollected Taxes June 30, 2024
			Additions	Deductions			Net Taxes Collected	Interest and Liens	Total	
2007	\$ 4,599	\$ -	\$ -	\$ 4,599	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2008	17,674	-	-	-	-	17,674	-	10	10	17,674
2009	18,140	-	-	-	-	18,140	347	1,674	2,021	17,793
2010	8,035	-	-	-	-	8,035	-	-	-	8,035
2011	8,882	-	-	-	-	8,882	-	-	-	8,882
2012	13,332	-	-	-	-	13,332	24	44	68	13,308
2013	18,433	-	-	-	-	18,433	-	-	-	18,433
2014	20,322	-	-	-	-	20,322	-	-	-	20,322
2015	15,535	-	-	-	-	15,535	-	-	-	15,535
2016	16,549	-	-	-	-	16,549	-	-	-	16,549
2017	19,319	-	-	-	-	19,319	-	-	-	19,319
2018	23,245	-	-	168	-	23,077	4,254	2,376	6,630	18,823
2019	23,725	-	13	168	-	23,570	4,350	2,890	7,240	19,220
2020	87,573	-	500	695	49,622	37,756	17,948	6,668	24,616	19,808
2021	<u>93,538</u>	<u>-</u>	<u>1,129</u>	<u>2,994</u>	<u>-</u>	<u>91,673</u>	<u>27,601</u>	<u>6,227</u>	<u>33,828</u>	<u>64,072</u>
Subtotal	388,901	-	1,642	8,624	49,622	332,297	54,524	19,889	74,413	277,773
2022	<u>-</u>	<u>7,042,483</u>	<u>1,367</u>	<u>10,940</u>	<u>-</u>	<u>7,032,910</u>	<u>6,940,036</u>	<u>35,045</u>	<u>6,975,081</u>	<u>92,874</u>
Total	<u>\$ 388,901</u>	<u>\$ 7,042,483</u>	<u>\$ 3,009</u>	<u>\$ 19,564</u>	<u>\$ 49,622</u>	<u>\$ 7,365,207</u>	<u>\$ 6,994,560</u>	<u>\$ 54,934</u>	<u>\$ 7,049,494</u>	370,647
Interest and liens receivable										355,329
Allowance for doubtful accounts										<u>(291,351)</u>
Taxes, interest and liens receivable (net)										<u>\$ 434,625</u>

Other Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are restricted, committed, or assigned to expenditures for particular purposes.

Fund	Funding Source	Function
Community Development Block Grant	Grants and charges for services	Community development programs
Document Preservation	Charges for services	City Clerk's programs
Sports Facilities	Charges for services	Sports programs
Miscellaneous Grants	Grants and contributions	Miscellaneous City programs
Public Safety	Grants and charges for services	Public safety programs
Health and Welfare	Grants and contributions	Health and welfare programs
Savin Rock	Grants and contributions	Recreation projects and programs
School Lunch Program	Grants and charges for services	Operations of the child nutrition program
School Activity	Activity fees	Student activity funds and school scholarships
Career and Adult Education	Grants, charges for services, and contributions	Adult education programs

Capital Projects Fund

Capital projects funds are used to account for acquisition and construction of major capital assets other than those financed by proprietary and trust funds.

Fund	Funding Source	Function
Capital and Nonrecurring	Property taxes	Capital purchases

City of West Haven, Connecticut

Other Governmental Funds
Combining Balance Sheet
June 30, 2024

Special Revenue Funds

	Community Development Block Grant	Document Preservation	Sports Facilities	Miscellaneous Grants	Public Safety	Health and Welfare	Savin Rock
<u>Assets</u>							
Cash	\$ 767,297	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables (net):							
Intergovernmental	193,029	-	-	3,312,292	-	-	-
Loans	1,315,435	-	-	-	-	-	-
Other	-	212	53,406	219,470	151,947	914	-
Due from other funds	60,744	161,303	314,988	-	1,541,287	77,278	47,227
Total assets	<u>\$2,336,505</u>	<u>\$ 161,515</u>	<u>\$ 368,394</u>	<u>\$ 3,531,762</u>	<u>\$ 1,693,234</u>	<u>\$ 78,192</u>	<u>\$ 47,227</u>
<u>Liabilities</u>							
Accounts payable	\$ 200,669	\$ -	\$ 2,876	\$ 625,895	\$ 19,175	\$ 24,209	\$ 14,712
Due to other funds	-	-	-	3,978,457	-	-	-
Unearned revenue	-	-	-	59,215	-	-	-
Total liabilities	200,669	-	2,876	4,663,567	19,175	24,209	14,712
<u>Deferred Inflows of Resources</u>							
Unavailable revenue:							
Intergovernmental	-	-	-	939,338	-	-	-
<u>Fund Balances</u>							
Restricted	2,135,836	161,515	-	-	271,838	-	-
Committed	-	-	365,518	-	1,402,221	53,983	32,515
Unassigned	-	-	-	(2,071,143)	-	-	-
Total fund balances	2,135,836	161,515	365,518	(2,071,143)	1,674,059	53,983	32,515
Total liabilities, deferred inflows of resources and fund balances	<u>\$2,336,505</u>	<u>\$ 161,515</u>	<u>\$ 368,394</u>	<u>\$ 3,531,762</u>	<u>\$ 1,693,234</u>	<u>\$ 78,192</u>	<u>\$ 47,227</u>

(Continued)

City of West Haven, Connecticut

Other Governmental Funds
Combining Balance Sheet
June 30, 2024

	Special Revenue Funds				Capital Project Fund	
	School Lunch Program	School Activity	Career and Adult Education	Total Special Revenue Funds	Capital and Nonrecurring	Total Other Governmental Funds
<u>Assets</u>						
Cash	\$ 1,260	\$ 593,732	\$ -	\$ 1,362,289	\$ -	\$ 1,362,289
Receivables (net):						
Intergovernmental	601,916	-	-	4,107,237	-	4,107,237
Loans	-	-	-	1,315,435	-	1,315,435
Other	-	-	20,164	446,113	-	446,113
Due from other funds	99,868	-	221,674	2,524,369	1,409,077	3,933,446
Total assets	<u>\$ 703,044</u>	<u>\$ 593,732</u>	<u>\$ 241,838</u>	<u>\$ 9,755,443</u>	<u>\$ 1,409,077</u>	<u>\$ 11,164,520</u>
<u>Liabilities</u>						
Accounts payable	\$ 127,021	\$ -	\$ 4,584	\$ 1,019,141	\$ 29,675	\$ 1,048,816
Due to other funds	-	-	-	3,978,457	-	3,978,457
Unearned revenue	9,101	-	162,217	230,533	-	230,533
Total liabilities	<u>136,122</u>	<u>-</u>	<u>166,801</u>	<u>5,228,131</u>	<u>29,675</u>	<u>5,257,806</u>
<u>Deferred Inflows of Resources</u>						
Unavailable revenue:						
Intergovernmental	-	-	-	939,338	-	939,338
<u>Fund Balances</u>						
Restricted	566,922	146,118	-	3,282,229	-	3,282,229
Committed	-	447,614	75,037	2,376,888	1,379,402	3,756,290
Unassigned	-	-	-	(2,071,143)	-	(2,071,143)
Total fund balances	<u>566,922</u>	<u>593,732</u>	<u>75,037</u>	<u>3,587,974</u>	<u>1,379,402</u>	<u>4,967,376</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 703,044</u>	<u>\$ 593,732</u>	<u>\$ 241,838</u>	<u>\$ 9,755,443</u>	<u>\$ 1,409,077</u>	<u>\$ 11,164,520</u>

(Concluded)

City of West Haven, Connecticut

Other Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2024

	Special Revenue Funds						
	Community Development Block Grant	Document Preservation	Sports Facilities	Miscellaneous Grants	Public Safety	Health and Welfare	Savin Rock
Revenues:							
Intergovernmental	\$ 731,040	\$ -	\$ -	\$ 823,842	\$ 220,640	\$ 973,266	\$ -
Charges for services	16,383	14,895	388,093	6,776	1,213,382	-	-
Contributions	-	-	-	700,831	-	-	2,000
Income from investments	11,653	-	-	-	-	-	-
Total revenues	759,076	14,895	388,093	1,531,449	1,434,022	973,266	2,000
Expenditures:							
Current:							
General government	-	-	-	52,982	-	-	-
Public safety	-	-	-	31,902	998,630	-	-
Public works	-	-	-	429,953	-	-	-
Human resources and health and welfare	901,386	-	-	15,960	-	1,012,521	-
Parks and recreation	-	-	388,595	-	-	-	49,050
Library	-	-	-	3,594	-	-	-
Education	-	-	-	-	-	-	-
Capital outlay	150,619	-	-	753,184	-	-	-
Total expenditures	1,052,005	-	388,595	1,287,575	998,630	1,012,521	49,050
Excess (deficiency) of revenues over expenditures	(292,929)	14,895	(502)	243,874	435,392	(39,255)	(47,050)
Other financing sources (uses):							
Transfers out	-	-	-	-	(112,467)	-	-
Net change in fund balances	(292,929)	14,895	(502)	243,874	322,925	(39,255)	(47,050)
Fund balances - July 1, 2023	2,428,765	146,620	366,020	(2,315,017)	1,351,134	93,238	79,565
Fund balances - June 30, 2024	\$ 2,135,836	\$ 161,515	\$ 365,518	\$(2,071,143)	\$ 1,674,059	\$ 53,983	\$ 32,515

(Continued)

