

CITY OF BRIDGEPORT, CONNECTICUT

FINANCIAL REPORT

JUNE 30, 2014

CITY OF BRIDGEPORT, CONNECTICUT



COMPREHENSIVE ANNUAL FINANCIAL REPORT

**For the Fiscal Year
July 1, 2013 to June 30, 2014**

Prepared By:
DEPARTMENT OF FINANCE

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Director of Finance

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COMPREHENSIVE ANNUAL FINANCIAL REPORT
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Introductory Section



BILL FINCH
Mayor

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ANNE KELLY - LENZ
Finance Director

December 27, 2014

Honorable Bill Finch, Mayor
Members of the City Council
Citizens of Bridgeport

State law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended June 30, 2014.

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

Blum Shapiro has issued an unmodified (“clean”) opinion on the City of Bridgeport, Connecticut’s financial statements for the year ended June 30, 2014. The independent auditors’ report is located at the front of the financial section of this report.

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

Profile of the Government

The City of Bridgeport was incorporated in 1836 and annexed portions of the neighboring towns of Stratford and Fairfield in the late 1800’s. The City of Bridgeport is located on the northern shore of the Long Island Sound, approximately 60 miles northeast of New York City and 60 miles southwest of Hartford. The City is the crossroads of one of the best land, sea, rail and air transportation systems in the Northeast. State Routes 8 and 25, with their links to Interstates 84 and 91; merge with Interstate 95 in downtown Bridgeport. Bridgeport Harbor is one of the three deep-water ports in Connecticut; its 35-foot deep channels and anchorages can accommodate most ocean-going vessels involved with international trade and shipping. Amtrak and Metro-North provide passenger service to the City from the downtown Transportation Center, and ConnDOTRail operates a major freight yard within a quarter-mile of the Port of Bridgeport. With a 2010 U.S. Census population of 144,229 residents,

Bridgeport is the largest city in Fairfield County and the State of Connecticut, averaging almost 7,500 people per square mile. Encompassing an area of 19.38 square miles (16.0 square miles of land and 3.38 square miles of water), Bridgeport's 57,000 housing units are unequaled in the State of Connecticut.

Bridgeport operates under and is governed by the laws of the State of Connecticut and its own charter, which was adopted by the State Legislature in 1907. A major revision to the City's charter was adopted in 1992 that streamlined governmental processes and provided for greater administrative accountability. The Charter provides for a Mayor-Council form of government. The Mayor is the chief executive officer of the City. The City Council, which acts as the City's legislative body, consists of 20 council members elected to two-year terms. On November 3, 1998, voters approved a Charter change providing for four-year terms for the Mayor, City Clerk and Town Clerk. This term change became effective in the November 1999 municipal election.

The City provides a full range of services to its citizens. These include: police and fire protection; sewer and sanitation; education; library; airport; the highways, streets and infrastructure maintenance; parks and recreation; cultural events and organizations; health and welfare; and general administrative services.

The annual budget serves as the foundation for the City of Bridgeport's financial planning and control.

Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented on RSI-1 and RSI-2 as part of the required supplementary information for the General Fund.

In 2008, Mayor Finch added CitiStat to the roster of City departments, to help make city departments run more efficiently by using. Using CitiStat protocols established in cities such as Baltimore and Providence, CitiStat is a department responsible for continually improving the quality of services provided to residents, by evaluating policies, procedures and the performance of City departments. Staff analysts examine data and perform investigations in order to identify areas in need of improvement. An outgrowth of CitiStat was the creation of a citizen's service mobile application called BConnected, which allows citizens to report directly to appropriate departments items that need attention, from filling potholes to trimming trees to noise complaints. Since its inception in 2011, BConnected has logged more than 251,265 uses.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City operates.

Local Economy

The City is a major medical, legal, industrial, financial and entertainment center. Two medical centers - St. Vincent's Medical Center, recently aligned with the M.D. Anderson Cancer Center in Texas, and Bridgeport Hospital, which is part of the Yale-New Haven Hospital system, provide for many of the health care needs of the Greater Bridgeport area. Federal, State, and County courthouses are located within the central business district. Corporate and regional business offices are located downtown, including the principal office of one of the largest Connecticut-based banks, People's United Bank. Major employers residing within the City's boundaries include Bridgeport Hospital, St. Vincent's Medical Center, People's United Bank, Sikorsky Aircraft, University of Bridgeport and Bridgeport Health Care Center. The City, long a major manufacturing center, remains the home of more than 200 manufacturing companies. These companies typically exploit new technologies and occupy unusual or even unique market niches.

The Greater Bridgeport area hosts four institutions of higher learning: Fairfield University, Sacred Heart University, Housatonic Community College and The University of Bridgeport. These educational institutions provide the City's corporate and business communities with skilled personnel and enhance the area's cultural and community activities. Housatonic Community College, located in the heart of the City's central business district, has been one of the fastest growing community colleges in New England.

Bridgeport is also the home of numerous attractions that enhance the City's economic fortunes. The Barnum Museum showcases the life and times of the former City Mayor and renowned showman, P.T. Barnum. The Ballpark at Harbor Yard and the Webster Bank Arena bring hundreds of thousands of visitors annually to Bridgeport's Downtown to watch minor league baseball, minor league hockey, college basketball, college hockey, concerts and other entertainment. The Beardsley Zoo, Connecticut's only zoo, is one of the most visited tourist attractions in the State. The Discovery Museum, located in the north end of the City, offers interactive science and space displays, and is home to a half-scale replica of the airplane flown by Gustave Whitehead, who was recently recognized by the state Legislature as the first to achieve manned, powered flight.

The City's taxable base remains steady with the October 1, 2012 with a Net Taxable Grand List at \$7 billion.

Bridgeport had historically been a manufacturing/industrial City that was, for a time, primarily oriented for manufacturing products used in war efforts. The loss of manufacturing jobs on a national level in recent decades has impacted Bridgeport as well. The City's economic development plans have focused on diversification of the local economic base, tailored to the City's strengths of geographic location and skilled workforce availability. Manufacturing job losses of the 1980's and early 1990's have stabilized and the City's strategy of identifying growth industries such as medical, financial services, construction, and film/media is proving successful. In order to enhance the infrastructure that serves the

industrial base of the City and assemble the land and facilities necessary to provide for the expansion of existing corporations and accommodate new businesses, redevelopment and new private investment within the City's industrial corridors continues.

Waterfront Development/Steel Pointe

2015 will see continued construction momentum build after 2014 saw construction commence on the first private investment in Steel Point after several decades of planning and false starts. As of December, 2014 an approximately 155,000 square foot Bass Pro Shops was under construction and slated for a Fall 2015 opening along with a 6,000 square foot retail building to include Starbucks, Chipotle, and an additional tenant. The Bass Pro Shops will include a restaurant and bowling alley and is expected to draw millions of visitors to Steel Point annually from the surrounding region. Several significant additional retail tenants have signed letters of intent that will likely translate into executed leases in 2015. Following significant public infrastructure investment, the foundation is laid for the realization of this completely approved, 3 million square-foot, mixed-use waterfront development.

The City received from the federal government an \$11 million TIGER (Transportation Investment Generating Economic Recovery) grant – the largest federal investment in the state's history. Throughout 2013, the first phase of this project was completed utilizing the federal grant, several million dollars in city match, and investment from the regional utilities. Cumulatively, approximately \$18 million will be invested in the districts roads, sewers, water lines, electric power, gas lines, and telecom. By the end of 2014, the majority of Steel Point's new street grid, utilities, and streetscape is complete with an expanded project scope bringing the infrastructure program into Spring 2015. In early 2015, the waterfront work will commence consisting of bulkhead reconstruction, targeted dredging and continuous linear public access that will open and add value to the peninsula in 2016.

Including the funding received for Bass Pro Shops, the Connecticut state legislature has authorized up to \$40 million of state sales tax incremental financing for the project, subject to approval by the Connecticut Development Authority, which may potentially subsidize construction of additional retail developments. The sales tax incremental financing also may effectively reduce the project's dependency on local property tax incremental financing for the construction of necessary public infrastructure.

The peninsula will include robust public improvements including an approximately 70 foot wide greenway along the waterfront. Property tax based Tax Increment Financing will be used to fund many of these improvements. In 2009, the City entered into an Amended and Restated Development and Acquisition Agreement with Bridgeport Landing Development (BLD) for this 50-acre project. That agreement and subsequent City Council and State Legislature approvals created the Steel Pointe Infrastructure Improvement District (the "District"), a special taxing district with the ability to issue as much as \$190 million of bonds secured by property tax incremental financing and additional assessments on property within the District.

Downtown Development

Downtown Bridgeport is at the nexus of road, rail, transit, and water related transportation infrastructure. Its location and existing assets provide the opportunity for Bridgeport to become the transit-oriented development hub of Fairfield County. With spiraling housing costs in western Fairfield County, particularly the urban centers of Stamford and Norwalk,

and the high incidence of traffic congestion on Interstate-95 and the Merritt Parkway, Bridgeport is increasingly an option for residents and businesses seeking a cost effective and convenient location to live and work. The importance of the City's transportation hub was reinforced by the 2010 census results which showed the first population gain in 60 years. Census data also shows that Bridgeport has the second highest percentage of population in the 20-something age range in Southwestern Connecticut. As an ideal location for permanent workforce housing for the region, the City is positioning its downtown to be an important asset in the sustained growth of the Fairfield County economy. The downtown central business district has been the recipient of significant public sector investment over the last few years, a result of the City's focus on creating amenities and conveniences through intermodal transportation, entertainment and cultural facilities, and a growing middle income residential base.

The City completed the construction of a \$17 million **Bridgeport ITC Garage** (Intermodal Transportation Center) in 2001. This 1,400-car commuter parking facility helps link the various modes of transportation (Amtrak, Metro North, water ferries, airport limousines, inter and intra-city buses and taxis) with downtown Bridgeport and the region. It also serves as additional event parking for the Ballpark at Harbor Yard and the Webster Bank Arena at night and on weekends. The garage was funded through Federal and State grants intended to reduce highway congestion. The City subsequently secured additional funding to add two more parking decks boosting the original 900 spaces to 1,400. The installation of the new decks was completed in November 2010, with a permanent certificate of occupancy obtained in January 2011. The garage addition is the latest in a line of improvements to Downtown Bridgeport's transportation infrastructure including: the construction of an enclosed, elevated pedestrian walkway system connecting the ITC Garage to the Metro North rail platform (completed in May 2008); and a new state-of-the-art 17 bay bus terminal operated by the Greater Bridgeport Transit Authority (opened in September 2007). The new bus terminal is connected to the Metro North/Amtrak train station's rail platform and transit garage via overhead walkways.

In 2008, the State of Connecticut completed a \$55 million expansion of **Housatonic Community College**, doubling the size of the downtown facility. Since the completion of the expansion, the college's enrollment has increased by more than 1,000 students exceeding 5,989 students for the Spring 2011 semester. Current enrollment is at an all-time high, and has provided added life to Bridgeport's downtown. An additional expansion is planned for 2015.

Even with a slowdown of the national economy, significant private investment continues to occur in downtown Bridgeport.

The **Bridgeport Holiday Inn** completed a \$10 million renovation in the first quarter of 2010. The renovation, which included all 209 rooms, restaurant, lounge and common areas, was completed in tandem with more than \$40 million of other private investment that has recently occurred within a block's distance of the hotel.

In 2007, Urban Green Builders completed the residential portion of the \$30 million adaptive reuse project in the former Citytrust office building. The 118 units of rental housing have reached full occupancy largely with tenants that make a daily commute on Metro North, via the train station within two blocks of the project. In addition, **Citibank** has opened a 3,000

square foot branch operation in the building, the bank's first presence in Downtown Bridgeport in nearly 20 years. Urban Green has had a similar experience in its residential leasing for other downtown projects, including its residential conversion of an office building at **144 Golden Hill Street** and the \$22 million historic restoration of the **Arcade Hotel**. Both projects have achieved full residential occupancy.

Started in 2005, the ***Bijou Square Redevelopment Project*** consists of the renovation of four historic buildings along Fairfield Avenue in downtown Bridgeport. One of the buildings houses the oldest movie theater in the nation. Approximately 20,000 square feet of restaurant, retail and office space has been renovated and occupied within the development. ***Two Boots Pizzeria***, a New York based chain, opened their first restaurant outside of New York City in Bijou Square in December 2007. ***Antinozzi and Associates***, a leading regional architectural firm, moved from a suburban location into Bijou Square.

The newest phase of Bijou Square, the construction of a 150,000 square foot mixed-use building, was completed and approved for occupancy in December 2010. The \$25 million project created 84 residential units and nearly 10,000 square feet of ground floor retail space, and constitutes the largest privately developed new construction project in downtown Bridgeport since the late 1980s. As of March 2011, leases have been signed on approximately 85 percent of the retail space, and on more than 50 percent of the residential space.

Like the Citytrust and Arcade Hotel projects undertaken by Urban Green, the Bijou Square project benefited from the use of the federal New Market Tax Credit (NMTC) program. To date, the City has seen four private real estate projects make use of the NMTC program, utilizing six separate NMTC transactions. Bridgeport has completed more NMTC projects and transactions than any other city in Connecticut, and is one of only five cities in the state to utilize this financing tool.

In 2008, a joint venture of the ***Spinnaker Group*** and ***Forstone Capital*** of Norwalk acquired almost two full city blocks of downtown real estate from People's United Bank and is currently creating a redevelopment reuse plan for these holdings. Forstone Capital also acquired the neighboring former Mechanics & Farmers Bank Complex on State Street from the City in furtherance of its plans for the redevelopment of the property into a mixed-use retail and residential complex. In December 2011, ***Fletcher Thompson***, an architectural design firm, announced its plans to move back to Bridgeport and is renovating the bank building into a mixed-use development with their offices and 30 market rate residential units. The residential units came on-line in late 2014 and were nearly 90% preleased. The commercial space was occupied in December, 2014 and this project now anchors the core of downtown. Across the street from this development, Forstone has received state CHAMP support for their next project set to begin construction in 2015 with a conversion of a cluster of historic structures into 32 housing units, two professional offices, a comedy club, and a restaurant. In the summer of 2010, ***333 State Street Development*** commenced construction of its adaptive reuse project in a former office building in Downtown Bridgeport. The \$12 million project opened in the fall of 2012, created 65 rental apartments and 15,000 square feet of street-level commercial space in a building that had been vacant for more than a decade.