City of West Haven, Connecticut

Other Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2024

	Special Revenue Funds				Capital Project Fund	
	School Lunch Program	School Activity	Career and Adult Education	Total Special Revenue Funds	Capital and Nonrecurring	Total Other Governmental Funds
Revenues:						
Intergovernmental	\$ 4,495,663	\$ -	\$ 46,366	\$ 7,290,817	\$ -	\$ 7,290,817
Charges for services	106,561	980,245	24,065	2,750,400	-	2,750,400
Contributions	-	-	24,052	726,883	-	726,883
Income from investments	-	-	-	11,653	-	11,653
Total revenues	<u>4,602,224</u>	<u>980,245</u>	<u>94,483</u>	<u>10,779,753</u>	<u>-</u>	<u>10,779,753</u>
Expenditures:						
Current:						
General government	-	-	-	52,982	4,496	57,478
Public safety	-	-	-	1,030,532	88,662	1,119,194
Public works	-	-	-	429,953	19,033	448,986
Human resources and health and welfare	-	-	-	1,929,867	-	1,929,867
Parks and recreation	-	-	-	437,645	-	437,645
Library	-	-	-	3,594	-	3,594
Education	5,190,798	976,903	82,970	6,250,671	-	6,250,671
Capital outlay	<u>31,489</u>	<u>-</u>	<u>-</u>	<u>935,292</u>	<u>407,625</u>	<u>1,342,917</u>
Total expenditures	<u>5,222,287</u>	<u>976,903</u>	<u>82,970</u>	<u>11,070,536</u>	<u>519,816</u>	<u>11,590,352</u>
Excess (deficiency) of revenues over expenditures	(620,063)	3,342	11,513	(290,783)	(519,816)	(810,599)
Other financing sources (uses):						
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>(112,467)</u>	<u>-</u>	<u>(112,467)</u>
Net change in fund balances	(620,063)	3,342	11,513	(403,250)	(519,816)	(923,066)
Fund balances - July 1, 2023	<u>1,186,985</u>	<u>590,390</u>	<u>63,524</u>	<u>3,991,224</u>	<u>1,899,218</u>	<u>5,890,442</u>
Fund balances - June 30, 2024	<u>\$ 566,922</u>	<u>\$ 593,732</u>	<u>\$ 75,037</u>	<u>\$ 3,587,974</u>	<u>\$ 1,379,402</u>	<u>\$ 4,967,376</u>

(Concluded)

Internal Service Funds

Internal service funds are used to account for risk financing activities.

Fund	Function
Medical	Medical claims of the City and Education employees
General Liability	Self-insured liability, auto, and property claims
Workers' Compensation	Workers' compensation claims of the City and Education employees

City of West Haven, Connecticut
Internal Service Funds
Combining Statement of Net Position
June 30, 2024

	<u>Medical</u>	<u>General Liability</u>	<u>Workers' Compensation</u>	<u>Total</u>
<u>Assets</u>				
Current assets:				
Due from other funds	<u>\$ 4,240,717</u>	<u>\$ 437,244</u>	<u>\$ 5,861,836</u>	<u>\$10,539,797</u>
<u>Liabilities</u>				
Current liabilities:				
Accounts payable	1,328,206	8,752	22,923	1,359,881
Claims payable	<u>607,000</u>	<u>233,073</u>	<u>2,364,758</u>	<u>3,204,831</u>
Total current liabilities	1,935,206	241,825	2,387,681	4,564,712
Noncurrent liability:				
Claims payable	<u>-</u>	<u>161,449</u>	<u>6,222,818</u>	<u>6,384,267</u>
Total liabilities	<u>1,935,206</u>	<u>403,274</u>	<u>8,610,499</u>	<u>10,948,979</u>
<u>Net Position</u>				
Unrestricted	<u><u>\$ 2,305,511</u></u>	<u><u>\$ 33,970</u></u>	<u><u>\$(2,748,663)</u></u>	<u><u>\$ (409,182)</u></u>

City of West Haven, Connecticut

Internal Service Funds
Combining Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended June 30, 2024

	<u>Medical</u>	<u>General Liability</u>	<u>Workers' Compensation</u>	<u>Total</u>
Operating revenues:				
Charges for services	<u>\$ 11,847,294</u>	<u>\$ 1,109,523</u>	<u>\$ 4,462,357</u>	<u>\$ 17,419,174</u>
Operating expenses:				
Claims	11,012,934	535,851	1,329,472	12,878,257
Administration	968,268	115,122	183,750	1,267,140
OPEB contribution	<u>525,000</u>	<u>-</u>	<u>-</u>	<u>525,000</u>
Total operating expenses	<u>12,506,202</u>	<u>650,973</u>	<u>1,513,222</u>	<u>14,670,397</u>
Operating income (loss) before transfers	(658,908)	458,550	2,949,135	2,748,777
Transfers in	<u>-</u>	<u>-</u>	<u>2,000,000</u>	<u>2,000,000</u>
Change in net position	(658,908)	458,550	4,949,135	4,748,777
Net position - July 1, 2023	<u>2,964,419</u>	<u>(424,580)</u>	<u>(7,697,798)</u>	<u>(5,157,959)</u>
Net position - June 30, 2024	<u><u>\$ 2,305,511</u></u>	<u><u>\$ 33,970</u></u>	<u><u>\$ (2,748,663)</u></u>	<u><u>\$ (409,182)</u></u>

City of West Haven, Connecticut

Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended June 30, 2024

	Medical	General Liability	Workers' Compensation	Total
Cash flows from (used in) operating activities:				
Cash received for charges	\$ 10,972,497	\$ 683,613	\$ 879,477	\$ 12,535,587
Cash paid for claims	(10,776,934)	(569,547)	(2,589,998)	(13,936,479)
Cash paid for OPEB contributions	(525,000)	-	-	(525,000)
Cash paid for administration	329,437	(115,122)	(289,479)	(75,164)
Cash paid for insurance	-	1,056	-	1,056
	<u>-</u>	<u>1,056</u>	<u>-</u>	<u>1,056</u>
Net cash from (used in) operating activities	-	-	(2,000,000)	(2,000,000)
Cash flows from (used in) noncapital activities:				
Transfer in	-	-	2,000,000	2,000,000
	<u>-</u>	<u>-</u>	<u>2,000,000</u>	<u>2,000,000</u>
Net increase (decrease) in cash	-	-	-	-
Cash - July 1, 2023	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash - June 30, 2024	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation of operating income (loss) to net cash from (used in) operating activities:				
Operating income (loss)	\$ (658,908)	\$ 458,550	\$ 2,949,135	\$ 2,748,777
Adjustments to reconcile operating income (loss) to net cash from (used in) operating activities:				
(Increase) decrease in:				
Due from other funds	(874,797)	(425,910)	(3,582,880)	(4,883,587)
Increase (decrease) in:				
Accounts payable	1,297,705	1,056	(105,729)	1,193,032
Claims payable	236,000	(33,696)	(1,260,526)	(1,058,222)
	<u>1,297,705</u>	<u>1,056</u>	<u>(105,729)</u>	<u>1,193,032</u>
	<u>236,000</u>	<u>(33,696)</u>	<u>(1,260,526)</u>	<u>(1,058,222)</u>
Net cash from (used in) operating activities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,000,000)</u>	<u>\$ (2,000,000)</u>

Trend Information

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

Table	Description
Financial Trend (Tables 1-5)	These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.
Revenue Capacity (Tables 6A-6B)	These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.
Debt Capacity (Tables 7-8)	These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Sources: Unless otherwise noted, the information in these schedules is derived from the annual financial reports for the fiscal year.

City of West Haven, Connecticut

**Governmental Activities
Net Position by Component
Last Ten Years
(Unaudited)**

June 30

	<u>2024</u>	<u>2023</u>	<u>2022</u> (as restated)	<u>2021</u>	<u>2020</u> (as restated)	<u>2019</u>	<u>2018</u> (as restated)	<u>2017</u>	<u>2016</u>	<u>2015</u>
Net investment in capital assets	\$ 249,959,383	\$ 234,676,427	\$ 233,609,310	\$ 211,688,503	\$ 159,518,899	\$ 157,436,719	\$ 119,362,746	\$ 113,820,843	\$ 110,165,292	\$ 103,786,476
Restricted	13,542,947	14,267,339	14,215,930	22,856,672	9,216,122	6,551,358	4,557,472	1,008,845	1,450,430	199,656
Unrestricted	<u>(339,155,264)</u>	<u>(349,390,882)</u>	<u>(350,136,833)</u>	<u>(349,426,645)</u>	<u>(300,272,413)</u>	<u>(322,929,859)</u>	<u>(304,748,526)</u>	<u>(312,365,310)</u>	<u>(323,319,157)</u>	<u>(153,446,871)</u>
Total net position	<u>\$ (75,652,934)</u>	<u>\$ (100,447,116)</u>	<u>\$ (102,311,593)</u>	<u>\$ (114,881,470)</u>	<u>\$ (131,537,392)</u>	<u>\$ (158,941,782)</u>	<u>\$ (180,828,308)</u>	<u>\$ (197,535,622)</u>	<u>\$ (211,703,435)</u>	<u>\$ (49,460,739)</u>

Source: Current and prior year financial statements.