In the summer of 2012, a significant land swap occurred between Kuchma Corporation (developer of Bijou Square) and the City of Bridgeport that will result in nearly 30 residential units, a downtown gym with pool, a restaurant, and a new senior center for the city's residents. The new senior center was completed in late 2013, providing a modern facility for the city's retired population in the heart of downtown. The first of two new residential buildings with 12 units came on-line in early 2013, leasing fully in approximately one month. The second residential building with an additional 12 units came on-line in the spring of 2014 and was fully leased in several months.

Long vacant, the Downtown North district has seen recent investment and is positioned to be the next development area in downtown. Two private building acquisitions occurred in 2012. One, three story mixed-use building has been refurbished into new office and retail space and three inter-connected buildings including an 8-story tower will be repurposed to add to the downtown residential housing stock. This project, the *Securities* block, received an over \$4 million CHAMP (Competitive Housing Assistance for Multi-Family Properties) award and over \$1 million in state brownfield remediation assistance. The project, including nearly 75 housing units and just under 10,000 square feet of retail space is set to start construction in early 2015. Just north of those buildings, the city has recently completed negotiations with several development teams to redevelop five city blocks including both historic buildings and vacant land: Spinnaker, POKO, Urban Green Builders, and Navarino. One of those blocks, controlled by Urban Green Builders, received the largest grant from the state's CHAMP program - \$5 million. This project, including 105 housing units and just under 10,000 square feet of retail space commenced interior remediation and demolition in December, 2014. The POKO/Spinnaker project, including 50 housing units is set to start construction in mid-2015. Collectively, these projects represent over 400 housing units, approximately 50,000 square feet of retail space and over 200,000 square feet of office space.

Industrial Development and Energy Projects

In the City's West End Redevelopment area, significant industrial investment has occurred in recent years and continues today. A refrigerated facility that was constructed in 2005 became in 2014 the new home of DeYulio's Sausage, relocating to the City of Bridgeport from Stamford, CT. This facility is located adjacent to the AKDO Intertrade, a major importer and distributor of marble, tile, granite and other high-end stone products that moved, in 2006, into a new 115,000 square foot showroom, office and warehouse.

United Rentals, the largest equipment rental company in the world, completed construction on a 40,000 square-foot facility in the City in November 2009. The facility, now fully operational is the company's largest in New England. The facility will ultimately house equipment that is expected to generate more than \$300,000 annually in personal property taxes for the City. The project was developed on what was formerly the long-dormant Bridgeport Brass property, a Brownfield site that had been idle since 1980.

All-Phase Construction, a fabricator and installer of steel and iron building components constructed 30,000 square feet of modern manufacturing space in the *Seaview Industrial Park* in 2007. The Seaview Industrial Park project is a notable example of the City's ongoing efforts to remediate brownfields and pursue infill industrial development in appropriate neighborhood settings.

The *Singer Electric Substation* and *Middletown to Norwalk 345KV Power Line* projects, undertaken by United Illuminating and Connecticut Light and Power, represent fully taxable investments of well in excess of \$100 million in the City. Both of the projects were completed and activated in December 2008 and will help the City and Fairfield County attain the energy infrastructure to support economic stability and growth.

Fuel Cell Energy of Danbury completed construction in 2013 of the \$70 million Bridgeport Fuel Cell Energy Park. The project has received full approval of the Connecticut Siting Council and the Connecticut Department of Public Utility Control, and power purchase agreements have been negotiated with utility companies. The project was purchased by Dominion Energy and began producing enough electricity for 15,000 homes in February, 2014.

In late 2013, state regulatory agencies awarded final approval to the city's *Green Energy Park* that will produce 5 megawatt of electricity from solar panels and fuel cells. It will be located on a former landfill visible from I-95 and will provide power to the regional grid. The location and site plan received state approval in late 2014 and the park will commence construction in 2015.

In late 2013, the city signed memorandums of understanding and/or power purchase agreements with two anaerobic digesters. One will be located at the West End WPCA facility and will digest sludge into electricity to power that plant and the second will be located in the eco-technology park and will digest food waste from the region into renewable electricity that will be net-metered to public buildings throughout the city. The first completed local approvals and financing in 2014 and is set to complete the state permitting process and commence construction in 2015.

The **Eco-Technology Park** is a collection of green businesses located in the West End and South End neighborhoods. The Eco-Technology Park is growing job opportunities and enhancing adjoining neighborhoods. Green businesses, now there, and those that will join them, help our City and our country redefine waste as a resource, and reduce energy consumption. The Eco-Technology Park is a major part of Mayor Finch's BGreen2020 Initiative which aims to reduce the City's carbon footprint, save energy, while saving money for taxpayers and create jobs. The state awarded funds in 2014 to complete a new Municipal Development Plan for this district to continue to move the concept forward.

Adjacent to the Eco-Technology Park, a hulking block of vacant industrial buildings is being repurposed as a mixed-use neighborhood by Corvus Capital. The block attracted \$1.2 million in state brownfield assistance and is finalizing the capital stack for a Summer 2015 groundbreaking. The project when completed will consist of approximately 325 units of mixed-income housing, a charter school, and approximately 20,000 square feet of retail space. The first phase will include 157 units of housing, the charter school, and open space.

Medical Sector and Senior Living Projects

As the center for hospital care in Eastern Fairfield County, the City's health care industry continues to grow. In 2013, *Bridgeport Hospital*, an employer of over 2,500 people, working together with the City, completed a brand new entrance gateway to the hospital which includes a fountain and pocket park, an enhancement which makes the area more

inviting for visitors and residents alike. This work followed various other upgrades made since 2010 to the 800,000 square foot complex.

St. Vincent's Medical Center, which employs more than 2,600, completed construction in 2009 of a \$140 million expansion project which added parking capacity, 90,000 square feet to its emergency facilities and established a home for the hospital's new cancer center. In Fall 2013, St. Vincent's announced its affiliation with MD Anderson Cancer Network™, one of the preeminent cancer education and research providers in the U.S.

The Watermark at 3030 Park, a senior living and assisted living center, completed a \$40 million expansion and rehabilitation project in 2009. The property had been tax exempt and subject to a minimal payment in lieu of taxes under prior ownership, but currently pays approximately \$860,000 annually to the City under a payment in lieu of taxes agreement. The agreement calls for a gradual increase in the annual payment to approximately \$1.1 million in 2018, after which the property will be subject to the normal assessment and levy practices of the City.

In 2013, Jewish Senior Services (formerly known as the Jewish Home for the Elderly) announced plans for a \$95 million project to move its Fairfield facility to Park Avenue in Bridgeport. The 367,000 square foot, five-story skilled nursing and assisted living facility broke ground in Spring 2014. By December, 2014 the concrete foundation was complete and steel was nearing 50% completion. It is estimated to bring nearly 300 jobs to Bridgeport.

For more information on current development activity in the city of Bridgeport, please see the City's web site at: www.bridgeportct.gov and click on the Economic Development section.

Bridgeport's Major Financial Initiatives

The City has instituted a number of cost-saving initiatives through charter revision, financial system upgrades, improvement of revenue collection, the reduction of employee benefits, and privatization. Some of the more recent cost-savings initiatives are described below.

Revenue Collection Initiatives

The City has been active in seeking out and implementing innovative strategies for enhancing its tax revenues, accelerating its receipt of delinquent taxes, non-tax revenues and controlling costs.

The City implemented various programs in order to achieve maximum collection of delinquent motor vehicle taxes. In 2005, the City implemented the Bootfinder Program, the latest technology available at that time to identify delinquent motor vehicle taxpayers. The publicity received from local media concerning this program has been significant. It is estimated that approximately \$6.3 million of delinquent motor vehicle taxes has been collected since the implementation of this initiative. The City upgraded the Bootfinder Program by hiring Vioalert in 2008, bringing in approximately \$5.1 million since 2008. In addition, the City hired TaxServ LLC to serve as the City's tax collection agency. Since April 2009, approximately \$8.5 million of delinquent taxes have been collected. These initiatives have increased the collection rate for motor vehicle taxes from 78% in Fiscal Year 2004 to 91.3% in Fiscal Year 2013.

The City has used many methods to increase collection of real estate taxes, including heightened enforcement and the sale of tax liens. Tax lien sales have proven to be an effective management tool in collecting both current and arrears taxes, interest and penalties. Since Fiscal Year 1992, the Tax Collector's Office has conducted 36 lien sales, generating more than \$117.8 million in tax, interest and lien revenues. The sale of liens enables the City to realize an immediate financial benefit from the delinquent taxes, and relieves the City of incurring the expense and delay associated with ongoing collection efforts. The City retains no interest in the assigned liens, and the purchaser bears all the risks relating to its ability to collect the amounts owed, and, should it acquire title to the underlying real estate through foreclosure or otherwise, will bear all risks associated with the ownership and sale of real property. The last completed tax lien sale was in June 2014, in which the city sold tax liens of approximately \$2.3 million and they were purchased at a premium. The City will be conducting its next tax lien sale in April 2015 and will offer approximately \$6.5 million in taxes, interest and fees.

Internal Service Fund

In 2007, the City, by ordinance, established an Internal Service Fund to account for self-insured health benefit activities of the City, Board of Education and all other departments. Governmental Accounting Standards allow for the use of Internal Service Funds for risk financing activities. The Internal Service Fund is a proprietary type fund, which utilizes the accrual basis of accounting. The use of an Internal Service Fund, for self insured benefit activities can help smooth the impact of severe claims fluctuations which, in the past, have occurred in the General Fund. Funding of the Internal Service Fund will be provided through the annual General Fund Budget, the WPCA Budget, and non General Fund employee contributions. Monies will be invested by the City Finance Director and Treasurer in accordance with Connecticut General Statutes. As of June 30, 2014, the fund had a deficit of \$85,517,425. As stated in the ordinance adopted by the City Council, a prior year deficit or surplus in the fund will be considered in the calculation of contributions to be made to the Fund in future years; it is expected that deficits will be amortized over a reasonable period (3-5 years).

The City's website

The City's website has been redesigned with the goal of providing a comprehensive website to keep the public informed about City departments, news items, permit and licensing information, financial information such as the Comprehensive Annual Financial Report and on-line bid proposals issued by the City. The upgrades of all computer systems are continuing. The desktop environment has been standardized and protocols for upgrades have been implemented. Data center equipment is also standardized and being migrated from the old philosophy of 'one box per application' to a more modernized approach utilizing blade servers and Storage Area Network technology. With this new technology, there will be more web-enabled software initiatives to allow for internal and external usage for the City's interactive data capabilities and continued improvement of the functional processing in the computer systems.

New software to more efficiently address constituent complaint tracking is being implemented, as is software to streamline the permitting process. New Tax Assessment, Tax Collection, and Financial software has also been implemented in order to more effectively input and report transactions. Further, these applications will no longer ‘stand alone,’ but rather be part of an integrated enterprise environment. Applications will share data and be available to departments in an easy-to-access manner.

City Investment Policy

Eligible investments for Connecticut municipalities are governed by the Connecticut General Statutes. It is the policy of the City to invest funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the City and conforming to all statutes governing the investment of funds. The City’s investment of cash and cash equivalents consist primarily of money market investments as well as money invested in the State Short-Term Investment Fund (“STIF”).

Because the Connecticut General Statutes do not specify permitted investments for municipal pension funds, the investment of pension funds is generally controlled by the laws applicable to fiduciaries (i.e., prudent person rule) and the provisions of the applicable plan. In accordance with its policy for pension fund investments, the City seeks a long-term, above-average total return consisting of capital appreciation and income, while placing an emphasis on preservation of the principal.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Bridgeport, Connecticut for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2013. The Certificate of Achievement is a prestigious national award-recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easy to read and well-organized comprehensive annual financial report, whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City of Bridgeport has received a Certificate of Achievement in each of the last 14 years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

In addition to the award for the Financial Reporting, the Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Bridgeport, Connecticut for the Annual Budget beginning July 01, 2013.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operating guide, as a financial plan, and as a communication device.

The preparation of the Comprehensive Annual Financial Report was made possible by the efficient and dedicated services of the entire staff of the Finance Department, particularly the Comptroller's Office and In-Plant Print Shop. We want to express our appreciation for the cooperation, assistance and support of other City departments.

We would like to acknowledge the thorough and professional manner in which our independent auditors, Blum Shapiro, conducted the audit.

In closing, without the leadership and support of the Mayor and City Council, preparation of this report would not have been possible.

Respectfully submitted,

A handwritten signature in blue ink that reads "Anne Kelly-Lenz". The signature is written in a cursive style with a large, stylized "3" at the end.

Anne Kelly-Lenz
Director of Finance



Government Finance Officers Association

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

Presented to

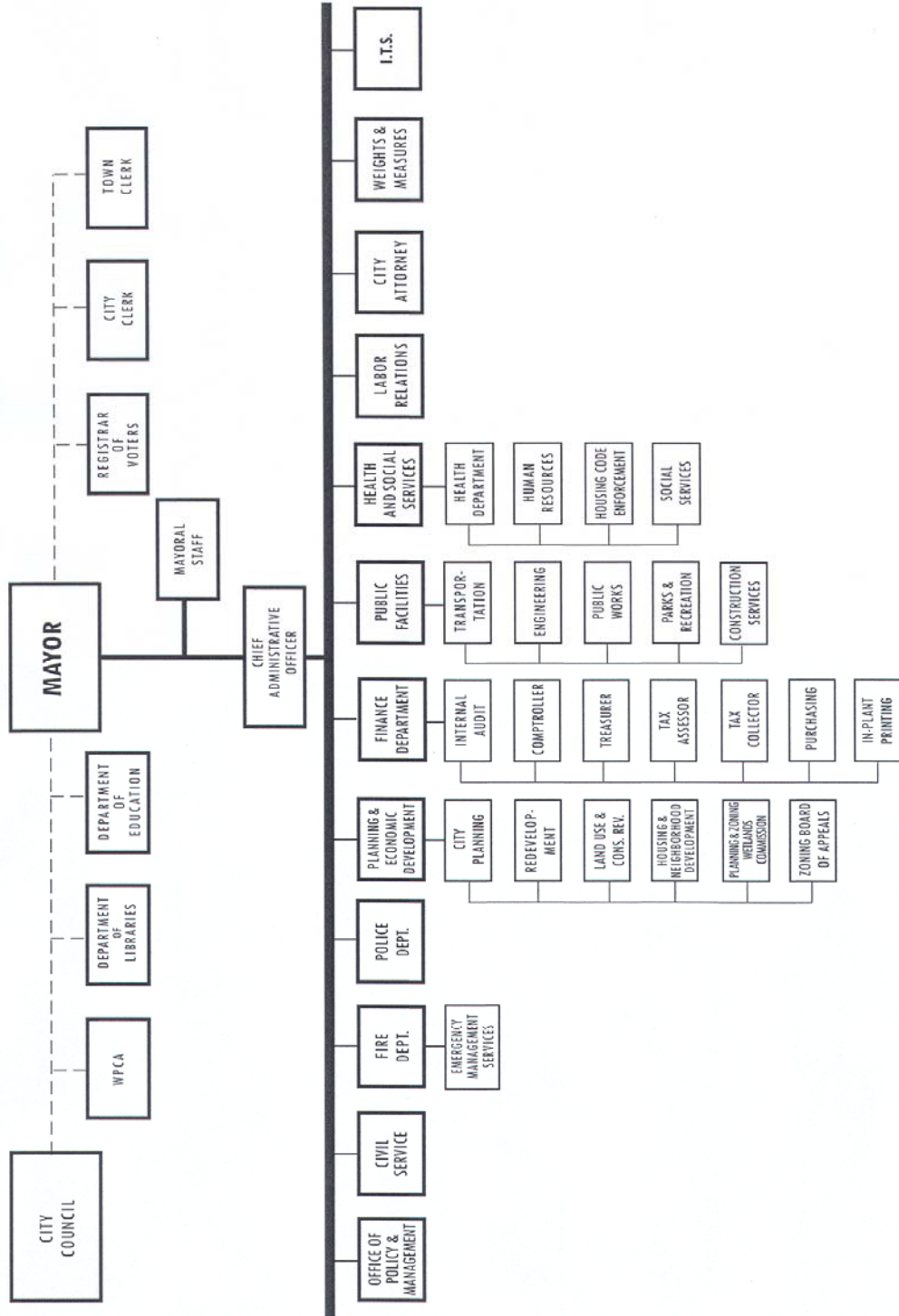
**City of Bridgeport
Connecticut**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

Executive Director/CEO

CITY OF BRIDGEPORT TABLE OF ORGANIZATION



CITY OF BRIDGEPORT, CONNECTICUT

LIST OF PRINCIPAL OFFICERS

As of June 30, 2014

Office	Name	Manner of Selection and Term
Mayor	Bill Finch	Elected - 4 Year Term
City Clerk	Fleeta C. Hudson	Elected - 4 Year Term
Town Clerk	Alma Maya	Elected - 4 Year Term
Chief Administrative Officer	Andrew Nunn	Appointed by Mayor
Director of Finance	Anne Kelly-Lenz	Appointed by Mayor
Deputy Director of Finance/Comptroller	Terri Coward	Appointed by Director of Finance
Treasurer	Ronald Preston	Appointed by Mayor
City Attorney	Mark Anastasi	Appointed by Mayor
Director of Office of Policy and Management	Thomas Sherwood	Appointed by Mayor
Acting School Superintendent	Frances Rabinowitz	Board of Education

Financial Section

BlumShapiro

Accounting | Tax | Business Consulting

Independent Auditors' Report

To the Honorable Mayor and
Members of the City Council
City of Bridgeport, Connecticut

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Bridgeport, Connecticut, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the City of Bridgeport, Connecticut's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Bridgeport, Connecticut, as of June 30, 2014 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 16, the budgetary comparison information on pages 69 through 73, the schedules of changes in net pension liability and related ratios on pages 74 through 77, the schedules of employer contributions on pages 78 through 81 and the schedule of investment returns on page 82 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional

procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the City of Bridgeport, Connecticut, as of and for the year ended June 30, 2013 (not presented herein), and have issued our report thereon dated December 20, 2013, which contained unmodified opinions on the respective financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information. The accompanying General Fund balance sheet as of June 30, 2013 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the 2013 financial statements. The accompanying General Fund balance sheet has been subjected to the auditing procedures applied in the audit of the 2013 basic financial statements and certain additional procedures including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the General Fund balance sheet is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2013.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 27, 2014 on our consideration of the City of Bridgeport, Connecticut's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 of Bridgeport, Connecticut's internal control over financial reporting and compliance.

Blum, Shapiro & Company, P.C.

West Hartford, Connecticut
December 27, 2014

City of Bridgeport, Connecticut
Management's Discussion and Analysis
June 30, 2014

As management of the City of Bridgeport, Connecticut (the City) we offer readers of the financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2014. We encourage readers to consider the information presented here along with additional information we have furnished in our letter of transmittal, as well as the City's basic financial statements that follow this section.

Financial Highlights

- ◆ On a government-wide basis, the assets of the City exceeded its liabilities resulting in total net position at the close of the fiscal year of \$331.2 million. Total net position for Governmental Activities at fiscal year-end was \$236.1 million and total net position for Business-Type Activities were \$95 million. The total unrestricted net deficit at June 30, 2014 was \$(434.8 million).
- ◆ On a government-wide basis, during the year, the City's net position increased by \$40.5 million from \$290.7 million to \$331.2 million. Net position increased by \$37.8 million for Governmental Activities and increased by \$2.7 million for Business-Type Activities. Government-wide expenses for governmental activities were \$703.9 million, while revenues were \$744.4 million.
- ◆ At the close of the year, the City's governmental funds reported, on a current financial resource basis, combined ending fund balances of \$57.2 million, a decrease of \$26.5 from the prior fiscal year. Of the total fund balance as of June 30, 2014, \$4.9 million represents the restricted fund balance, \$39.0 million committed or assigned and \$13.0 million unassigned in the general fund, special revenue funds, capital projects fund and permanent trust fund. The unassigned fund balance represents the positive fund balance that is available for spending at the City's discretion.
- ◆ At the end of the current fiscal year, the total fund balance for the General Fund alone was \$13.4 million: \$13.0 million is unassigned. Available general fund, fund balance at year-end represents 2.4% of total general fund expenditures (\$549.4 million).
- ◆ The City's total long term debt decreased by \$40.3 million during fiscal 2014.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The basic financial statements comprise three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report also contains other supplementary information and a statistical section as well as the basic financial statements. The statistical section provides comparisons of selected information beginning with fiscal year 2005.

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. All of the resources the City has at its disposal are shown, including major assets such as buildings and infrastructure. A thorough accounting of the cost of government is rendered because the statements present all costs, not just how much was collected and disbursed. They provide both long-term and short-term information about the City's overall financial status.

The statement of net position presents information on all of the City's assets and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as an indicator of whether the financial position of the City is improving or deteriorating. It speaks to the question of whether or not, the City, as a whole is better or worse off as a result of this year's activities. Other non-financial factors will need to be considered, however, such as changes in the City's property tax base and the condition of the City's infrastructure, to assess the overall health of the City.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flow in some future fiscal period, uncollected taxes and earned but unused vacation leave are examples.

Both of the government-wide financial statements distinguish functions of the City that are supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

- ◆ Governmental activities of the City encompass most of the City's basic services and include governmental and community services, administration, public safety, health and welfare, operations and education. Property taxes, charges for services and state and federal grants finance most of these activities.
- ◆ Business-type activities of the City consist of the Water Pollution Control Authority. It is reported here, as the City charges a user fee to customers to help cover all or most of the cost of operations.

The government-wide financial statements (statement of net position and statement of activities) can be found on Exhibits I and II of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control and accountability over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The City has three types of funds:

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

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

The City maintains 19 individual governmental funds. The General Fund, Education Grants Fund, and the Capital Projects Funds, are considered to be major funds. Information for each of the major governmental funds is provided in the balance sheet – governmental funds and statement of revenues,

expenditures and changes in fund balances – governmental funds on Exhibits III and IV. Data from other governmental funds are combined into a single, aggregated presentation as Nonmajor Governmental Funds. Other nonmajor governmental funds for the City include the Health and Sanitation Fund, the Public Safety Fund, the Miscellaneous and Facility Fund, the Social Services Fund, the Community Development Block Grant Fund, the Housing Opportunities Aids Fund, the Home Program Fund, the Section 108 Loan Guarantee Fund, the Development Administration, the Library Fund, The Education Fund, the Miscellaneous Grants Fund, General Government Fund, all of which are considered Special Revenue Funds. In addition, the Conversion Capital Projects Fund is considered Capital Projects Fund. Permanent Trust Funds consist of the Library Fund and the Education Fund. Individual fund data for each of these nonmajor governmental funds is provided in the combining balance sheets on Exhibit B-1 and in the combining statement of revenues, expenditures and changes in fund balance on Exhibit B-2.

The City adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with the authorized budget. The schedule of revenues and other financing sources, and the schedule of expenditures and other financing used on a budgetary basis can be found on exhibits RSI 1 and RSI 2.

The basic governmental fund financial statements (balance sheet and statement of revenues, expenditures and changes in fund balance) can be found on Exhibits III and IV of this report.

Proprietary funds. The City of Bridgeport maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in government-wide financial statements. The City of Bridgeport uses an enterprise fund to account for its Water Pollution Control Authority. Internal Service funds are an accounting device used to accumulate and allocate costs internally among the City of Bridgeport's various functions. The City of Bridgeport uses an internal service fund to account for its health, workers compensation and heart and hypertension self-insurance plan including its liability for employees and retirees of the City. Because this service predominantly benefits governmental functions rather than business-type functions, it has been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements can be found on Exhibits V - VII of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to provide services to the City's constituency. The City has four pension trust funds. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on Exhibits VIII and IX of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 28-68 of this report.

The notes to this report also contain certain information concerning the City's progress in funding its obligation to provide pension benefits to its employees.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position and an important determinant of its ability to finance services in the future. On a government-wide basis, the City's assets and deferred outflows of resources exceeded its liabilities by \$331.2 million at June 30, 2014. This is an increase of \$40.5 million from last year's net position of \$290.7 million.

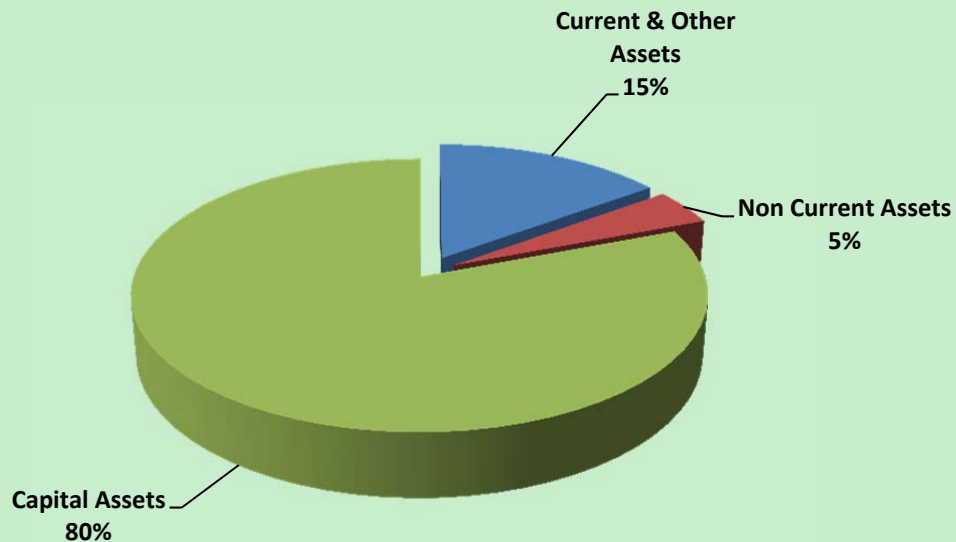
CITY OF BRIDGEPORT, CONNECTICUT

NET POSITION

(In Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Current and other assets	\$ 198,064	\$ 229,138	\$ 13,103	\$ 12,002	\$ 211,167	\$ 241,140
Noncurrent	59,926	61,123			59,926	61,123
Capital assets	1,009,927	967,164	129,650	129,035	1,139,577	1,096,199
Total assets	<u>1,267,917</u>	<u>1,257,425</u>	<u>142,753</u>	<u>141,037</u>	<u>1,410,670</u>	<u>1,398,462</u>
Deferred outflows of resources:						
Deferred charge on refunding	<u>3,593</u>	<u>3,968</u>	<u>-</u>	<u>-</u>	<u>3,593</u>	<u>3,968</u>
Other liabilities	95,426	167,434	47,748	9,075	143,174	176,509
Long-term debt outstanding	939,937	895,607	-	39,634	939,937	935,241
Total liabilities	<u>1,035,363</u>	<u>1,063,041</u>	<u>47,748</u>	<u>48,709</u>	<u>1,083,111</u>	<u>1,111,750</u>
Net position:						
Net investment in capital assets	676,992	637,950	85,819	83,954	762,811	721,904
Restricted	3,120	5,161			3,120	5,161
Unrestricted	<u>(443,965)</u>	<u>(444,759)</u>	<u>9,186</u>	<u>8,374</u>	<u>(434,779)</u>	<u>(436,385)</u>
Total Net Position	<u>\$ 236,147</u>	<u>\$ 198,352</u>	<u>\$ 95,005</u>	<u>\$ 92,328</u>	<u>\$ 331,152</u>	<u>\$ 290,680</u>

City of Bridgeport Asset Composition June 30, 2014



At the end of the current fiscal year, the City is able to report a positive balance in both its governmental and proprietary activities.