Table 2

City of West Haven, Connecticut

**Governmental Activities
Changes in Net Position
Last Ten Years
(Unaudited)**

Fiscal Year Ended June 30

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Expenses:										
General government	\$ 13,914,002	\$ 16,207,996	\$ 11,650,010	\$ 12,053,894	\$ 9,957,315	\$ 10,694,871	\$ 11,565,167	\$ 9,351,824	\$ 7,774,273	\$ 7,477,278
Public safety	44,616,291	49,534,573	44,791,584	35,501,307	43,468,810	35,490,850	32,404,160	30,531,663	32,061,576	34,474,682
Public works	34,230,206	28,877,021	29,818,621	27,453,929	25,830,193	25,885,886	25,371,336	21,665,363	23,875,064	25,086,632
Human resources and health and welfare	4,884,351	4,339,986	4,246,746	5,304,807	2,622,275	3,754,865	3,824,643	3,694,157	2,549,216	2,768,874
Parks and recreation	2,016,880	2,121,692	1,569,197	1,033,156	966,240	1,771,034	1,841,119	2,310,370	2,186,667	1,968,356
Library	1,678,980	1,171,323	1,435,692	1,443,266	1,421,000	1,546,000	1,596,000	1,596,000	1,778,657	1,798,324
Education	148,083,111	150,320,467	141,592,100	142,739,437	121,573,391	134,703,644	125,631,324	120,668,671	122,678,656	120,520,940
Interest	2,791,063	2,729,918	2,005,854	1,650,927	6,014,918	3,910,292	4,230,136	3,295,938	4,719,812	3,525,526
Total expenses	252,214,884	255,302,976	237,109,804	227,180,723	211,854,142	217,757,442	206,463,885	193,113,986	197,623,921	197,620,612
Program revenues:										
Charges for services:										
General government	3,780,071	3,740,728	3,407,409	2,817,905	913,317	2,779,906	2,749,383	2,018,005	830,937	742,464
Public safety	2,749,275	2,389,754	2,751,728	2,544,709	2,466,353	2,796,049	2,557,729	2,723,298	2,500,890	2,089,617
Public works	13,544,643	13,273,358	12,249,832	12,040,275	13,661,767	12,071,740	11,933,542	9,489,397	13,468,371	13,164,265
Human resources and health and welfare	138,109	140,062	101,957	120,735	42,330	237,135	171,249	191,118	335,370	334,002
Parks and recreation	341,602	287,604	276,994	27,180	488,518	699,612	793,148	914,321	904,347	958,168
Education	1,498,964	1,566,273	1,188,617	1,000,919	150,866	273,378	669,194	796,945	766,938	917,518
Operating grants and contributions	104,829,306	96,885,476	94,602,274	83,415,164	80,729,008	76,788,567	79,059,267	78,204,022	69,612,238	70,338,355
Capital grants and contributions	18,457,718	10,507,612	12,345,918	24,514,278	22,100,714	27,405,117	10,273,017	4,397,033	6,670,007	6,224,629
Total program revenues	145,339,688	128,790,867	126,924,729	126,481,165	120,584,323	123,051,504	108,206,529	98,765,589	95,089,098	94,769,018
Net expenses	(106,875,196)	(126,512,109)	(110,185,075)	(100,699,558)	(91,269,819)	(94,705,938)	(98,257,356)	(94,348,397)	(102,534,823)	(102,851,594)
General revenues and other changes in net position:										
Property taxes	116,224,002	114,633,763	113,190,707	110,852,952	107,670,568	105,253,727	100,126,868	100,126,868	95,079,278	92,973,074
Grants and contributions not restricted to specific programs	12,260,809	11,645,101	9,939,160	7,135,069	10,143,646	12,027,245	8,192,236	8,192,236	7,553,442	7,593,745
Income from investments	2,817,765	1,780,291	121,317	46,637	349,478	381,979	11,508	11,508	6,718	7,766
Gain on sale of assets	14,999	317,431	550,799	299,757	225,571	298,807	14,999	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	1,448,500
Other	351,803	-	-	-	-	-	217,048	217,048	1,043,784	278,459
Total general revenues	131,669,378	128,376,586	123,801,983	118,334,415	118,389,263	117,961,758	108,562,659	108,547,660	103,683,222	102,301,544
Extraordinary item:										
Casualty loss	-	-	(265,257)	(978,935)	-	-	-	-	-	-
Change in net position	\$ 24,794,182	\$ 1,864,477	\$ 13,351,651	\$ 16,655,922	\$ 27,119,444	\$ 23,255,820	\$ 10,305,303	\$ 14,199,263	\$ 1,148,399	\$ (550,050)

Source: Current and prior year financial statements.

City of West Haven, Connecticut

Governmental Funds
Fund Balances
Last Ten Years
(Unaudited)

June 30

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
					(as restated)		(as restated)			
General fund:										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ 346,540	\$ -	\$ -	\$ -	\$ 152,351	\$ 6,116,001
Assigned	-	-	-	-	27,720	-	-	-	-	-
Unassigned	21,208,580	14,758,946	7,983,134	5,666,367	3,201,411	1,358,918	11,360	(18,138,674)	(16,888,415)	(16,313,098)
Total general fund	21,208,580	14,758,946	7,983,134	5,666,367	3,575,671	1,358,918	11,360	(18,138,674)	(16,736,064)	(10,197,097)
All other governmental funds:										
Nonspendable	149,832	149,832	149,832	149,832	149,832	149,832	1,787,973	-	149,832	2,079,171
Restricted	13,542,947	14,267,339	14,215,930	11,473,737	9,258,988	6,551,358	2,769,499	1,008,845	1,450,430	199,656
Committed	35,784,244	9,531,185	6,930,520	13,651,425	48,726,987	1,006,050	450,734	1,387,873	-	-
Unassigned	(57,474,399)	(27,642,550)	(25,786,829)	(33,525,523)	(84,871,472)	(25,799,025)	(3,232,103)	(866,460)	(2,661,727)	(9,734,429)
Total all other governmental funds	(7,997,376)	(3,694,194)	(4,490,547)	(8,250,529)	(26,735,665)	(18,091,785)	1,776,103	1,530,258	(1,061,465)	(7,455,602)
Grand total	<u>\$ 13,211,204</u>	<u>\$ 11,064,752</u>	<u>\$ 3,492,587</u>	<u>\$ (2,584,162)</u>	<u>\$ (23,159,994)</u>	<u>\$ (16,732,867)</u>	<u>\$ 1,787,463</u>	<u>\$ (16,608,416)</u>	<u>\$ (17,797,529)</u>	<u>\$ (17,652,699)</u>

Source: Current and prior year financial statements.

Notes:

General fund:

Unassigned Increase due to positive operations.

All other governmental funds:

Committed Increase mainly due to construction commitments for Washington Elementary School and Oyster River wastewater pumping station project.

Unassigned Decrease due to negative operations in the capital improvement fund and the increase in commitments.

City of West Haven, Connecticut

**General Fund
Budgetary Basis
Changes in Fund Balances
Last Ten Years
(Unaudited)**

Fiscal Year Ended June 30

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Revenues:										
Property taxes	\$ 109,715,942	\$ 105,440,569	\$ 105,419,834	\$ 103,334,930	\$ 99,858,280	\$ 97,509,642	\$ 95,880,234	\$ 94,300,417	\$ 90,455,343	\$ 89,195,459
Intergovernmental	57,179,658	57,490,802	55,838,540	52,913,217	55,741,342	57,948,396	60,551,502	54,442,288	55,457,785	56,342,261
Charges for services	5,616,636	5,189,267	4,950,862	4,258,037	3,676,119	4,458,444	4,459,358	3,586,549	3,589,044	3,925,914
Contributions	526,523	505,015	466,715	444,796	444,561	437,317	427,290	422,652	413,060	411,127
Income from investments	2,806,112	1,765,716	120,555	44,064	348,190	381,638	193,375	7,199	3,946	5,244
Other	201,332	160,754	148,417	54,640	204,699	220,033	138,275	198,803	630,723	1,139,974
Total revenues	176,046,203	170,552,123	166,944,923	161,049,684	160,273,191	160,955,470	161,650,034	152,957,908	150,549,901	151,019,979
Expenditures:										
Current:										
General government	7,948,565	7,434,019	6,517,569	6,293,655	5,628,028	5,686,760	6,025,857	5,582,281	5,613,257	5,523,725
Public safety	18,996,978	18,324,256	16,818,097	15,876,544	15,545,783	15,206,742	15,513,579	15,037,051	14,648,759	14,698,060
Public works	12,288,904	10,927,390	11,898,139	11,235,174	10,307,368	10,090,546	10,399,951	10,741,857	10,530,433	10,186,627
Benefits and insurance	23,407,135	21,716,873	18,864,103	17,368,172	16,284,924	16,167,113	17,120,879	16,281,933	16,420,785	15,921,252
Human resources and health and welfare	1,300,476	1,212,239	1,171,481	799,012	1,072,935	1,065,621	1,160,864	1,162,719	1,113,962	1,130,451
Parks and recreation	1,053,876	978,940	874,536	667,981	759,459	869,606	885,004	869,743	844,947	869,583
Library	1,625,000	1,575,374	1,435,692	1,321,680	1,421,000	1,546,000	1,596,000	1,596,000	1,596,000	1,630,001
Education	89,960,421	89,960,421	89,960,421	87,224,298	89,139,235	90,526,821	89,602,256	87,778,458	87,666,923	86,351,705
Debt service	12,349,639	12,443,434	17,900,579	18,132,932	18,498,828	18,926,611	17,401,021	16,731,010	15,817,910	16,927,158
Total expenditures	168,930,994	164,572,946	165,440,617	158,919,448	158,657,560	160,085,820	159,705,411	155,781,052	154,252,976	153,238,562
Excess (deficiency) of revenues over expenditures	7,115,209	5,979,177	1,504,306	2,130,236	1,615,631	869,650	1,944,623	(2,823,144)	(3,703,075)	(2,218,583)
Other financing sources (uses):										
Issuance of debt	-	-	-	-	-	-	16,135,000	-	-	-
Premium	-	-	-	-	-	-	1,040,796	-	-	-
Sale of assets	15,000	317,431	550,800	309,608	12,000	298,807	199,200	308,450	-	-
Transfers in	309,425	479,204	548,785	903,313	1,284,122	1,709,734	1,303,546	1,796,865	1,655,231	1,460,977
Transfers out	(990,000)	-	(21,867)	(273,526)	(695,000)	(111,246)	(303,342)	(684,781)	(438,291)	(976,000)
Net other financing sources (uses)	(665,575)	796,635	1,077,718	939,395	601,122	1,897,295	18,375,200	1,420,534	1,216,940	484,977
Extraordinary item:										
Casualty loss	-	-	(265,257)	(978,935)	-	-	-	-	-	-
Net change in fund balances	\$ 6,449,634	\$ 6,775,812	\$ 2,316,767	\$ 2,090,696	\$ 2,216,753	\$ 2,766,945	\$ 20,319,823	\$ (1,402,610)	\$ (2,486,135)	\$ (1,733,606)
Debt service as a percentage of expenditures	7.31%	7.56%	10.82%	11.41%	14.70%	11.82%	10.90%	10.74%	10.25%	11.05%

Source: Current and prior year financial statements.

City of West Haven, Connecticut

**Governmental Funds
Changes in Fund Balances
Last Ten Years
(Unaudited)**

Fiscal Year Ended June 30

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Revenues:										
Property taxes	\$ 116,900,431	\$ 112,891,360	\$ 113,112,017	\$ 111,205,380	\$ 107,161,361	\$ 105,055,923	\$ 102,157,929	\$ 99,833,820	\$ 95,978,106	\$ 94,212,286
Intergovernmental	133,926,438	116,830,444	116,015,101	114,439,063	106,136,189	122,803,344	103,359,452	90,254,995	93,208,317	84,253,028
Charges for services	21,865,718	21,164,635	19,798,570	18,445,802	17,697,504	18,726,972	19,258,590	18,734,961	18,007,328	18,188,324
Contributions	1,758,651	622,192	704,049	565,353	544,561	542,758	567,392	113,144	6,718	7,766
Income from investments	2,817,765	1,780,291	121,317	46,637	349,478	381,979	198,896	11,508	178,812	116,280
Other	351,803	261,913	168,202	60,095	510,872	240,862	217,148	642,200	628,784	237,909
Total revenues	277,620,806	253,550,835	249,919,256	244,762,330	232,399,965	247,751,838	225,759,407	209,590,628	208,008,065	197,015,593
Expenditures:										
Current:										
General government	8,960,161	9,255,092	6,517,569	6,293,655	5,628,028	5,744,906	6,437,489	6,085,057	5,647,074	5,510,058
Public safety	30,883,272	28,350,983	26,746,583	25,953,206	23,550,628	22,735,353	22,668,951	22,508,563	22,317,496	22,153,601
Public works	24,642,406	23,995,757	19,984,685	18,168,308	17,812,221	17,546,777	17,374,271	17,698,206	20,136,638	19,549,895
Benefits and insurance	23,407,135	21,716,873	18,864,103	17,368,172	16,284,924	16,167,113	17,120,879	16,281,933	16,451,288	15,890,748
Human resources and health and welfare	3,602,728	2,973,166	2,911,651	3,890,967	1,899,482	2,446,765	2,872,254	2,636,816	2,076,300	2,253,077
Parks and recreation	1,765,874	1,881,173	1,343,436	822,036	772,571	1,279,744	1,355,793	1,814,119	1,832,991	1,629,541
Library	1,660,044	1,583,544	1,435,692	1,387,010	1,421,000	1,546,000	1,596,000	1,596,000	1,596,000	1,630,001
Education	142,717,829	137,896,904	133,829,042	121,510,371	116,132,611	126,290,818	121,338,432	117,578,132	118,107,395	107,662,010
Capital outlay	35,771,147	10,962,697	23,647,338	49,199,937	35,225,764	50,332,471	15,215,614	11,500,844	2,389,770	9,989,505
Debt service	14,613,827	14,549,825	20,026,028	20,453,083	20,416,259	21,111,734	19,279,951	18,666,440	17,688,591	25,073,237
Total expenditures	288,024,423	253,166,014	255,306,127	265,046,745	239,143,488	265,201,681	225,259,634	216,366,110	208,243,543	211,341,673
Excess (deficiency) of revenues over expenditures	(10,403,617)	384,821	(5,386,871)	(20,284,415)	(6,743,523)	(17,449,843)	499,773	(6,775,482)	(235,478)	(14,326,080)
Other financing sources (uses):										
Issuance of refunding debt	-	-	-	-	-	-	-	-	-	38,715,000
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-	-	(38,377,921)
Issuance of debt	12,987,202	6,822,048	8,160,192	39,152,933	-	-	16,354,311	9,635,000	-	11,560,662
Premium	1,547,867	47,865	3,017,885	2,376,641	14,535,069	-	1,690,997	-	-	-
Sale of assets	15,000	317,431	550,800	309,608	-	298,807	199,200	308,450	415,000	1,448,500
Transfers in	1,415,663	2,824,204	610,572	1,426,839	1,979,122	1,889,809	1,606,888	2,481,646	6,055,392	2,658,337
Transfers out	(3,415,663)	(2,824,204)	(610,572)	(1,426,839)	(1,979,122)	(1,889,809)	(1,606,888)	(2,481,646)	(6,379,744)	(2,658,337)
Net other financing sources (uses)	12,550,069	7,187,344	11,728,877	41,839,182	14,535,069	298,807	18,244,508	9,943,450	90,648	13,346,241
Extraordinary item:										
Casualty loss	-	-	(265,257)	(978,935)	-	-	-	-	-	-
Net change in fund balances	\$ 2,146,452	\$ 7,572,165	\$ 6,076,749	\$ 20,575,832	\$ 7,791,546	\$ (17,151,036)	\$ 18,744,281	\$ 3,167,968	\$ (144,830)	\$ (979,839)
Debt service as a percentage of noncapital expenditures	5.78%	6.08%	8.78%	9.43%	10.98%	10.04%	9.11%	9.11%	8.59%	12.45%

Source: Current and prior year financial statements.

Table 6A

City of West Haven, Connecticut
City
Property Tax Rates, Levies and Collections
Last Ten Years
(Unaudited)

Year Ended June 30	(1) Tax Rate in Mills	Grand List of October 1,	Total Adjusted Tax Levy	Net Current Tax Collections	Percent of Current Levy Collected	Total Collections to Date			Current Delinquent Balance
						Collections in Subsequent Years	Total Collections	Percentage of Levy Collected	
2015	31.25	2013	\$ 88,651,979	\$ 87,340,812	98.52%	\$ 1,165,133	\$ 88,505,945	99.84%	\$ 146,034
2016	31.25	2014	89,720,548	88,555,278	98.70%	1,004,143	89,559,421	99.82%	161,127
2017	35.26	2015	94,194,456	92,520,326	98.22%	1,568,400	94,088,726	99.89%	105,730
2018	35.26	2016	94,716,054	93,225,076	98.43%	1,340,233	94,565,309	99.84%	150,745
2019	35.26	2017	97,161,771	95,560,257	98.35%	1,503,858	97,064,115	99.90%	97,656
2020	36.26	2018	99,474,011	97,332,822	97.85%	2,043,818	99,376,640	99.90%	97,371
2021	37.48	2019	102,396,456	100,704,047	98.35%	1,578,344	102,282,391	99.89%	114,065
2022	34.00	2020	105,045,752	103,197,138	98.24%	1,713,545	104,910,683	99.87%	135,069
2023	34.00	2021	106,607,588	103,391,672	96.98%	2,005,198	103,391,672	96.98%	1,210,718
2024	34.81	2022	108,972,545	106,788,375	98.00%	-	106,788,375	98.00%	2,184,170

Source: Current and prior year financial statements.

Note:

(1) Tax levy is per \$1,000 of the assessed value of taxable property.

Table 6B

City of West Haven, Connecticut
Allingtown Fire Department
Property Tax Rates, Levies and Collections
Last Ten Years
(Unaudited)

Year Ended June 30	(1) Tax Rate in Mills	Grand List of October 1,	Total Adjusted Tax Levy	Net Current Tax Collections	Percent of Current Levy Collected	Total Collections to Date			Current Delinquent Balance
						Collections in Subsequent Years	Total Collections	Percentage of Levy Collected	
2015	8.63	2013	\$ 4,887,391	\$ 4,762,781	97.45%	\$ 106,177	\$ 4,868,958	99.62%	\$ 18,433
2016	9.44	2014	5,420,240	5,292,934	97.65%	106,984	5,399,918	99.63%	20,322
2017	11.07	2015	5,175,224	5,120,275	98.94%	39,414	5,159,689	99.70%	15,535
2018	12.52	2016	5,923,717	5,866,250	99.03%	40,918	5,907,168	99.72%	16,549
2019	13.06	2017	7,076,508	6,946,268	98.16%	110,921	7,057,189	99.73%	19,319
2020	14.02	2018	7,223,858	7,060,077	97.73%	144,958	7,205,035	99.74%	18,823
2021	14.02	2019	7,059,795	6,934,269	98.22%	106,306	7,040,575	99.73%	19,220
2022	11.62	2020	7,198,523	7,065,889	98.16%	112,826	7,178,715	99.72%	19,808
2023	11.61	2021	6,903,928	6,810,390	98.65%	29,466	6,839,856	99.07%	64,072
2024	11.61	2022	7,032,910	6,940,036	98.68%	-	6,940,036	98.68%	92,874

Source: Current and prior year financial statements.

Notes:

(1) Tax levy is per \$1,000 of the assessed value of taxable property.