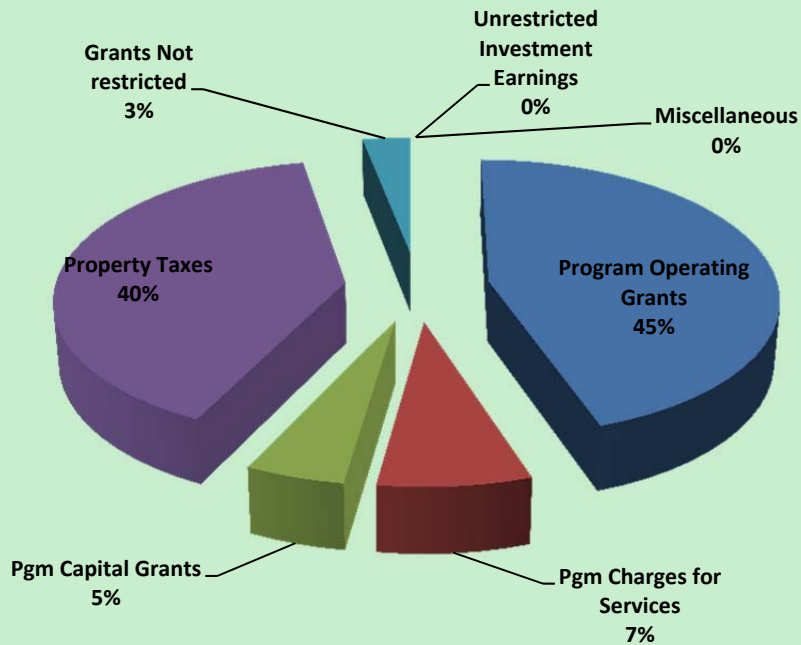
The portion of the City's net position \$762.8 million reflects its investment in capital assets (e.g., land, buildings, infrastructure, machinery and equipment), net of any outstanding debt related to these assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

- ◆ The portion of the City's net position that are restricted, \$3.1 million represents resources that are subject to external restrictions on how they may be used. Unrestricted net deficit of \$(434.8 million) may not be used to meet the government's ongoing obligations to citizens and creditors, due to the negative balance. The primary reason for the large negative balance is due to the issuance of the August 2000 General Obligation Taxable Pension Bonds, which were issued to properly fund pension plans, which were previously funded on a "pay-as-you-go" basis, which has a net outstanding balance of \$274,190,000. On a government-wide basis, during the year, the City's net position increased by \$40.5 million from \$290.7 million to \$331.2 million. Net position increased by \$37.8 million for Governmental Activities and net position increased by \$2.7 million for Business-Type Activities. Government-wide expenses were \$703.9 million, while revenues were \$744.4 million.
- ◆ The increase in net position can primarily be explained by the decrease in noncurrent liabilities which are due in more than one year.

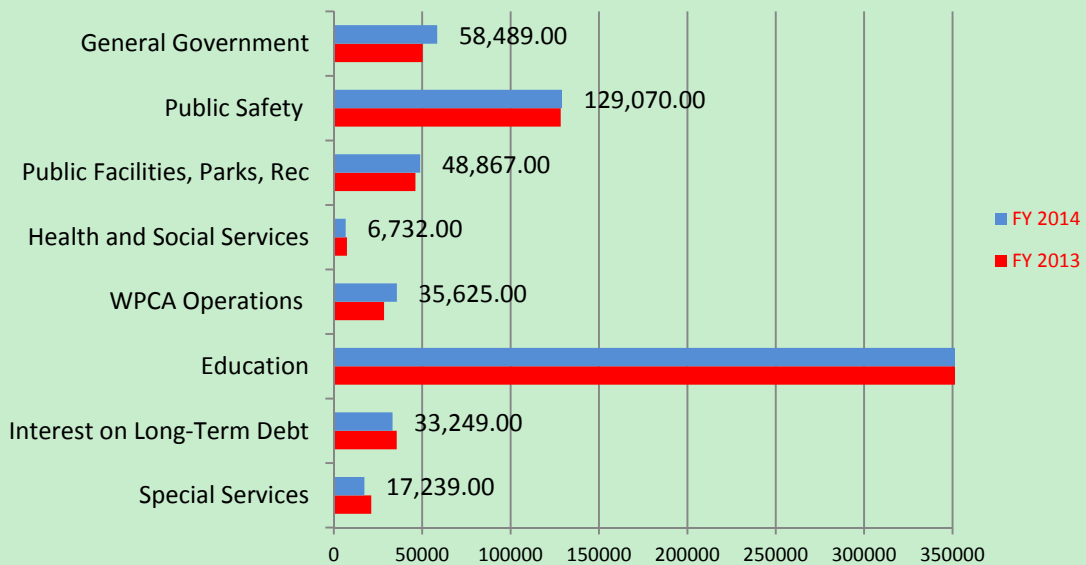
CITY OF BRIDGEPORT, CONNECTICUT
CHANGES IN NET POSITION
(In Thousands)

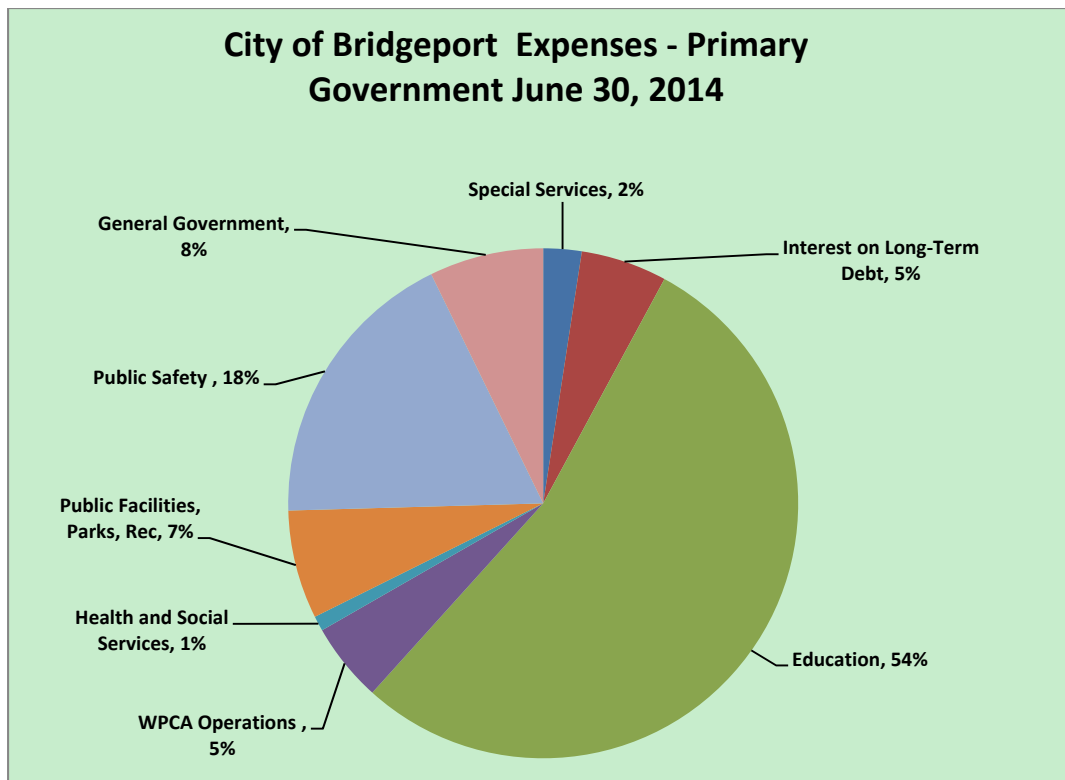
	Governmental		Business-Type		Total	
	Activities		Activities		Government-Wide	
	2014	2013	2014	2013	2014	2013
Revenues:						
Program revenues:						
Charges for services	\$ 21,395	\$ 21,153	\$ 36,038	\$ 28,159	\$ 57,433	\$ 49,312
Operating grants and contributions	331,879	305,713			331,879	305,713
Capital grants and contributions	33,651	61,732	2,257	3,053	35,908	64,785
General revenues:						
Property taxes	296,276	284,380			296,276	284,380
Grants not restricted to specific programs	22,591	23,821			22,591	23,821
Unrestricted investment earnings	259	308	7	8	266	316
Miscellaneous		23			-	23
Total revenues	<u>706,051</u>	<u>697,130</u>	<u>38,302</u>	<u>31,220</u>	<u>744,353</u>	<u>728,327</u>
Expenses:						
General government	58,489	50,230			58,489	50,230
Public safety	129,070	128,335			129,070	128,335
Public facilities, parks and recreation, planning and development	48,867	46,160			48,867	46,160
Health and social services	6,732	7,373			6,732	7,373
Operations			35,625	28,400	35,625	28,400
Education	374,610	358,685			374,610	358,685
Interest on long-term debt	33,249	35,567			33,249	35,567
Special services	17,239	21,197			17,239	21,197
Total expenses	<u>668,256</u>	<u>647,547</u>	<u>35,625</u>	<u>28,400</u>	<u>703,881</u>	<u>675,947</u>
Change in net position	37,795	49,583	2,677	2,820	40,472	52,403
Net Position, beginning, as restated	<u>198,352</u>	<u>148,769</u>	<u>92,328</u>	<u>89,508</u>	<u>290,680</u>	<u>196,233</u>
Net Position, Ending	<u>\$ 236,147</u>	<u>\$ 198,352</u>	<u>\$ 95,005</u>	<u>\$ 92,328</u>	<u>\$ 331,152</u>	<u>\$ 290,680</u>

City of Bridgeport FY14 Revenues



City of Bridgeport Primary Government Expenditures FY2013 v FY2014





Bridgeport's net position increased by \$40.5 million during the fiscal year, with the net position of Governmental Activities increasing by \$37.8 million, and net position of Business-Type Activities increasing by \$2.7 million. The increase in net position represents the degree in decreases for claims and worker's compensation in the Internal Service Fund.

Governmental Activities

Program revenues represented 55% of total revenues, followed by property taxes at 42%, and program capital other unrestricted grants at 3%.

Major revenue factors included:

- ◆ Property tax revenues recorded for fiscal year 2014 represents an increase of \$11.9 million from the prior fiscal year ended June 30, 2013.
- ◆ Program Revenue increased \$5.4 million from \$419.8 million in the prior fiscal year to \$425.2 million for the fiscal year ended June 30, 2014.

For Government Wide Activities, 54% of the City's expenses relate to education; 18% relate to public safety; 2% relate to special services; 5% relate to interest payments on long-term debt; 7% relate to public facilities, parks and recreation; 5% related to Water Pollution Control Authority operations; 8% relate to general government; and 1% relate to health and welfare.

Major expense factors include:

- ◆ During the 2013-2014 budget process, discretionary expenses held stable.
- ◆ Police, Fire and Public Facility overtime increased due to major storms which hit the City.

Business-Type Activities

Water Pollution Control Authority (WPCA) revenue for charges for services increased for 2014 from prior year at \$28.2 million to \$36.0 million while their expenses increased from \$28.4 million to \$35.6 million.

Financial Analysis of the Fund Financial Statements

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 spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a City's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$57.2 million, a decrease of \$26,197,013 from the prior year. Total General Fund balance increased \$471,734 from \$12.9 million to \$13.4 million. \$13.0 million constitutes unassigned fund balance that is available for spending at the City's discretion.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned and assigned fund balance of the General Fund was \$13.4 million. As a measure of the General Fund's liquidity, it may be useful to compare the total fund balance to total fund expenditures. Total General Fund balance represents 2.4% of total General Fund expenditures.

The Capital Bond Issue Fund has a total fund balance of \$29.5 million down from \$60.9 million in the prior year. The change in fund balance can be explained by the timing of resources into and out of this fund for ongoing capital projects.

The Other Governmental Funds have a total fund balance of \$14.9 million, up from \$10.5 million in the prior year, mainly due to lower expenses in these funds.

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

Net position of the proprietary fund consisting of the Water Pollution Control Authority were \$95.0 million, as compared to \$92.3 million in the prior year.

The unrestricted net position of the Water Pollution Control Authority were \$9.2 million. The Water Pollution Control Authority experienced operating revenues of \$36.0 million from user fees. There was a total operating income for the WPCA of \$1.2 million before capital contributions of \$2.3 million. The change in net position for the fiscal year ended June 30, 2014 was \$2.7 million.

Net position of the Internal Service Fund were \$(85.5) million, as compared to \$(88.7) million in the prior year. This decrease is due to the lower accrued liability of claims and judgments.

General Fund Budgetary Highlights

The City's fiscal 2014 budget was a balanced budget which kept the 1 mill rate increase for the library funding which was a voter-approved millage increase. Total expenditures and other financing use budget was \$518.3 million of which actual was \$519.3 million showing total expenditures and other financing uses actual higher than budget by \$1.0 million.

Over all total property taxes were less the budgetary results for fiscal year 2014 by (\$2.8) million, while current tax collection rates remained strong at a 96.96%. The collection for the arrears was over budgetary expectations by \$.9 million. Total revenues and other financing sources with a budgetary base of \$518.3 million showed an actual of \$519.7 resulting in actual above budgetary revenues of \$1.4 million

The City of Bridgeport's General Fund ended the FY 2013-2014 with a modest surplus of \$471,734.

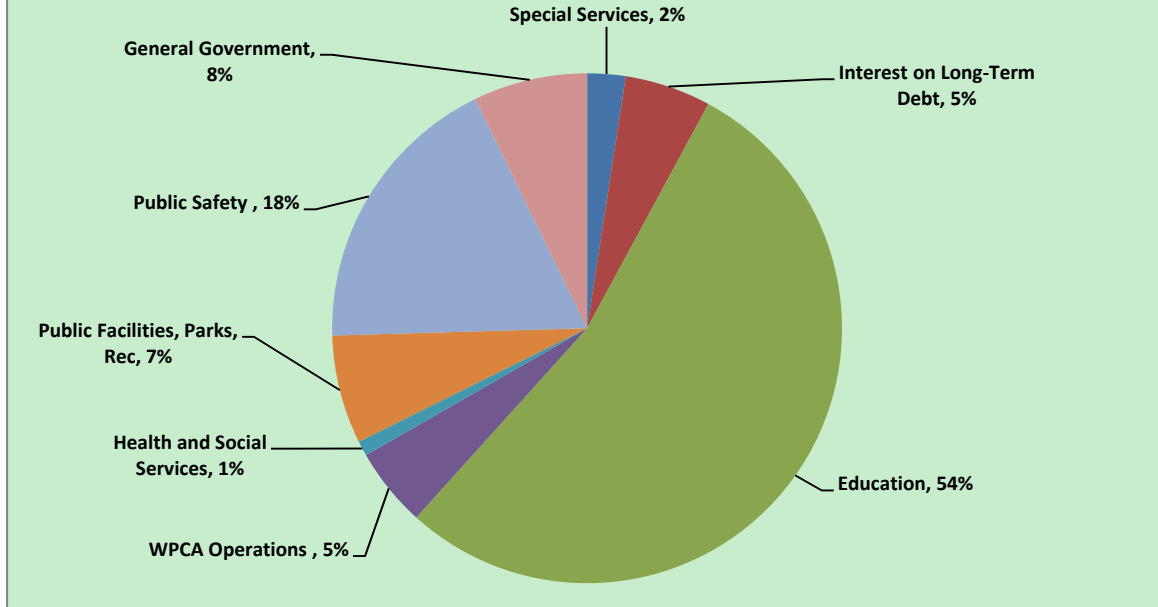
Capital Asset and Debt Administration

Capital Assets. The City's investment in capital assets for its governmental and business-type activities, as of June 30, 2014, amounted to \$1,139.6 million, net of accumulated depreciation. This investment in capital assets includes land, building and system improvements, machinery and equipment, park facilities, roads, sewers and bridges. The total increase in the City's investment in capital assets for the current fiscal year was \$43.4 million.

CITY OF BRIDGEPORT, CONNECTICUT
CAPITAL ASSETS (Net of Depreciation)
(In Thousands)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2014	2013	2014	2013	2014	2013
Land	\$ 142,063	\$ 139,235	\$	\$	\$ 142,063	\$ 139,235
Buildings and improvements	567,333	531,379	53,336	46,162	620,669	577,541
Infrastructure	71,713	76,113			71,713	76,113
Equipment, distribution and collection systems	35,237	33,960	61,672	63,273	96,909	97,233
Vehicles	5,866	4,133	332	347	6,198	4,480
Construction in progress	187,715	182,344	14,310	19,253	202,025	201,597
Total	<u>\$ 1,009,927</u>	<u>\$ 967,164</u>	<u>\$ 129,650</u>	<u>\$ 129,035</u>	<u>\$ 1,139,577</u>	<u>\$ 1,096,199</u>

**City of Bridgeport Expenses - Primary
Government June 30, 2014**



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

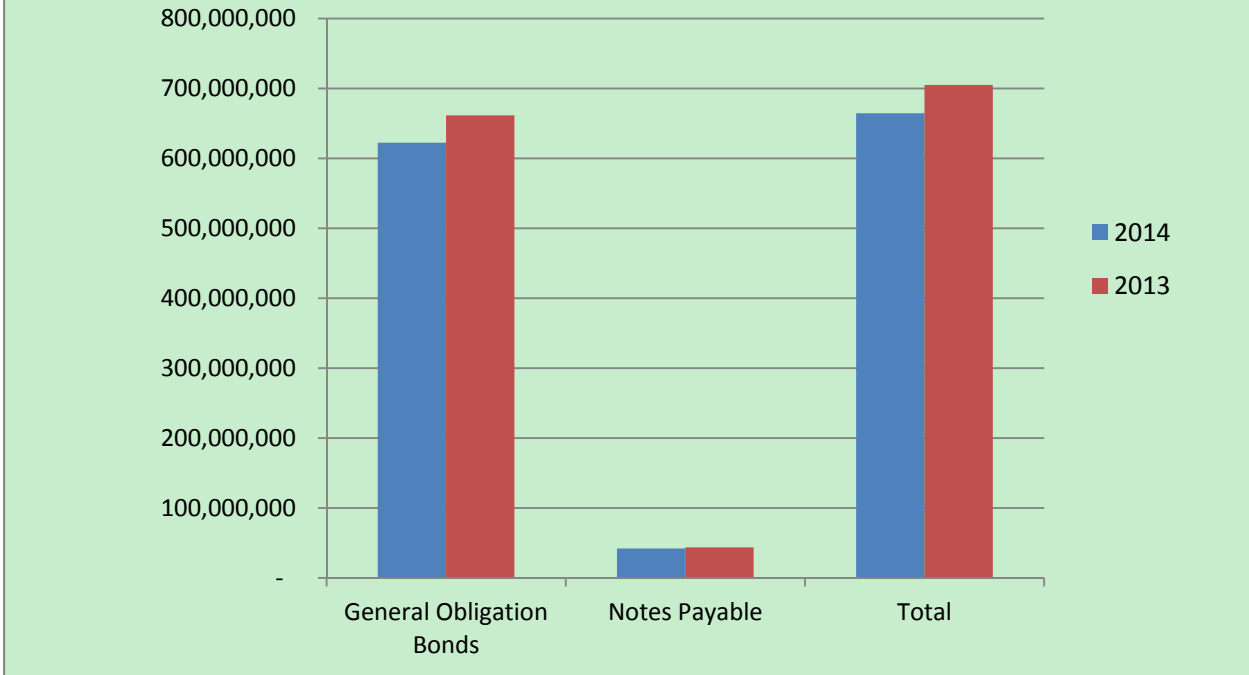
- ◆ Construction, improvements and renovations to school buildings and facilities.
- ◆ Continued rehabilitation of playgrounds and athletic fields.
- ◆ Infrastructure improvements including roads, bridges, and sanitary and sewer projects.
- ◆ Acquisition of parcels for ongoing city development projects.

Additional information on the City’s capital assets can be found in Note 7 of this report.

**CITY OF BRIDGEPORT, CONNECTICUT
OUTSTANDING DEBT**

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
General obligation bonds	\$ 618,715,724	\$ 657,515,000	\$ 3,679,276	\$ 3,874,164	\$ 622,395,000	\$ 661,389,164
Notes payable	2,114,000	2,396,000	40,025,053	41,206,817	42,139,053	43,602,817
Totals	\$ 620,829,724	\$ 659,911,000	\$ 43,704,329	\$ 45,080,981	\$ 664,534,053	\$ 704,991,981

Outstanding Debt - General Obligation and Revenue Bonds FY 2013 v FY 2014



Long-term debt. At the end of the current fiscal year, the City had total bonded debt outstanding of \$664,534,053. 100% of this debt is backed by the full faith and credit of the City government. The Water Pollution Control Authority is expected to reimburse the City \$43,704,329 through user fee charges.

The City's total long term debt decreased by \$40.5 million during fiscal 2014.

Moody's Investors Service, Inc. (Moody's), Standard & Poor's Rating Group (Standard & Poor's) and FitchRatings, Inc. (Fitch) have each assigned their underlying municipal bond rating of "A2", "A-", and "A", respectively, to the City. With respect to long-term debt of the City that is insured by Assured Guaranty Corp. or Assured Guaranty Municipal Corp. (formally FSA), Moody's and Standard & Poor's have each assigned their municipal bond rating of "AA3" and "AA-", respectively, with the understanding that there is an insurance policy insuring the payment when due of the principal and interest on the bonds. Fitch does not currently rate Assured Guaranty Corp. or Assured Guaranty Municipal Corp.

The overall statutory debt limit for the City is equal to seven time annual receipts from taxation or \$2.051 billion. As of June 30, 2014, the City recorded long-term debt of \$620.8 million related to Governmental Activities and \$43.7 million related to Business-Type Activities, well below its statutory debt limit.

Additional information on the City of Bridgeport's long-term debt can be found in Note 8 of this report.

Economic Factors and Next Year's Budgets and Rates

The City, surrounding towns, and the State have not been immune from the effects of the national economic downturn but all are starting to show a small decline in their unemployment rate. As of June 30, 2014, the unemployment rate for the Bridgeport Labor Market Area was 10.1%, down from 12.37% in the prior year. Connecticut's overall unemployment rate decreased to 6.5% from 8.1%, compared with the same period for the previous year.

Requests for Information

The financial report is designed to provide a general overview of the City's finances for all those with an interest in government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance at 999 Broad Street, CT 06604.

Basic Financial Statements

CITY OF BRIDGEPORT, CONNECTICUT

STATEMENT OF NET POSITION

JUNE 30, 2014

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Assets:			
Current assets:			
Cash and cash equivalents	\$ 103,846,952	\$ 3,543,026	\$ 107,389,978
Investments	1,793,804		1,793,804
Receivables, net of allowances for collection losses:			
Property taxes	39,100,713		39,100,713
Sewer user fees and liens		9,749,205	9,749,205
Federal and state governments	40,215,042		40,215,042
Other	9,383,171	723,981	10,107,152
Internal balances	913,180	(913,180)	-
Other assets	2,811,540		2,811,540
Total current assets	<u>198,064,402</u>	<u>13,103,032</u>	<u>211,167,434</u>
Noncurrent:			
Net pension assets	59,926,473		59,926,473
Capital assets not being depreciated	329,777,546	14,310,154	344,087,700
Capital assets being depreciated, net of depreciation	680,149,407	115,340,243	795,489,650
Total noncurrent assets	<u>1,069,853,426</u>	<u>129,650,397</u>	<u>1,199,503,823</u>
Total assets	<u>1,267,917,828</u>	<u>142,753,429</u>	<u>1,410,671,257</u>
Deferred Outflows of Resources:			
Deferred charge on refunding	<u>3,592,720</u>		<u>3,592,720</u>
Liabilities:			
Current liabilities:			
Accounts payable and accrued expenses	51,835,045	3,916,989	55,752,034
Due to fiduciary funds	2,593,558		2,593,558
Unearned revenue	6,073,479		6,073,479
Notes payable	20,000,000		20,000,000
Accrued interest payable	14,924,782		14,924,782
Current maturities of long-term obligations	65,040,009	5,415,218	70,455,227
Total current liabilities	<u>160,466,873</u>	<u>9,332,207</u>	<u>169,799,080</u>
Noncurrent liabilities:			
Due in more than one year	<u>874,897,132</u>	<u>38,416,116</u>	<u>913,313,248</u>
Total liabilities	<u>1,035,364,005</u>	<u>47,748,323</u>	<u>1,083,112,328</u>
Net Position:			
Net investment in capital assets	676,991,832	85,819,063	762,810,895
Restricted for:			
Debt service and capital improvements			
Permanent funds, expendable	108,761		108,761
Permanent funds, nonexpendable	549,251		549,251
Self-insured claims	2,461,540		2,461,540
Unrestricted	<u>(443,964,841)</u>	<u>9,186,043</u>	<u>(434,778,798)</u>
Total Net Position	<u>\$ 236,146,543</u>	<u>\$ 95,005,106</u>	<u>\$ 331,151,649</u>

The accompanying notes are an integral part of the financial statements

CITY OF BRIDGEPORT, CONNECTICUT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2014

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government	\$ (58,489,188)	\$ 4,296,733	\$ 196,264	\$	\$ (53,996,191)	\$	\$ (53,996,191)
Public safety	(129,070,130)	6,418,090	58,274		(122,593,766)		(122,593,766)
Public facilities, parks and recreation	(44,866,708)	3,882,782	11,210,773	3,522,581	(26,250,572)		(26,250,572)
Planning and economic development	(4,000,056)	4,386,547	11,141,789		11,528,280		11,528,280
Health and social services	(6,732,534)	1,125,770	4,920,034		(686,730)		(686,730)
Education	(374,610,065)	735,122	299,181,796	29,876,935	(44,816,212)		(44,816,212)
Special services	(17,238,984)	549,529	3,813,519	251,000	(12,624,936)		(12,624,936)
Interest on long-term debt	(33,248,783)		1,356,816		(31,891,967)		(31,891,967)
Total governmental activities	(668,256,448)	21,394,573	331,879,265	33,650,516	(281,332,094)		(281,332,094)
Business-type activities:							
Water Pollution Control Authority	(35,625,341)	36,038,499		2,256,871		2,670,029	2,670,029
Total	\$ (703,881,789)	\$ 57,433,072	\$ 331,879,265	\$ 35,907,387	(281,332,094)	2,670,029	(278,662,065)
		General revenues:					
					296,275,535		296,275,535
					22,591,287		22,591,287
					259,308	7,194	266,502
					319,126,130	7,194	319,133,324
					37,794,036	2,677,223	40,471,259
					198,352,507	92,327,883	290,680,390
					\$ 236,146,543	\$ 95,005,106	\$ 331,151,649