Table 7

City of West Haven, Connecticut

Ratios of Outstanding Debt by Type
Last Ten Years
(Unaudited)

Year Ended June 30	General Obligation Bonds	Permanently Financed Bond Anticipation Notes	Pension Bonds	Premium	(2) Notes	Leases	Subscriptions	Total	(1) Population	Debt Per Capita
2015	\$ 67,705,000	\$ -	\$ 34,565,000	\$ 2,693,143	\$ 31,341,683	\$ -	\$ -	\$ 136,304,826	56,172	\$ 2,427
2016	60,630,000	-	30,865,000	2,244,286	28,872,619	-	-	122,611,905	56,172	2,183
2017	53,230,000	9,635,000	26,270,000	1,795,429	26,386,024	-	-	117,316,453	54,516	2,152
2018	71,480,000	-	21,275,000	2,935,672	24,183,209	-	-	119,873,881	54,843	2,186
2019	62,280,000	-	16,150,000	2,384,918	22,078,068	-	-	102,892,986	54,879	1,875
2020	53,090,000	-	10,870,000	1,834,165	19,988,845	-	-	85,783,010	54,879	1,563
2021	62,975,000	13,000,000	5,540,000	3,541,220	23,769,808	449,006	-	109,275,034	55,584	1,966
2022	74,300,000	-	-	6,083,125	21,122,533	867,418	1,610,678	103,983,754	55,294	1,881
2023	65,465,000	6,200,000	-	5,716,995	20,442,051	725,328	1,211,139	99,760,513	55,004	1,814
2024	74,045,000	-	-	6,772,449	19,511,902	536,348	793,621	101,659,320	54,790	1,855

Source: Current and prior year financial statements.

Notes:

(1) Per Connecticut State Department of Health

(2) Includes permanently financed interim funding obligations. Excludes Allingtown Fire Department.

City of West Haven, Connecticut
Schedule of Debt Limitation
Connecticut General Statutes, Section 7-374 (b)
For the Year Ended June 30, 2024
(Unaudited)

Tax base:

Total tax collections (including interest and lien fees) for prior year:

City	\$ 105,328,436
Allingtown Fire Department	6,909,963
West Shore Fire District	10,118,003
First Fire District	<u>16,502,107</u>

Total base	<u><u>\$ 138,858,509</u></u>
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Debt limitation:	General Purpose	Schools	Sewers	Urban Renewal	Pension Deficit
2 1/4 times base	\$ 312,431,645	\$ -	\$ -	\$ -	\$ -
4 1/2 times base	-	624,863,291	-	-	-
3 3/4 times base	-	-	520,719,409	-	-
3 1/4 times base	-	-	-	451,290,154	-
3 times base	-	-	-	-	416,575,527
Total debt limitation	<u>312,431,645</u>	<u>624,863,291</u>	<u>520,719,409</u>	<u>451,290,154</u>	<u>416,575,527</u>
Indebtedness:					
Bonds payable	27,756,056	44,015,944	2,273,000	-	-
Bond anticipation notes - short term	-	10,135,000	-	-	-
West Shore Fire District	-	-	-	-	-
First Fire Taxation District	-	-	-	-	-
Total indebtedness	<u>27,756,056</u>	<u>54,150,944</u>	<u>2,273,000</u>	<u>-</u>	<u>-</u>
Debt limitation in excess of outstanding debt	<u><u>\$ 284,675,589</u></u>	<u><u>\$ 570,712,347</u></u>	<u><u>\$ 518,446,409</u></u>	<u><u>\$ 451,290,154</u></u>	<u><u>\$ 416,575,527</u></u>

The total net indebtedness above amounts to:	<u><u>\$ 84,180,000</u></u>
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In no event shall total indebtedness exceed seven times the base for debt limitation computation:	<u><u>\$ 972,009,563</u></u>
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Source: Current and prior year financial statements.

**Federal Single Audit
and
State Single Audit
of the
City of West Haven, Connecticut
For the Year Ended June 30, 2024**

City of West Haven, Connecticut

For the Year Ended June 30, 2024

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**Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on
an Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards***

Independent Auditors' Report

**City Council
City of West Haven, Connecticut**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the City of West Haven, Connecticut ("City"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated February 12, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2024-001 that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City's Responses to Findings

The City's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

PKF O'Connor Davies, LLP

Wethersfield, Connecticut
February 12, 2025

Federal Single Audit

**Report on Compliance for Each Major Federal Program;
Report on Internal Control Over Compliance;
and Report on the Schedule of Expenditures
of Federal Awards Required by the Uniform Guidance**

Independent Auditors' Report

**City Council
City of West Haven, Connecticut**

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of West Haven, Connecticut's ("City") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2024. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error; as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2024-002. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the City as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon, dated February 12, 2025, which contained unmodified opinions on those financial statements.

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

The information has been subjected to the auditing procedures applied in the audit of the 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

PKF O'Connor Davies, LLP

City of West Haven, Connecticut

**Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024**

Federal Awarding Agency/Program or Cluster Title	Federal AL Number	Name of Funder Pass Through Entity	Identifying Number Assigned by Funder Pass Through Entity	Provided to Subrecipients	Total Expenditures
<u>U.S. Department of Agriculture</u>					
Child Nutrition Cluster:					
School Breakfast Program	10.553	State Department of Education	12060-SDE64370-20508	\$ -	\$ 1,328,825
National School Lunch Program	10.555	State Department of Education	12060-SDE64370-20560	-	2,589,490
National School Lunch Program - Commodities	10.555	State Department of Administrative Services	N/A	-	111,251
Fresh Fruit and Vegetable Program	10.582	State Department of Administrative Services	N/A	-	<u>175,000</u>
Total Child Nutrition Cluster					\$ 4,204,566
State Administrative Expenses for Child Nutrition	10.560	State Department of Education	12060-SDE64370-23126	-	145,731
COVID-19 State Pandemic Electronic Benefit Transfer (P-EBT)					
Administrative Costs Grants	10.649	State Department of Education	12060-SDE64370-29802	-	9,786
Urban Agriculture and Innovative Production	10.935	Direct Program	N/A	-	<u>13,283</u>
Total U.S. Department of Agriculture					<u>4,373,366</u>
<u>U.S. Department of Housing and Urban Development</u>					
CDBG - Entitlement/Special Purpose Grants Cluster:					
Community Development Block Grants/Entitlement Grant		Direct Program	N/A	-	723,179
COVID-19 Community Development Block Grants/Entitlement Grant		Direct Program	N/A	-	<u>7,860</u>
Total U.S. Department of Housing and Urban Development	14.218				<u>731,039</u>
<u>U.S. Department of Justice</u>					
Edward Byrne Memorial Justice Assistance Grant Program	16.738	Direct Program	N/A	-	18,774
Equitable Sharing Program	16.922	Direct Program	N/A	-	<u>87,157</u>
Total U.S. Department of Justice					<u>105,931</u>
<u>U.S. Department of the Treasury</u>					
Coronavirus State and Local Fiscal Recovery Funds		Direct Program	N/A	-	9,966,313
Coronavirus State and Local Fiscal Recovery Funds - Free Meals for Students		State Department of Education	12060-SDE64370-28105	-	20,736
Coronavirus State and Local Fiscal Recovery Funds - Right to Read		State Department of Education	12060-SDE64370-29732	-	276,000
Coronavirus State and Local Fiscal Recovery Funds - American Rescue Plan Act - School Readiness Enrollment Grants - Priority Enrollment-based		State Office of Early Childhood	12060-OEC64845-28227	-	220,320
Coronavirus State and Local Fiscal Recovery Funds - American Rescue Plan Act - School Readiness Enrollment Grants - Priority Admin Funds Enhancement		State Office of Early Childhood	12060-OEC64845-28227	-	<u>28,361</u>
Total U.S. Department of the Treasury	21.027				<u>10,511,730</u>
<u>Environmental Protection Agency</u>					
Congressionally Mandated Projects	66.202	Direct Program	N/A	-	79,882
Brownfields Multipurpose, Assessment, Revolving Loan Fund, and Cleanup Cooperative Agreements	66.818	Direct Program	N/A	-	<u>3,033</u>
Total Environmental Protection Agency					<u>82,915</u>
<u>U.S. Department of Education</u>					
Adult Education - Basic Grants to States	84.002	State Department of Education	12060-SDE64370-20784-2023	-	20,000
Title I Grants to Local Educational Agencies	84.010	State Department of Education	12060-SDE64370-20679-2024	-	2,883,591

(Continued)

See Notes to Schedule of Expenditures of Federal Awards.

City of West Haven, Connecticut

**Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024**

Federal Awarding Agency/Program or Cluster Title	Federal AL Number	Name of Funder Pass Through Entity	Identifying Number Assigned by Funder Pass Through Entity	Provided to Subrecipients	Total Expenditures
<u>U.S. Department of Education (Continued)</u>					
Special Education Cluster (IDEA):					
Special Education - Grants to States (IDEA, Part B) 611		State Department of Education	12060-SDE64370-20977-2024	\$ -	\$ 1,980,432
Special Education - Grants to States (IDEA, Part B) - Transition Support Activities (TSA)		State Department of Education	12060-SDE64370-20977-2024	-	25,000
Special Education - Grants to States (IDEA, Part B) - Extended Support Para-Educator (ESP)		State Department of Education	12060-SDE64370-20977-2024	-	5,000
Total Special Education-Grants to States (IDEA Part B)	84.027				2,010,432
Special Education - Preschool Grants (IDEA Preschool)	84.173	State Department of Education	12060-SDE64370-20983-2024	-	67,183
Total Special Education Cluster (IDEA)					\$ 2,077,615
Career and Technical Education - Basic Grants to States	84.048	State Department of Education	12060-SDE64370-20742-2024	-	153,870
Education for Homeless Children and Youth	84.196	State Department of Education	12060-SDE64370-20770-2023	-	60,000
English Language Acquisition State Grants		State Department of Education	12060-SDE64370-20868-82075-2024	-	154,440
English Language Acquisition State Grants		State Department of Education	12060-SDE64370-20868-82076-2024	-	9,000
Total English Language Acquisition State Grants	84.365				163,440
Supporting Effective Instruction State Grants	84.367	State Department of Education	12060-SDE64370-20858-2024	-	277,758
Student Support and Academic Enrichment Program	84.424	State Department of Education	12060-SDE64370-22854-2024	-	210,220
Education Stabilization Fund (ESF):					
COVID-19 American Rescue Plan - Elementary and Secondary School Emergency Relief Fund	U	State Department of Education	12060-SDE64370-29636-82079-2021	-	11,688,110
COVID-19 American Rescue Plan - Elementary and Secondary School Emergency Relief Fund - Dual Credit Expansion	U	State Department of Education	12060-SDE64370-29636-84131-2021	-	63,509
Total Education Stabilization Fund (ESF)	84.425				11,751,619
Total U.S. Department of Education					17,598,113
<u>U.S. Department of Health and Human Services</u>					
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	Chesprocott Health District	N/A	-	100
<u>U.S. Department of Homeland Security</u>					
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	State Department of Emergency Services and Public Protection	12060-DPS32990-21891	-	30,613
Emergency Management Performance Grants	97.042	State Department of Emergency Services and Public Protection	12060-DPS32160-21881	-	36,845
Assistance to Firefighters Grants	97.044	Direct Program	N/A	-	984,181
Total U.S. Department of Homeland Security					1,051,639
Total Expenditures of Federal Awards				\$ -	\$ 34,454,833
					(Concluded)

N/A - Not applicable or not available.