The accompanying notes are an integral part of the financial statements

CITY OF BRIDGEPORT, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2014

	<u>General</u>	<u>Education Grants</u>	<u>Capital Bond Issue</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and cash equivalents	\$ 38,737,637	\$ 612,000	\$ 53,654,983	\$ 9,749,902	\$ 102,754,522
Investments				1,793,804	1,793,804
Receivables, net of allowances for collection losses:					
Property taxes	39,100,713				39,100,713
Intergovernmental	30,764,438	2,482,600	389,047	6,578,957	40,215,042
Other	2,776,382	5,842	28,036	6,572,911	9,383,171
Due from other funds	19,116,344	605,283	1,236,880	4,188,029	25,146,536
Other assets	350,000				350,000
Total Assets	<u>\$ 130,845,514</u>	<u>\$ 3,705,725</u>	<u>\$ 55,308,946</u>	<u>\$ 28,883,603</u>	<u>\$ 218,743,788</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 18,544,400	\$ 1,681,354	\$ 12,532,071	\$ 608,286	\$ 33,366,111
Payroll and other accrued liabilities	16,759,782	507,391		487,033	17,754,206
Due to other funds	16,086,763	756,866	13,277,072	9,109,624	39,230,325
Deferred revenues	960,711	1,363,769		3,748,999	6,073,479
Notes payable	20,000,000				20,000,000
Total liabilities	<u>72,351,656</u>	<u>4,309,380</u>	<u>25,809,143</u>	<u>13,953,942</u>	<u>116,424,121</u>
Deferred Inflows of Resources:					
Unavailable revenue - property taxes	38,464,958				38,464,958
Unavailable revenue - school construction	6,633,084				6,633,084
Total deferred inflows of resources	<u>45,098,042</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>45,098,042</u>
Fund Balances:					
Nonspendable	350,000				350,000
Restricted				4,864,914	4,864,914
Committed			29,499,803	9,490,953	38,990,756
Assigned					
Unassigned	13,045,816	(603,655)		573,794	13,015,955
Total fund balances	<u>13,395,816</u>	<u>(603,655)</u>	<u>29,499,803</u>	<u>14,929,661</u>	<u>57,221,625</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 130,845,514</u>	<u>\$ 3,705,725</u>	<u>\$ 55,308,946</u>	<u>\$ 28,883,603</u>	<u>\$ 218,743,788</u>

(Continued on next page)

CITY OF BRIDGEPORT, CONNECTICUT

BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)

JUNE 30, 2014

Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Position:

Amounts reported for governmental activities in the statement of net position
(Exhibit I) are different because of the following:

Fund balances - total governmental funds		\$ 57,221,625
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:		
Governmental capital assets	\$ 1,351,611,906	
Less accumulated depreciation	<u>(341,684,953)</u>	
Net capital assets		1,009,926,953
Other long-term assets are not available to pay for current-period expenditures and, therefore, are not recorded in the funds:		
Property tax receivables greater than 60 days		20,555,205
Interest receivable on property taxes		17,909,753
Receivable from the state for school construction projects		6,633,084
Net pension asset		59,926,473
Internal service funds are used by management to charge the costs of risk management to individual funds. The assets and liabilities of the internal service funds are reported with governmental activities in the statement of net position.		
		(85,517,425)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:		
Bonds and notes payable		(620,829,724)
Deferred for issuance premiums		(15,795,200)
Deferred amounts for refunding		3,592,720
Compensated absences		(28,805,651)
Landfill closure		(79,752)
State Department of Education loan		(1,500,000)
OPEB obligation		(169,984,050)
Net pension obligation		(2,182,686)
Interest payable on bonds and notes		<u>(14,924,782)</u>
Net Position of Governmental Activities (Exhibit I)		\$ <u>236,146,543</u>

The accompanying notes are an integral part of the financial statements

CITY OF BRIDGEPORT, CONNECTICUT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2014

	<u>General</u>	<u>Education Grants</u>	<u>Capital Bond Issue</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:					
Property taxes	\$ 290,690,776	\$	\$	\$	\$ 290,690,776
Intergovernmental	240,139,304	86,065,175	40,274,114	20,534,947	387,013,540
Fees, permits and licenses	17,937,764				17,937,764
Interest	59,550		158,944	40,814	259,308
Other	3,288,520		474,533	2,485,599	6,248,652
Total revenues	<u>552,115,914</u>	<u>86,065,175</u>	<u>40,907,591</u>	<u>23,061,360</u>	<u>702,150,040</u>
Expenditures:					
Current:					
General government	39,028,146			32,381	39,060,527
Public safety	119,804,154				119,804,154
Public facilities	37,473,983				37,473,983
Planning and economic development	4,000,056				4,000,056
Health and social services	4,946,153			1,901,228	6,847,381
Libraries	6,245,307			331,593	6,576,900
Education	267,927,607	86,065,169		1,877	353,994,653
Special services	997,106			19,277,093	20,274,199
Debt service:					
Principal retirements	38,143,098				38,143,098
Interest and other charges	30,880,297		5,000,000		35,880,297
Capital outlay			66,802,507		66,802,507
Total expenditures	<u>549,445,907</u>	<u>86,065,169</u>	<u>71,802,507</u>	<u>21,544,172</u>	<u>728,857,755</u>
Excess (Deficiency) of Revenues over Expenditures	<u>2,670,007</u>	<u>6</u>	<u>(30,894,916)</u>	<u>1,517,188</u>	<u>(26,707,715)</u>
Other Financing Sources (Uses):					
Transfers in	500,000			2,910,284	3,410,284
Transfers out	(2,910,284)		(500,000)		(3,410,284)
Bond refunding issue	14,290,000				14,290,000
Premium on bonds issued	1,150,189				1,150,189
Payment to escrow agent	(15,228,178)				(15,228,178)
Total other financing sources (uses)	<u>(2,198,273)</u>	<u>-</u>	<u>(500,000)</u>	<u>2,910,284</u>	<u>212,011</u>
Net Change in Fund Balances	471,734	6	(31,394,916)	4,427,472	(26,495,704)
Fund Balances at Beginning of Year	<u>12,924,082</u>	<u>(603,661)</u>	<u>60,894,719</u>	<u>10,502,189</u>	<u>83,717,329</u>
Fund Balances at End of Year	<u>\$ 13,395,816</u>	<u>\$ (603,655)</u>	<u>\$ 29,499,803</u>	<u>\$ 14,929,661</u>	<u>\$ 57,221,625</u>

(Continued on next page)

CITY OF BRIDGEPORT, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2014

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities:

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

Net change in fund balances - total governmental funds (Exhibit IV) \$ (26,495,704)

Governmental funds report capital outlays as expenditures. In the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital outlay	69,748,801
Depreciation expense	(26,985,849)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds, and revenues recognized in the funds are not reported in the statement of activities:

Property tax receivable - accrual basis change	4,563,193
Property tax interest and lien revenue - accrual basis change	809,543
School building grant receipts	(1,472,291)

Net pension assets (1,196,661)

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

Refunding bonds issued	(14,290,000)
Bond and note principal payments	38,143,098
Payments to refunding bond escrow agent	15,228,178
SDE loan change	2,000,000

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 the governmental funds:

Change in unamortized issuance premiums	1,219,949
Change in deferred amounts on refunding	(375,023)
Compensated absences	(694,324)
Landfill post closure care	24,806
OPEB obligation	(25,476,862)
Net pension obligation	(734,849)
Accrued interest	636,399

Internal service funds are used by management to charge costs to individual funds. The net revenue of certain activities of internal services funds is reported with governmental activities.

3,141,632

Change in Net Position of Governmental Activities (Exhibit II)

\$ 37,794,036

The accompanying notes are an integral part of the financial statements

CITY OF BRIDGEPORT, CONNECTICUT

STATEMENT OF NET POSITION - PROPRIETARY FUNDS

JUNE 30, 2014

	<u>Business-Type Activities Enterprise Fund</u>	<u>Governmental Activities Internal Service Fund</u>
Assets:		
Current:		
Cash and cash equivalents	\$ 3,543,026	\$ 1,092,430
Receivables, net of allowances for collection losses:		
Unbilled usage charges	9,749,205	
Other receivables	723,981	
Due from other funds		12,404,179
Prepaid asset		2,461,540
Total current assets	<u>14,016,212</u>	<u>15,958,149</u>
Noncurrent:		
Capital assets not being depreciated	14,310,154	
Capital assets being depreciated, net of accumulated depreciation	<u>115,340,243</u>	
Total noncurrent assets	<u>129,650,397</u>	<u>-</u>
Total assets	<u>143,666,609</u>	<u>15,958,149</u>
Liabilities:		
Current:		
Current portion of long-term debt	5,415,218	
Accounts payable and accrued expenses	2,550,888	714,728
Accrued interest payable	192,817	
Construction contracts payable	1,173,284	
Due to other funds	913,180	768
Claims payable - current portion		16,057,947
Total current liabilities	<u>10,245,387</u>	<u>16,773,443</u>
Noncurrent:		
Claims payable - noncurrent portion		84,702,131
Long-term debt less current portion	<u>38,416,116</u>	
Total noncurrent liabilities	<u>38,416,116</u>	<u>84,702,131</u>
Total liabilities	<u>48,661,503</u>	<u>101,475,574</u>
Net Position:		
Net invested in capital assets	85,819,063	
Restricted for self-insured claims		2,461,540
Unrestricted	<u>9,186,043</u>	<u>(87,978,965)</u>
Total Net Position	<u>\$ 95,005,106</u>	<u>\$ (85,517,425)</u>

The accompanying notes are an integral part of the financial statements

CITY OF BRIDGEPORT, CONNECTICUT

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

FOR THE YEAR ENDED JUNE 30, 2014

	<u>Business-Type Activities Enterprise Fund</u>	<u>Governmental Activities Internal Service Fund</u>
Operating revenues:		
Sewer user fees	\$ 34,895,687	\$
Other operating income	1,142,812	
Charges for services		112,237,577
Total operating revenues	<u>36,038,499</u>	<u>112,237,577</u>
Operating expenses:		
Operation and maintenance	27,587,352	
Depreciation	7,209,601	
Claims		109,095,945
Total operating expenses	<u>34,796,953</u>	<u>109,095,945</u>
Operating income	<u>1,241,546</u>	<u>3,141,632</u>
Nonoperating revenue (expense):		
Interest income	7,194	
Interest expense	(828,388)	
Total nonoperating expense	<u>(821,194)</u>	<u>-</u>
Income before capital contributions	420,352	3,141,632
Capital contributions	<u>2,256,871</u>	<u>-</u>
Change in Net Position	2,677,223	3,141,632
Net Position, Beginning of Year	<u>92,327,883</u>	<u>(88,659,057)</u>
Net Position, End of Year	<u>\$ 95,005,106</u>	<u>\$ (85,517,425)</u>

The accompanying notes are an integral part of the financial statements

CITY OF BRIDGEPORT, CONNECTICUT
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2014

	<u>Business-Type Activities</u> <u>Enterprise Fund</u>	<u>Governmental Activities</u> <u>Internal Service Fund</u>
Cash flows from operating activities:		
Receipts from customers and users	\$ 33,301,380	\$
Payments to suppliers	(26,703,470)	
Payments to employees	(748,907)	
Cash received for interfund services used	505,316	
Cash paid for interfund services used		(906,253)
Cash received from charges for services		111,776,037
Cash paid to vendors and beneficiaries		(112,986,963)
Net cash provided by (used in) operating activities	<u>6,354,319</u>	<u>(2,117,179)</u>
Cash flows from capital and related financing activities:		
Principal payments on debt	(5,163,418)	
Interest paid on debt	(1,042,340)	
Proceeds from notes payable	3,786,766	
Proceeds received on capital grants	2,256,871	
Purchase of capital assets	(7,329,836)	
Net cash used in capital and related financing activities	<u>(7,491,957)</u>	<u>-</u>
Cash flows from investing activities:		
Interest received on investments	7,194	
Net cash provided by investing activities	<u>7,194</u>	<u>-</u>
Net decrease in cash and cash equivalents	(1,130,444)	(2,117,179)
Cash and cash equivalents at beginning of year	<u>4,673,470</u>	<u>3,209,609</u>
Cash and Cash Equivalents at End of Year	<u>\$ 3,543,026</u>	<u>\$ 1,092,430</u>
Reconciliation of Operating Income to Net Cash Provided by (Used in)		
Operating Activities:		
Operating income	\$ 1,241,546	\$ 3,141,632
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:		
Depreciation	7,209,601	
(Increase) decrease in accounts receivable and unbilled usage charges	(4,985,825)	
(Increase) decrease in other receivables	1,005,111	(461,540)
Increase (decrease) in provision for uncollectible accounts	1,243,595	
(Increase) decrease in due to (from) other funds	505,316	(906,253)
Increase (decrease) in accounts payable and accrued expenses	134,975	119,760
Increase (decrease) in claims payable		(4,010,778)
Net Cash Provided by (Used in) Operating Activities	<u>\$ 6,354,319</u>	<u>\$ (2,117,179)</u>

The accompanying notes are an integral part of the financial statements

CITY OF BRIDGEPORT, CONNECTICUT

STATEMENT OF NET POSITION - FIDUCIARY FUNDS

JUNE 30, 2014

	<u>Pension Trust Funds</u>	<u>Agency Fund</u>
Assets:		
Cash and cash equivalents	\$ 18,257,714	\$ 440,627
Investments:		
U.S. Government agency obligation	11,431,013	
U.S. Government security obligations	7,455,713	
Corporate bonds	13,105,767	
Certificates of deposit	357,971	
Common stocks	108,626,064	
Private hedge fund	6,626,769	
Mutual funds - equities	40,369,677	
Alternative investments	15,016,484	
Total investments	<u>202,989,458</u>	<u>-</u>
Due from other funds	2,593,558	
Contributions receivable	<u>147,876</u>	<u>-</u>
Total assets	<u>223,988,606</u>	<u>440,627</u>
Liabilities:		
Other liabilities		
Due to student groups		440,627
Total liabilities	<u>-</u>	<u>440,627</u>
Net Position Held in Trust for Pension Benefits	<u>\$ 223,988,606</u>	<u>\$ -</u>

The accompanying notes are an integral part of the financial statements

CITY OF BRIDGEPORT, CONNECTICUT

STATEMENT OF CHANGES IN NET POSITION - FIDUCIARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2014

	<u>Pension Trust Funds</u>
Additions:	
Contributions:	
Employer	\$ 12,489,803
Plan members	325,814
Annuity proceeds	1,893,599
Total contributions	<u>14,709,216</u>
Investment income:	
Net appreciation in fair value of investments	26,239,461
Interest and dividends	5,866,051
	<u>32,105,512</u>
Less investment expenses:	
Investment management fees	<u>(1,323,665)</u>
Net investment income	<u>30,781,847</u>
Total additions	<u>45,491,063</u>
Deductions:	
Benefits	39,770,533
Administration	238,992
Distribution of assets to State Municipal Employees' Retirement Fund - Note 11	56,708,806
Total deductions	<u>96,718,331</u>
Change in Net Position	(51,227,268)
Net Position, Beginning of Year	<u>275,215,874</u>
Net Position, End of Year	<u>\$ 223,988,606</u>

The accompanying notes are an integral part of the financial statements

CITY OF BRIDGEPORT, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Bridgeport, Connecticut (the City) was founded in 1639, incorporated as a town in 1821, and as a city in 1836. The City operates under a Mayor - City Council form of government.