See Notes to Schedule of Expenditures of Federal Awards.

City of West Haven, Connecticut

**Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024**

1. Basis of presentation

The accompanying schedule of expenditures of federal awards ("Schedule") includes the federal award activity of the City of West Haven, Connecticut ("City") under programs of the federal government. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance").

Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in fund balance, changes in net position, or cash flows of the City.

2. Summary of significant accounting policies

- A. Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
- B. The City has elected not to use the 10% *de minimis* indirect cost rate as allowed under the Uniform Guidance.

3. Noncash federal awards

The City received and expended the following noncash awards:

USDA donated commodities:

National School Lunch Program	\$ 111,251
Fresh Fruit and Vegetable Program	175,000

City of West Haven, Connecticut

**Summary Schedule of Prior Year Audit Findings
For the Year Ended June 30, 2024**

Finding 2023-001 Vendor Approval (Material Weakness) – 2021

Condition

The City does not have a formal approval process for the addition of new vendors to the vendor file. In addition, the accounts payable clerk can enter new vendors as part of the processing of checks. This could result in unapproved vendors being hired and unauthorized payments to those vendors. Vendor files are not currently reviewed and approved on an annual basis.

Current status

This finding has been corrected.

Finding 2023-002 Bank Reconciliations (Material Weakness) – 2023

Condition

The City did not perform bank reconciliations on a timely basis for certain accounts which include identification after year end of \$1,300,000 in unrecorded deposits.

Current status

This finding has been repeated as finding 2024-001 as a significant deficiency.

Reason for recurrence

The timing of the City addressing the staffing shortages and completion of the 2023 audit prevented implementation of the corrective action from the previous audit and a repeat occurrence.

Finding 2023-003 Segregation of Duties (Significant Deficiency) – City – 2021

Condition

The City employees that process payroll have the ability to change employee pay rates. These employees also have the ability to update/edit employee master files, deductions and are set up as payroll super users with no restrictions.

In addition, the payroll register is not reviewed and approved prior to the payroll being processed.

Current status

This finding has been resolved through implementation of compensating controls.

City of West Haven, Connecticut

**Summary Schedule of Prior Year Audit Findings (Continued)
For the Year Ended June 30, 2024**

Finding 2023-004 Segregation of Duties (Significant Deficiency) – Education Department – 2021

Condition

The Education Department payroll clerk that processes payroll has the ability to change employee pay rates. The employee also has the ability to update/edit employee master files, deductions and is set up as a payroll super user with no restrictions.

Current status

This finding has been resolved through implementation of compensating controls.

Finding 2023-005 Procurement and Suspension and Debarment (Compliance) – 2020

Condition

The City's procurement policy does not include the essential elements as outlined in 2 CFR section 200.318 through 200.326.

Current status

This finding has been repeated as finding 2024-002.

Reason for recurrence

The purchasing policy was updated to address suspension and debarment but was not updated for all the sections of the CFR noted above.

Finding 2023-006 Coronavirus State and Local Fiscal Recovery Funds (Compliance) – 2023

Condition

- The amount reported in the June 30, 2023 project and expenditure report for current period expenditures was not able to be reconciled to the amounts expended in the City's general ledger.
- One project totaling \$2,000,000 was reported as current period expenditures in both the September 30, 2022 quarter and the June 30, 2023 quarter project and expenditure report.

Current status

This finding has been corrected.

City of West Haven, Connecticut

**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2024**

I. Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:

Unmodified opinion

Internal control over financial reporting:

Material weakness(es) identified?

<u> </u>	yes	<u> x </u>	no
			none
<u> x </u>	yes	<u> </u>	reported

Significant deficiency(ies) identified?

Noncompliance material to financial statements noted?

<u> </u>	yes	<u> x </u>	no
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Federal Awards

Internal control over major programs:

Material weakness(es) identified?

<u> </u>	yes	<u> x </u>	no
			none
<u> </u>	yes	<u> x </u>	reported

Significant deficiency(ies) identified?

Type of auditors' report issued on compliance for major programs:

Unmodified opinion

Any audit findings disclosed that are required to be reported in
accordance with 2 CFR Section 200.516(a)?

<u> x </u>	yes	<u> </u>	no
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Identification of major programs:

<u>AL Number(s)</u>	<u>Name of Federal Program or Cluster</u>
14.218	CDBG - Entitlement/Special Purpose Grants Cluster
21.027	Coronavirus State and Local Fiscal Recovery Funds
84.425	Education Stabilization Fund (ESF)

Dollar threshold used to distinguish between type A and type B programs:

\$ 1,033,645

Auditee qualified as low-risk auditee?

<u> </u>	yes	<u> x </u>	no
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City of West Haven, Connecticut

**Schedule of Findings and Questioned Costs (Continued)
For the Year Ended June 30, 2024**

II. Findings – Financial Statement Audit

Finding 2024-001 Bank Reconciliations (Significant Deficiency) – City 2023

Criteria

The City should have internal controls and related policies and procedures in place to ensure timely (within 30 days) and accurate bank reconciliations. The policies and procedures should include proper recording of identified reconciling items including wires and ACH deposits.

Condition

The City did not perform bank reconciliations on a timely basis for certain accounts. In addition, for certain accounts, the City did not record all identified reconciling items in the general ledger and/or had remaining unidentified differences.

Context

Not applicable.

Effect

Monthly bank reconciliations may not be accurate as errors may not be detected and corrected on a timely basis.

Cause

Lack of adequate resources and timing of prior year audit completion.

Recommendation

The City should develop and implement formal monthly bank reconciliation procedures that include review and recording of deposit activity in the month it was received. The process should include the required procedures and analysis to be performed and the timeline in which they must be performed and completed. The procedures should include detailed analysis, reconciliation, supporting schedules, and proper recording of identified reconciling items.

Views of responsible officials and planned corrective actions

Management agrees with the finding for fiscal year 2023-2024. The timing of the City addressing the staffing shortages and completion of the 2023 audit prevented implementation of the corrective action from the previous audit and a repeat occurrence. In the latter part of fiscal year 2023-2024, the Finance Department has made significant progress in implementing a corrective action plan. The Finance Department has been able to increase staff capacity with qualified personnel to perform reconciliations accurately, timely and for supervision review. In addition, policies and procedures have been updated, developed, and/or distributed during fiscal year 2023-2024 and fiscal year 2024-2025.

City of West Haven, Connecticut

**Schedule of Findings and Questioned Costs (Continued)
For the Year Ended June 30, 2024**

III. Findings – Major Federal Award Programs

Finding 2024-002 Procurement and Suspension and Debarment (Compliance) – 2020

Program

All Federal Programs

Criteria

The City must comply with procurement standards set out at 2 CFR sections 200.318 through 200.326 within the Uniform Guidance.

Condition

The City's procurement standards do not include all the essential elements as outlined in 2 CFR sections 200.318 through 200.326.

Questioned costs

None noted.

Context

Although the City did not have a policy in place in conformity with the federal Uniform Guidance criteria, the City did follow their procedures as it relates to the contracts under the procurements applicable to the City's major programs.

Effect

The City is at risk for noncompliance for expenditures of federal monies as it relates to federal procurement.

Cause

The Purchasing department staffing levels and timing of new hires did not allow for a complete review and update of the City's purchasing policy.

Recommendation

We recommend that the City review its formal procurement policies and make necessary changes to comply with each of the criteria as set out in 2 CFR sections 200.318 through 200.326.

Views of responsible official and planned corrective actions

Management agrees with this finding as applies to the entirety of fiscal year 2023-2024. A comprehensive Purchasing Policy which includes all the essential elements as outlined in 2 CFR sections 200.318 through 200.326 was issued during the fiscal year 2023-2024. The Policy states that "The City of West Haven procurement process is guided by the Federal Code of Federal Regulations ("CFR") sections 200.317 through 200.326." The Purchasing Policy serves as a comprehensive guide for employees, clearly outlining the required procedures for acquiring goods, services, and equipment necessary for City operations. The City's procurement process adheres to local ordinances, state statutes, tribal laws, and federal regulations, including the City Charter and Code (Section 42) and CFR Sections 200.318-200.326. Furthermore, the Purchasing Department continuously monitors the performance of the procurement program to ensure compliance with all applicable regulations. Any employee inquiries or concerns regarding procurement processes should be directed to the Purchasing Department or the Finance Director.

State Single Audit

**Report on Compliance for Each Major State Program;
Report on Internal Control Over Compliance; and
Report on the Schedule of Expenditures of State Financial
Assistance Required by the State Single Audit Act**

Independent Auditors' Report

**City Council
City of West Haven, Connecticut**

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited the City of West Haven, Connecticut's ("City") compliance with the types of compliance requirements identified as subject to audit in the Office of Policy and Management's *Compliance Supplement* that could have a direct and material effect on each of the City's major state programs for the year ended June 30, 2024. The City's major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2024.

Basis for Opinion on Each Major State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the State Single Audit Act (C.G.S. Sections 4-230 to 4-236). Our responsibilities under those standards and the State Single Audit Act are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major state program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City's state programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. 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, *Government Auditing Standards*, and the State Single Audit Act will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error; as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the State Single Audit Act, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the State Single Audit Act, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the State Single Audit Act and which are described in the accompanying schedule of findings and questioned costs as items 2024-002, 2024-003, and 2024-004. Our opinion on each major state program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the State Single Audit Act. Accordingly, this report is not suitable for any other purpose.

Report on the Schedule of Expenditures of State Financial Assistance Required by the State Single Audit Act

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the City as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon, dated February 12, 2025, which contained unmodified opinions on those financial statements.

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of state financial assistance is presented for purposes of additional analysis as required by the State Single Audit Act and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 schedule of expenditures of state financial assistance is fairly stated in all material respects in relation to the basic financial statements as a whole.

PKF O'Connor Davies, LLP

City of West Haven, Connecticut

**Schedule of Expenditures of State Financial Assistance
For the Year Ended June 30, 2024**

State Grantor/Pass Through Grantor/Program Title	State Grant Program Core-CT Number	Passed Through to Subrecipients	Total Expenditures
Department of Education:			
Talent Development	11000-SDE64370-12552	\$ -	\$ 7,554
Magnet Schools	11000-SDE64370-12632	-	178,100
Family Resource Centers	11000-SDE64370-16110	-	112,629
Child Nutrition State Matching Grant	11000-SDE64370-16211	-	32,371
Healthy Foods Initiative	11000-SDE64370-16212	-	58,602
Adult Education	11000-SDE64370-17030	-	230,125
Health Services	11000-SDE64370-17034	-	46,291
Alliance District	11000-SDE64370-17041	-	11,187,925
Alliance District Increasing Educator Diversity	11000-SDE64370-17041-84144	-	155,807
Alliance District 2% Set Aside	11000-SDE64370-17041-82002	-	827,986
Bilingual Education	11000-SDE64370-17042	-	87,303
School Breakfast	11000-SDE64370-17046	-	23,870
Department of Children and Families:			
Youth Services Bureau	11000-DCF91141-17052	-	21,212
Youth Services Bureau Enhancement	11000-DCF91141-17107	-	10,329
Department of Economic and Community Development:			
Brownfield Remediation and Development	12060-ECD46260-35533	-	113,902
Department of Justice:			
Youth Violence Prevention Initiative (YVPI)	11000-JUD96114-12555	-	14,825
Office of Early Childhood:			
Child Day Care (CDC)	11000-OEC64841-16274	755,815	755,815
School Readiness Quality Enhancement	11000-OEC64845-16158	-	24,973
School Readiness in Priority School Districts	11000-OEC64845-16274	2,170,910	2,170,910
Connecticut State Library:			
Historic Documents Preservation Grants	12060-CSL66094-35150	-	8,000
Department of Transportation:			
Town Aid Road Grants Transportation Fund	12001-DOT57131-17036	-	618,802
Office of Policy and Management:			
Property Tax Relief on Property of Totally Disabled Persons	11000-OPM20600-17011	-	3,779
Property Tax Relief for Veterans	11000-OPM20600-17024	-	100,509
Tiered Payment in Lieu of Taxes (PILOT)	11000-OPM20600-17111	-	9,708,181
Local Capital Improvement Program	12050-OPM20600-40254	-	99,308
Municipal Grants-in-Aid	12052-OPM20600-43587	-	169,031
Department of Emergency Services and Public Protection:			
Asset Forfeiture	12060-DPS32155-35142	-	116,301
Telecommunications Fund	12060-DPS32741-35190	-	149,674
Urban Act Grants	13019-DPS32000-41241	-	484,522

(Continued)

See Notes to Schedule of Expenditures of State Financial Assistance.

City of West Haven, Connecticut

**Schedule of Expenditures of State Financial Assistance
For the Year Ended June 30, 2024**

State Grantor/Pass Through Grantor/Program Title	State Grant Program Core-CT Number	Passed Through to Subrecipients	Total Expenditures
Department of Energy and Environmental Protection:			
Curbside Food Scrap and Unit-Based Pricing Co-Collection Pilot Program	11000-DEP44920-10020	\$ -	\$ 18,000
Curbside Food Scrap and Unit-Based Pricing Co-Collection Pilot Program	11000-DEP44920-12488	-	28,585
Community Conservation and Development	13019-DEP43720-41239	-	213,333
Clean Water Fund - Grants	21014-DEP43720-40001	-	98,384
Clean Water Fund - Loans	21015-DEP43720-42318	-	1,239,781
Department of Public Health:			
Local and District Departments of Health	11000-DPH48500-17009	-	106,717
Department of Social Services:			
Medicaid	11000-DSS60000-16020	-	594,070
Secretary of State:			
Early Voting	11000-SOS12500-12651	-	10,500
Department of Labor:			
Connecticut's Youth Employment Program	11000-DOL40000-12205	-	110,734
Total State Assistance Before Exempt Programs			29,938,740
<u>Exempt Programs:</u>			
Department of Administrative Services:			
School Construction Grants	13010-DAS27000-43744	-	6,452,208
Department of Education:			
Education Cost Sharing	11000-SDE64370-17041	-	40,962,418
Special Education - Excess Costs Student Based and Equity	11000-SDE64370-17047	-	2,751,608
Office of Policy and Management:			
Mashantucket Pequot and Mohegan Fund Grant	12009-OPM20600-17005	-	807,097
Municipal Transition Grant Fund	11000-OPM20600-17103	-	1,975,644
Municipal Revenue Sharing	12060-OPM20600-35458	-	1,405,219
Total Exempt Programs			54,354,194
Total State Financial Assistance		\$ 2,926,725	\$ 84,292,934

(Concluded)

See Notes to Schedule of Expenditures of State Financial Assistance.

City of West Haven, Connecticut

Notes to Schedule of Expenditures of State Financial Assistance For the Year Ended June 30, 2024

1. Basis of presentation

The accompanying schedule of expenditures of state financial assistance ("Schedule") includes State grant activity of the City of West Haven, Connecticut ("City"), under programs of the State of Connecticut. Various departments and agencies of the State of Connecticut have provided financial assistance through grants and other authorizations in accordance with the General Statutes of the State of Connecticut. These financial assistance programs fund several programs including general government, public safety, public works, human resources and health and welfare, parks and recreation, library and education.

Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in fund balance, changes in net position, or cash flows of the City.

2. Summary of significant accounting policies

The accounting policies of the City conform to accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board.

The information in the Schedule is presented based upon regulations established by the State of Connecticut, Office of Policy and Management.

Basis of accounting

The expenditures reported on the Schedule are reported on the modified accrual basis of accounting. In accordance with Section 4-236-22 of the Regulations to the State Single Audit Act, certain grants are not dependent on expenditure activity and, accordingly, are considered to be expended in the fiscal year of receipt. These grant program receipts are reflected in the expenditures column of the Schedule.

City of West Haven, Connecticut

**Notes to Schedule of Expenditures of State Financial Assistance (Continued)
For the Year Ended June 30, 2024**

3. Loan program

In accordance with Section 4-236-23(a)(4)(F) of the Regulations to the State Single Audit Act, the notes to the Schedule shall include loans and loan activities. The following is a summary of the various loan program activity:

Department of Energy and Environmental Protection:

Clean Water Funds (21014-OTT14230-40001):

Grant ID	Issue Date	Interest Rate	Original Amount	Balance July 1, 2023	Additions	Retired	Balance June 30, 2024
CWF 549-C	7/1/2013	2.00%	\$ 28,250,103	\$ 14,101,246	\$ -	\$ 1,430,037	\$ 12,671,209
CWF 549-CD2	6/30/2015	2.00%	1,425,544	814,682	-	83,455	731,227
CWF 223-CSL	11/30/2021	2.00%	588,849	545,121	-	23,220	521,901
CWF 222-CSL	6/30/2022	2.00%	3,925,943	3,566,639	-	166,298	3,400,341
CWF 225-CSL	1/31/2023	2.00%	781,774	765,299	-	33,448	731,851
CWF 228-CSL	2/29/2024	2.00%	760,961	516,241	244,720	10,673	750,288
CWF 226-CSL	6/28/2024	2.00%	643,858	530,901	112,957	-	643,858
CWF 748-CSL	(1)	2.00%	(1)	-	815,514	-	815,514
CWF 760-DC	(1)	2.00%	(1)	-	66,589	-	66,589
Total				<u>\$ 20,840,129</u>	<u>\$ 1,239,780</u>	<u>\$ 1,747,131</u>	<u>\$ 20,332,778</u>

(1) Loan is an interim funding obligation

City of West Haven, Connecticut

**Summary Schedule of Prior Year Audit Findings
For the Year Ended June 30, 2024**

Finding 2023-001 Vendor Approval (Material Weakness) – 2021

Condition

The City does not have a formal approval process for the addition of new vendors to the vendor file. In addition, the accounts payable clerk can enter new vendors as part of the processing of checks. This could result in unapproved vendors being hired and unauthorized payments to those vendors. Vendor files are not currently reviewed and approved on an annual basis.