Accounting principles generally accepted in the United States of America require that the reporting entity include 1) the primary government, 2) organizations for which the primary government is financially accountable, and 3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The criteria provided in the Codification, Section 2100, have been considered, and, as a result, there are no agencies or entities that should be, but are not, combined with the basic financial statements of the City.

B. 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. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent, on fees and charges for support.

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

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

C. 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, except for Agency Funds, which have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied for. Intergovernmental grants and entitlements and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period, or soon enough thereafter, to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, except for debt service expenditures and expenditures related to compensated absences which are recorded only when payment is due (matured).

Property taxes when levied for intergovernmental revenues, when eligibility requirements are met, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual (measurable) and so have been recognized as revenues of the current fiscal period, if available. All other revenue items are considered to be measurable only when cash is received by the City.

The City reports the following major governmental funds.

The General Fund is 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.

The Education Grants Fund accounts for U.S. Department of Education grants as well as local grants relating to education.

The Capital Bond Issue Fund accounts for various construction projects that are funded out of proceeds from the capital bond issues and other sources of revenue.

The City reports the following major proprietary fund:

The Water Pollution Control Authority of the City of Bridgeport (the WPCA) accounts for the activities of the two sewage treatment plants, sewage pumping stations and collection systems of the City.

Additionally, the City reports the following fund types:

The Pension Trust Funds account for the activities of the City's four defined benefit pension plans, which accumulate resources for pension benefit payments to qualified employees.

The Agency Fund accounts for monies held as a custodian for outside groups.

The Internal Service Fund accounts for the revenues and related expenses for the health, workers compensation and heart and hypertension self-insurance plan for the employees and retirees of the City.

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

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

Proprietary funds distinguish operating revenues and expenses from 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 WPCA are charges to customers for user fees. Operating expenses include the cost of operations and maintenance, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City’s policy to use restricted resources first, then unrestricted resources as they are needed. Unrestricted resources are used in the following order: committed, assigned then unassigned.

Accounting Estimates

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

Cash and Cash Equivalents

The City considers all highly liquid short-term investment funds, including those that are classified as restricted assets, and all certificates of deposit and treasury bills with an original maturity of three months or less, to be cash equivalents.

Investments

Investments are primarily stated at fair value using quoted market prices.

Property Taxes

Property taxes are assessed as of October 1, are levied on the following July 1, and are due in two installments - July 1 and the following January 1. Liens are filed on the last day of the fiscal year.

Capital Assets

In the government-wide and proprietary fund financial statements, capital assets include property, plant, equipment and infrastructure assets. Capital assets are defined by the government as assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of two years. Purchased and constructed assets are recorded at cost. Donated capital assets are recorded at fair value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. The total interest expense incurred by the WPCA during the current fiscal year was \$1,002,488. Of this amount, \$174,100 was included as part of the cost of capital assets under construction in connection with wastewater treatment facilities’ construction projects.

Property, plant and equipment of the City is depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	50
Building improvements	20
Public domain infrastructure	50
System infrastructure	30
Vehicles	3-5
Office equipment	5
Computer equipment	5

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

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period or periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City reports a deferred charge on refunding in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The City does not report any deferred inflows in the government-wide statement of net position. For governmental funds, the City reports unavailable revenue, which arises only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from property taxes and long term school construction receivables. These amounts are deferred and recognized as an inflow of resources (revenue) in the period in which the amounts become available.

Claims and Judgments

This liability relates to the City's self-insurance programs. The obligation consists of claims incurred and incurred but not reported for medical self-insurance, the estimated loss for probable general liability matters and an actuarial estimate for claims incurred and incurred but not reported for workers compensation claims. This liability is paid out of the Internal Service Fund.

Compensated Absences

City employees accumulate vacation and sick leave hours for subsequent use or for payment upon termination or retirement. Vacation and sick leave expenses to be paid in future periods are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The liability is typically paid out of the General Fund.

Long-Term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

The governmental fund financial statements 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.

Pension Accounting

Pension Trust Funds:

Employee contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due and the City has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.

Governmental Funds:

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

Fund Equity and Net Position

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

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

Restricted Net Position - This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position - This category represents the amount not restricted for any project or other purpose or the deficiency that will need to be provided for from future operations.

The equity of the fund financial statements is defined as "fund balance" and is classified in the following categories:

Nonspendable Fund Balance - This represents amounts that cannot be spent due to form (e.g., inventories and prepaid amounts).

Restricted Fund Balance - This represents amounts constrained for a specific purpose by external parties, such as grantors, creditors, contributors, or laws and regulations of their governments.

Committed Fund Balance - This represents amounts constrained for a specific purpose by a government using its highest level of decision-making authority (City Council). Amounts remain committed until action is taken by the City Council (resolution) to remove or revise the limitations.

Assigned Fund Balance - This represents amounts constrained for the intent to be used for a specific purpose by City Council, which has been delegated authority to assign amounts by the City Charter.

Unassigned Fund Balance - This represents fund balance in the General Fund in excess of nonspendable, restricted, committed and assigned fund balance. If another governmental fund has a fund balance deficit, it is reported as a negative amount in unassigned fund balance.

Encumbrances

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

2. BUDGETS AND BUDGETARY ACCOUNTING

The City follows the procedures outlined below in establishing its General Fund budget:

Mayor Recommended Preparation

City departments begin preparation and documentation processes for the budget in January. The Office of Policy & Management reviews all submitted department requested documents, verifies contractual obligation thresholds, calculates all formula-driven data, and presents a draft budget to the Mayor and selected staff. In accordance with the City Charter, Chapter 9, Section 5(c) the Mayor, no later than the first Tuesday in April of each year, must present to the City Council a proposed budget for the ensuing fiscal year as prescribed in that same section.

City Council Process

The City Council's Budget and Appropriations Committee, under City Council rules, will set a schedule for budget deliberations and in accordance with City Charter, shall hold at least one public hearing before taking final action on the proposed budget and mill rate. The City Council Budgets & Appropriations Committee reports its changes to the Council as a whole in the form of a budget amendment resolution. The City Council has the power to reduce or delete any item in the budget recommended by the Mayor by a majority vote of the council members present and voting. It shall have the power to increase any item in said budget or add new items to said budget only on a two-thirds (2/3) affirmative vote of the entire membership of the council. The budget adopted by the City Council shall be submitted to the Mayor not later than the second Tuesday in May of each year. The Mayor shall sign the adopted budget or within fourteen days after adoption of the budget, the Mayor may veto any action taken by the City Council. The veto power of the Mayor shall be that of line item veto only, and any such veto may be overridden by a two-thirds (2/3) vote of the entire membership of the City Council. If the Mayor shall disapprove any action of the City Council, he shall, no later than the close of business of the fourteenth day, return the proposed budget to the City Council with a statement of objections. Thereupon, the President of the City Council shall call a meeting to be held no later than seven days after the receipt of the Mayor's veto. If the City Council fails to adopt a budget by the second Tuesday in May of any year, the proposed budget of the Mayor shall become the budget of the City for the ensuing year.

In the General Fund, encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order or other commitment is issued, and, accordingly, encumbrances outstanding at year-end are recognized in budgetary reports as expenditures of the current year. Generally, all unencumbered appropriations lapse at year-end. Encumbered appropriations are carried forward to the next year.

General governmental revenues and expenditures accounted for in the General Fund are controlled by formal integrated budgetary accounting systems in accordance with various legal requirements which govern the City's operations. The City is required to adopt a budget for its General Fund. The City is not required to prepare budgets for special revenue, capital project, proprietary and trust funds. Accordingly, the budget and actual comparisons are only presented for the General Fund.

A reconciliation of General Fund operations and fund balance presented in the statement of revenues, expenditures and changes in fund balance and the amounts presented on the non-GAAP budgetary basis in the required supplementary schedules is as follows:

	<u>Revenues and Other Financing Sources</u>	<u>Expenditures and Other Financing Uses</u>
Balance, GAAP basis fund financial statements	\$ 568,056,103	\$ 567,584,369
Bond refunding transactions:		
Bond refunding issue	(14,290,000)	
Premium on bond refunding	(1,150,189)	
Payment to escrow agent		(15,228,178)
Bond refunding cost		(212,011)
State Teachers' Retirement payments made by State Department of Education on behalf of the City, not recognized for budgetary purposes	(28,462,937)	(28,462,937)
Excess cost payments made by State Department of Education on behalf of the City, not recognized for budgetary purposes	<u>(4,414,047)</u>	<u>(4,414,047)</u>
Balance, Budgetary Basis	<u>\$ 519,738,930</u>	<u>\$ 519,267,196</u>

Classifications of certain revenues, expenditures and transfers in (out) under GAAP differ from classifications used for budgetary purposes.

During the year ended June 30, 2014, the following line items had overexpended appropriations:

	<u>Final Appropriation</u>	<u>Expenditures, Encumbrances and Other Financing Uses</u>	<u>Balance Overexpended</u>
City attorney	\$ 4,391,535	\$ 4,806,664	\$ 415,129
Police department	87,589,766	89,373,495	1,783,729
Fire department	55,667,472	56,969,541	1,302,069
Emergency operation center	5,201,743	5,527,986	326,243
Engineering	448,720	460,295	11,575
Municipal garage	2,662,927	2,712,821	49,894
Roadway	3,556,962	3,827,238	270,276
Sanitation	5,577,786	6,011,201	433,415
Parks	2,443,441	2,445,231	1,790
Zoo	1,426,763	1,431,642	4,879
Vital statistics	325,386	325,493	107
Housing code enforcement	621,212	627,126	5,914
Lead prevention program	161,239	169,064	7,825
Social services	218,771	223,238	4,467
Miscellaneous expenses	21,217	488,874	467,657

Special Revenue Funds

The City does not have legally adopted annual budgets for its special revenue funds. Budgets for the various special revenue funds that are utilized to account for specific grant programs are established in accordance with the requirements of the grantor agencies. Such budgets are nonlapsing and may comprise more than one fiscal year.

Capital Projects Fund

Legal authorization for expenditures of the capital projects fund is provided by the related bond ordinances. Capital appropriations do not lapse until completion of the applicable projects.

3. CASH, CASH EQUIVALENTS AND INVESTMENTS

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

The Connecticut General Statutes (Section 7-400) permit municipalities to invest in: 1) obligations of the United States and its agencies; 2) highly rated obligations of any state of the United States or of any political subdivision, authority or agency thereof; and 3) shares or other interests in custodial arrangements or pools maintaining constant net asset values and in highly rated no-load open end money market and mutual funds (with constant or fluctuating net asset values) whose portfolios are limited to obligations of the United States and its agencies, and repurchase agreements fully collateralized by such obligations. Other provisions of the Statutes cover specific municipal funds with particular investment authority. The provisions of the Statutes regarding the investment of municipal pension funds do not specify permitted investments. Therefore, investment of such funds is generally controlled by the laws applicable to fiduciaries and the provisions of the applicable plan.

The Statutes (Sections 3-24f and 3-27f) also provide for investment in shares of the State Short-Term Investment Fund (STIF) and the State Tax Exempt Proceeds Fund (TEPF). These investment pools are under the control of the State Treasurer, with oversight provided by the Treasurer’s Cash Management Advisory Board, and are regulated under the State Statutes and subject to annual audit by the Auditors of Public Accounts. Investment yields are accounted for on an amortized-cost basis with an investment portfolio that is designed to attain a market-average rate of return throughout budgetary and economic cycles. Investors accrue interest daily based on actual earnings, less expenses and transfers to the designated surplus reserve, and the fair value of the position in the pool is the same as the value of the pool shares.

Deposits

Deposit Custodial Credit Risk - Custodial credit risk is the risk that in the event of a bank failure, the City’s deposits may not be returned to it. The City does not have a deposit policy for custodial credit risk. The deposit of public funds is controlled by the Connecticut General Statutes. Deposits may be placed with any qualified public depository that has its main place of business in the State of Connecticut. Connecticut General Statutes require that each depository maintain segregated collateral (not required to be based on a security agreement between the depository and the municipality and, therefore, not perfected in accordance with federal law) in an amount equal to a defined percentage of its public deposits based upon the depository’s risk-based capital ratio.

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$92,616,120 of the City's bank balance of \$94,849,104 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 83,179,508
Uninsured and collateral held by the pledging bank's trust department, not in the City's name	<u>9,436,612</u>
Total Amount Subject to Custodial Credit Risk	<u>\$ 92,616,120</u>

Cash Equivalents

Cash equivalents are short-term, highly liquid investments that are both readily convertible to known amounts of cash and purchased within 90 days of maturity. At June 30, 2014 the City's cash equivalents amounted to \$37,970,759. The following table provides a summary of the City's cash equivalents (excluding U.S. government guaranteed obligations) as rated by nationally recognized statistical rating organizations.