Current status

This finding has been corrected.

Finding 2023-002 Bank Reconciliations (Material Weakness) – 2023

Condition

The City did not perform bank reconciliations on a timely basis for certain accounts which include identification after year end of \$1,300,000 in unrecorded deposits.

Current status

This finding has been repeated as finding 2024-001 as a significant deficiency.

Reason for recurrence

The timing of the City addressing the staffing shortages and completion of the 2023 audit prevented implementation of the corrective action from the previous audit and a repeat occurrence.

Finding 2023-003 Segregation of Duties (Significant Deficiency) – City – 2021

Condition

The City employees that process payroll have the ability to change employee pay rates. These employees also have the ability to update/edit employee master files, deductions and are set up as payroll super users with no restrictions.

In addition, the payroll register is not reviewed and approved prior to the payroll being processed.

Current status

This finding has been resolved through implementation of compensating controls.

City of West Haven, Connecticut

**Summary Schedule of Prior Year Audit Findings (Continued)
For the Year Ended June 30, 2024**

Finding 2023-004 Segregation of Duties (Significant Deficiency) – Education Department – 2021

Condition

The Education Department payroll clerk that processes payroll has the ability to change employee pay rates. The employee also has the ability to update/edit employee master files, deductions and is set up as a payroll super user with no restrictions.

Current status

This finding has been resolved through implementation of compensating controls.

Finding 2023-005 Child Day Care Subrecipient Monitoring (Compliance) - 2011

Condition

The City passes through day care grant monies to a subrecipient who operates the day care program. The City did not monitor the subrecipient to ensure that the agency is administering grant funds in compliance with grant requirements.

Current status

This finding has been corrected.

Finding 2023-006 Reporting – Community Conservation and Development Grant (Compliance) – 2021

Condition

The City did not provide summaries of project status to the State.

Current status

This finding has been repeated as finding 2024-002.

Reason for recurrence

Unknown.

City of West Haven, Connecticut

**Summary Schedule of Prior Year Audit Findings (Continued)
For the Year Ended June 30, 2024**

Finding 2023-007 School Readiness Subrecipient Monitoring (Compliance) – 2021

Condition

The Education Department did not perform the following monitoring activities:

- Receive and review financial reports
- Verify that reported expenditures are reconciled to advances
- Review subrecipient audit reports and related correction action plans (if applicable)

Current status

The City obtained and reviewed the subrecipient audit reports for findings related to the program. The remainder of the finding has been repeated as finding 2024-003.

Reason for recurrence

Unknown.

City of West Haven, Connecticut

**Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2024**

I. Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:	<u>Unmodified opinion</u>		
Internal control over financial reporting:			
Material weakness(es) identified?	_____	yes	_____ <u>x</u> no none
Significant deficiency(ies) identified?	<u>x</u> _____	yes	_____ reported
Noncompliance material to financial statements	_____	yes	_____ <u>x</u> no

State Financial Assistance

Internal control over major programs:			
Material weakness(es) identified?	_____	yes	_____ <u>x</u> no none
Significant deficiency(ies) identified?	_____	yes	_____ <u>x</u> reported

Type of auditors' report issued on compliance for major programs: Unmodified opinion

Any audit findings disclosed that are required to be reported in accordance with Section 4-236-24 of the Regulations to the State Single Audit Act?	<u>x</u> _____	yes	_____ no
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The following schedule reflects the major programs included in the audit:

<u>State Grantor and Program</u>	<u>State Core-CT Number</u>	<u>Expenditures</u>
Department of Education:		
Alliance District	11000-SDE64370-17041	\$11,187,925
Alliance District Increasing Educator Diversity	11000-SDE64370-17041-84144	155,807
Alliance District 2% Set Aside	11000-SDE64370-17041-82002	827,986
Office of Early Childhood:		
School Readiness in Priority School Districts	11000-OEC64845-16274	2,170,910
Department of Transportation:		
Town Aid Road Grants Transportation Fund	12001-DOT57131-17036	618,802
Office of Policy and Management:		
Tiered Payment in Lieu of Taxes (PILOT)	11000-OPM20600-17111	9,708,181
Department of Social Services:		
Medicaid	11000-DSS60000-16020	594,070

Dollar threshold used to distinguish between type A and type B programs:

\$598,775

City of West Haven, Connecticut

**Schedule of Findings and Questioned Costs (Continued)
For the Year Ended June 30, 2024**

II. Findings – Financial Statement Audit

Finding 2024-001 Bank Reconciliations (Significant Deficiency) – City 2023

Criteria

The City should have internal controls and related policies and procedures in place to ensure timely (within 30 days) and accurate bank reconciliations. The policies and procedures should include proper recording of identified reconciling items including wires and ACH deposits.

Condition

The City did not perform bank reconciliations on a timely basis for certain accounts. In addition, for certain accounts, the City did not record all identified reconciling items in the general ledger and/or had remaining unidentified differences.

Context

Not applicable.

Effect

Monthly bank reconciliations may not be accurate as errors may not be detected and corrected on a timely basis.

Cause

Lack of adequate resources and timing of prior year audit completion.

Recommendation

The City should develop and implement formal monthly bank reconciliation procedures that include review and recording of deposit activity in the month it was received. The process should include the required procedures and analysis to be performed and the timeline in which they must be performed and completed. The procedures should include detailed analysis, reconciliation, supporting schedules, and proper recording of identified reconciling items.

Views of responsible officials and planned corrective actions

Management agrees with the finding for fiscal year 2023-2024. The timing of the City addressing the staffing shortages and completion of the 2023 audit prevented implementation of the corrective action from the previous audit and a repeat occurrence. In the latter part of fiscal year 2023-2024, the Finance Department has made significant progress in implementing a corrective action plan. The Finance Department has been able to increase staff capacity with qualified personnel to perform reconciliations accurately, timely and for supervision review. In addition, policies and procedures have been updated, developed, and/or distributed during fiscal year 2023-2024 and fiscal year 2024-2025.

City of West Haven, Connecticut

Schedule of Findings and Questioned Costs (Continued)
For the Year Ended June 30, 2024

III. Findings – State Financial Assistance Findings and Questioned Costs

Finding 2024-002 Reporting – Community Conservation and Development Grant (Compliance) – 2021

Grantor	Department of Energy and Environmental Protection
State Program Name	Community Conservation and Development
State Grant Program	13019-DEP43310-41239
CORE-CT Number	13019-DEP43720-41239

Criteria

The City must provide summaries of project status to the State in accordance with the grant agreement.

Condition

The City did not provide summaries of project status to the State.

Questioned costs

None noted.

Context

Not applicable.

Effect

The City was not in compliance with the grant agreement.

Cause

The City did not follow the established procedures and internal controls for grant monitoring and reporting.

Recommendation

We recommend the City implement procedures or checklists to ensure reporting is properly completed and filed timely in accordance with the grant requirements.

Views of responsible officials and planned corrective actions

Management agrees with the finding in that no summaries were filed as per the contract. It is important to note that the State has no facility for filing said reports. Also, frequent meetings with the State and the project manager have been held to discuss progress change orders, etc. throughout the planning, design and construction phases. The City is reaching out to the State to determine the State's opinion on compliance with this section of the contract as well as what method should be followed to maintain compliance.

City of West Haven, Connecticut

Schedule of Findings and Questioned Costs (Continued)
For the Year Ended June 30, 2024

Finding 2024-003 School Readiness Subrecipient Monitoring (Compliance) – 2021

Grantor	Office of Early Childhood
State Program Name	School Readiness in Priority School Districts
State Grant Program CORE-CT Number	11000-OEC64845-16274

Criteria

Grantees are required to monitor subrecipient's activities to provide reasonable assurance that the subrecipient administers state awards in compliance with State requirements. The monitoring requirements include both financial and programmatic reports. Financial monitoring should include verifying that reported expenditures are reconciled to advances.

Condition

The Education Department did not perform the following financial related monitoring activities:

- Receive and review financial reports
- Verify that reported expenditures are reconciled to advances

Questioned Cost

None noted.

Context

Currently, there are no formal monitoring procedures in place to review and monitor financial related activities to ensure that the monies are being spent in accordance with the grant requirements.

Effect

Grant monies spent could be determined to be unallowable and other noncompliance with requirements could occur without the Education Department being aware. This could result in questioned costs.

Cause

Unknown.

Recommendation

We recommend the Education Department review all grant compliance requirements and monitor the subrecipients' compliance with these requirements.

Views of responsible officials and planned corrective actions

Management agrees with the finding. The Education Department will update procedures to include and formally document the financial monitoring of subrecipients.

City of West Haven, Connecticut

Schedule of Findings and Questioned Costs (Continued)
For the Year Ended June 30, 2024

Finding 2024-004 Medicaid (Compliance) – 2024

Grantor	Department of Social Services
State Program Name	Medicaid
State Grant Program CORE-CT Number	11000-DSS60000-16020

Criteria

The State requires the cost report to be prepared using the amounts from the general ledger.

Condition

Amounts reported in the cost report were not prepared in accordance with the cost report instructions for reporting the employee benefits.

Questioned Cost

Not determinable.

Context

The amounts reported for the cost report (June 30, 2022) employee benefits included life insurance at face value. The life insurance should be reported at cost.

Effect

Incorrect amounts reported in the cost report will lead to incorrect reimbursement amounts.

Cause

The life insurance policy values were used to prepare the cost report vs. the general ledger.

The amounts reported for the incorrect benefit amounts were clerical errors.

Recommendation

We recommend the cost reports be prepared in accordance with the instructions and that an employee other than the preparer review the application for accuracy before submitting it to the State.

Views of responsible officials and planned corrective actions

Management agrees with this finding. The Education Department will implement procedures to ensure reports are based upon actual cost.