	<u>Standard & Poor's</u>
State Short-Term Investment Fund (STIF)	AAAm
People's Securities*	
UBS*	
Raymond James*	
Dain Rauscher*	
Wright Investors*	
Merrill Lynch*	
JP Morgan Chase*	
Morgan Stanley*	

*Not rated

B. Investments

The investment and credit risk policies of the City conform to the policies as set forth by the State of Connecticut. The City policy allows investments in the pension funds in the following: 1) equity securities, including exchange-traded and over-the-counter common and preferred stocks, warrants, rights, convertible securities, depository receipts and shares, trust certificates, limited partnership interests, shares of other investment companies and real estate investment trusts and equity participations; 2) securities of certain foreign entities and securities quoted or denominated in foreign currencies; 3) fixed income securities, including bonds, notes, mortgage-related and asset-backed securities, CMOs, convertible securities, Eurodollar and Yankee dollar instruments, preferred stocks and money market instruments subject to approved issuance requirements and credit and diversification restrictions; 4)* fixed income securities that are within approved credit ratings; 5)* unrated securities of the U.S. Treasury and U.S. Government Agencies are permitted; 6)* money market funds and money market instruments of an investment grade commonly held in money market funds such as repurchase agreements, bankers' acceptances, and commercial paper; 7)* SEC registered mutual funds and bank and insurance company commingled funds that invest in stocks and bonds; 8)* closed end SEC registered mutual funds that invest within the overall policy of allowable investments; 9) real estate properties determined to be appropriate for investment, including appropriate limited partnerships and real estate investment trusts; 10) futures contracts only when used by the fund as a hedge against portfolio loss, or if used by an equity index fund as a temporary

substitute for investment in equity securities, or if used by a debt index fund as a temporary substitute for investment in debt securities; and 11) notwithstanding other limitations included herein, assets may be invested in certain hedge fund investments subject to the guidelines set forth in the Supplemental Investment Policy Statement for Hedge Fund Investments that may be adopted by the Trustees. The Statutes (Sections 3-24f and 3-27f) also provide for investment in shares of the Connecticut Short Term Investment Fund and the Tax Exempt Proceeds Fund.

* Investments in the General Fund are restricted to the investment types marked by an asterisk

The pension fund asset allocation parameters are explained in more detail in Note 11.

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

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

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

Investments of the City consist of the following at June 30, 2014:

Investments:

Permanent Trust Fund:

U.S. Government Securities	\$ <u>452,003</u> *
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Special Revenue Fund:

U.S. Government Securities	<u>1,341,801</u> *
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Pension Trust Funds:

Certificate of Deposit	357,971
U.S. Government Agencies	11,431,014 *
Corporate Bonds	13,105,767 *
U.S. Government Securities	7,455,713 *
Alternative Investments	15,016,485 *
Common and Preferred Stocks	108,626,062 *
Mutual Funds	40,369,677
Private Hedge Fund	<u>6,626,769</u>
	<u>202,989,458</u>

Total Investments	\$ <u><u>204,783,262</u></u>
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* These investments are uninsured and unregistered, with securities held by the counterparty's trust department or agent, but not in the City's name.

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

Statement of net position:	
Cash and cash equivalents	\$ 107,389,978
Investments	<u>1,793,804</u>
	<u>109,183,782</u>
Fiduciary funds:	
Cash and cash equivalents	18,698,341
Investments	<u>202,989,458</u>
	<u>221,687,799</u>
Total Cash, Cash Equivalents and Investments	<u>\$ 330,871,581</u>

Interest Rate Risk: This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The City does not have a formal investment policy that limits investments maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Information about the exposure of the City's debt type investments to this risk using the segmented time distribution model is as follows:

	<u>Fair Value</u>	<u>Less Than 1 Year</u>	<u>1-10 Years</u>	<u>Over 10 Years</u>
Type of Investment:				
Certificate of Deposit	\$ 357,971	\$ 101,653	\$ 256,318	\$
U.S. Government Securities	9,249,517	301,710	6,025,283	2,922,524
U.S. Government Agencies	11,431,014	3,053,125	7,889,661	488,228
Corporate Bonds	<u>13,105,767</u>	<u>2,068,133</u>	<u>10,306,994</u>	<u>730,640</u>
Total	<u>\$ 34,144,269</u>	<u>\$ 5,524,621</u>	<u>\$ 24,478,256</u>	<u>\$ 4,141,392</u>

Credit Risk: Generally, credit risk is the risk that an issuer of a debt-type investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S. government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure. Presented below is the minimum rating as required for each debt type investment.

<u>Average Rating</u>	<u>Corporate Bonds</u>	<u>U.S. Government Agency Obligation</u>	<u>Certificate of Deposit</u>
Aaa	\$	\$ 17,995,675	\$
Aa1			
Aa2	55,158		
Aa3	257,083		
A1	3,977,784		
A2	2,300,284		
A3	1,741,847		
Baa1	1,159,088	85,445	
Baa2	1,725,690		
Baa3	704,034		
Ba1	268,650		
Ba2	274,688		
Ba3	249,430		
B1			
B2			
B3			
Caa1	249,983		
Caa2		151,802	
Caa3		287,362	
Ca		129,961	
C		48,069	
Unrated	142,048	1,982,217	357,971
	<u>\$ 13,105,767</u>	<u>\$ 20,680,531</u>	<u>\$ 357,971</u>

4. RECEIVABLES - FUND BASIS

Receivables at June 30, 2014 for the City's individual major funds and nonmajor and fiduciary funds in aggregate, including the applicable allowances for collection losses, are as follows:

	<u>General</u>	<u>Education Grants</u>	<u>Capital Bond Issue</u>	<u>Enterprise</u>	<u>Nonmajor and Other Funds</u>	<u>Totals</u>
Property taxes	\$ 47,381,850	\$	\$	\$	\$	\$ 47,381,850
Interest on property taxes	17,909,753					17,909,753
Contributions					147,876	147,876
Sewer user fees				13,548,120		13,548,120
Intergovernmental	30,764,438	2,482,600	389,047		6,578,957	40,215,042
Other	<u>2,776,382</u>	<u>5,842</u>	<u>28,036</u>	<u>723,981</u>	<u>6,572,911</u>	<u>10,107,152</u>
Gross receivables	98,832,423	2,488,442	417,083	14,272,101	13,299,744	129,309,793
Less allowance for collection losses	<u>26,190,890</u>			<u>3,798,915</u>		<u>29,989,805</u>
Net Receivables	<u>\$ 72,641,533</u>	<u>\$ 2,488,442</u>	<u>\$ 417,083</u>	<u>\$ 10,473,186</u>	<u>\$ 13,299,744</u>	<u>\$ 99,319,988</u>

5. INTERFUND ACCOUNTS

As of June 30, 2014, amounts due from and to other funds were as follows:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$ 19,116,344	\$ 16,086,763
Education grants	605,283	756,866
Capital Bond Issue Fund	1,236,880	13,277,072
Special revenue funds:		
Health and sanitation	257,180	
Public safety		4,045,917
Facility and miscellaneous	711,147	653,035
Social services	201,250	202,315
Community Development Block Grant		948,753
Housing Opportunities AIDS		866,457
HOME Program	25,246	456,551
Section 108 Loan Guarantee		743,882
Development administration state grant	4,130	1,684,805
Library	2,421	
Library operations	2,376,080	
Miscellaneous grants	58,174	
General government	651,089	
Total special revenue funds	<u>4,286,717</u>	<u>9,601,715</u>
Capital projects funds:		
Conversion capital projects	392,635	
Permanent trust funds:		
Education	768	
Enterprise funds:		
WPCA		913,180
Pension trust funds:		
Public Safety Plan A	2,593,558	
Internal service fund:		
City health insurance	12,404,179	768
Nonmajor governmental fund elimination	<u>(492,091)</u>	<u>(492,091)</u>
Total	<u>\$ 40,144,273</u>	<u>\$ 40,144,273</u>

The balances, as stated above, are the result of the time lag between the dates payments occur between funds for various activities. Such balances are expected to be paid or collected within one year.

Interfund transfers during the year ended June 30, 2014 were as follows:

<u>Transfer In</u>	<u>Transfer Out</u>	<u>Amount</u>
General Fund	Capital Bond Issue	\$ 500,000
Library Operating Fund	General Fund	2,910,284

Transfers are used to account for unrestricted revenues collected mainly in the General Fund to finance various programs accounted for in other funds in accordance with budget authorizations.

6. BULK LIEN SALES

During the year ended June 30, 2014, the City executed a bulk sale of property tax liens and collected proceeds of \$8,204,855. The City retains no interest in the assigned liens. The purchaser bears all risks relating to its ability to collect the amounts owed and, should it acquire title to the underlying real estate through foreclosure or otherwise, will bear all risks associated with the ownership and sale of the real property.

7. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2014 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposal/ Transfers</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 139,235,293	\$ 2,827,800	\$ -	\$ 142,063,093
Construction in progress	182,343,236	62,558,011	(57,186,794)	187,714,453
Total capital assets not being depreciated	<u>321,578,529</u>	<u>65,385,811</u>	<u>(57,186,794)</u>	<u>329,777,546</u>
Capital assets being depreciated:				
Buildings and improvements	698,052,632	52,107,873	-	750,160,505
Machinery and equipment	57,484,060	4,984,245	-	62,468,305
Infrastructure	160,489,692	645,631	-	161,135,323
Vehicles	44,258,192	3,812,035	-	48,070,227
Total capital assets being depreciated	<u>960,284,576</u>	<u>61,549,784</u>	<u>-</u>	<u>1,021,834,360</u>
Less accumulated depreciation for:				
Buildings and improvements	166,673,737	16,152,859	-	182,826,596
Machinery and equipment	23,523,962	3,707,471	-	27,231,433
Vehicles	40,124,905	2,079,226	-	42,204,131
Infrastructure	84,376,500	5,046,293	-	89,422,793
Total accumulated depreciation	<u>314,699,104</u>	<u>26,985,849</u>	<u>-</u>	<u>341,684,953</u>
Total capital assets being depreciated, net	<u>645,585,472</u>	<u>34,563,935</u>	<u>-</u>	<u>680,149,407</u>
Governmental Activities Capital Assets, Net	<u>\$ 967,164,001</u>	<u>\$ 99,949,746</u>	<u>\$ (57,186,794)</u>	<u>\$ 1,009,926,953</u>

	Beginning Balance	Additions/ Transfers	Disposals/ Transfers	Ending Balance
Business-type activities:				
Capital assets not being depreciated:				
Construction in progress	\$ 19,252,709	\$ 6,571,837	\$ (11,514,392)	\$ 14,310,154
Capital assets being depreciated:				
Buildings and improvements	103,755,506	11,567,245		115,322,751
Machinery and equipment	18,087,759	467,846		18,555,605
Distribution and collection systems	75,770,190	635,367		76,405,557
Vehicles	2,842,295	96,700		2,938,995
Total capital assets being depreciated	<u>200,455,750</u>	<u>12,767,158</u>	<u>-</u>	<u>213,222,908</u>
Less accumulated depreciation for:				
Buildings and improvements	57,593,459	4,392,981		61,986,440
Machinery and equipment	11,572,986	1,078,227		12,651,213
Distribution and collection systems	19,011,703	1,625,904		20,637,607
Vehicles	2,494,916	112,489		2,607,405
Total accumulated depreciation	<u>90,673,064</u>	<u>7,209,601</u>	<u>-</u>	<u>97,882,665</u>
Total capital assets being depreciated, net	<u>109,782,686</u>	<u>5,557,557</u>	<u>-</u>	<u>115,340,243</u>
Business-Type Activities Capital Assets, Net	<u>\$ 129,035,395</u>	<u>\$ 12,129,394</u>	<u>\$ (11,514,392)</u>	<u>\$ 129,650,397</u>

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

Governmental Activities:	
General government	\$ 4,502,122
Public safety	2,632,649
Public facilities, parks and recreation	6,874,753
Health and social services	16,558
Libraries	259,378
Education	<u>12,700,389</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 26,985,849</u>
Business-Type Activities:	
WPCA	<u>\$ 7,209,601</u>

8. LONG-TERM DEBT

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2014 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Bonds and notes payable:					
General obligation bonds	\$ 657,515,000	\$ 14,290,000	\$ 53,089,276	\$ 618,715,724	\$ 37,866,591
Notes payable	2,396,000		282,000	2,114,000	288,000
Premium	17,015,149	1,150,189	2,370,138	15,795,200	2,389,309
Total bonds and notes payable	<u>676,926,149</u>	<u>15,440,189</u>	<u>55,741,414</u>	<u>636,624,924</u>	<u>40,543,900</u>
Claims and judgments	104,770,856	109,095,945	113,106,723	100,760,078	16,057,947
Compensated absences	28,111,327	7,441,043	6,746,719	28,805,651	6,913,356
Landfill closure costs	104,558		24,806	79,752	24,806
State Department of Education loan	3,500,000		2,000,000	1,500,000	1,500,000
OPEB obligation	144,507,188	25,476,862		169,984,050	
Net pension obligation	<u>1,447,837</u>	<u>734,849</u>		<u>2,182,686</u>	
Governmental Activity Long-Term Liabilities	<u>\$ 959,367,915</u>	<u>\$ 158,188,888</u>	<u>\$ 177,619,662</u>	<u>\$ 939,937,141</u>	<u>\$ 65,040,009</u>
Business-type activities:					
Bonds and notes payable:					
General obligation bonds	\$ 3,874,164	\$	\$ 194,888	\$ 3,679,276	\$ 203,409
Bond premiums	134,493		7,488	127,005	
Notes payable	<u>41,206,817</u>	<u>3,786,766</u>	<u>4,968,530</u>	<u>40,025,053</u>	<u>5,211,809</u>
Business-Type Activity Long-Term Liabilities	<u>\$ 45,215,474</u>	<u>\$ 3,786,766</u>	<u>\$ 5,170,906</u>	<u>\$ 43,831,334</u>	<u>\$ 5,415,218</u>

Compensated absences, OPEB obligation and net pension obligation are generally liquidated by the General Fund.

Notes Payable

Notes payable as of June 30, 2014 include the following:

Governmental Activities:

Department of Housing and Urban Development Section 108 Loans, due in varying installments plus interest at 2.00% - 7.64% through 2016	\$ 2,114,000
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Business-Type Activities:

Clean Water Program, due in varying installments, plus interest at 2% through 2039	<u>40,025,053</u>
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Total	<u>\$ 42,139,053</u>
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General Obligation Bonds

As of June 30, 2014, the City had the following general obligation bonds outstanding:

Governmental Activities:

Pension, 2.5% to 7.6%	\$ 274,190,000
General Purpose, 2.5% to 6.6%	226,474,229
School, 4.0% to 6.8%	<u>118,051,495</u>
	<u>\$ 618,715,724</u>

Business-Type Activities:

General Purpose, 1.68% to 6.388%	<u>\$ 3,679,276</u>
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A schedule of bonds at June 30, 2014 is presented below:

<u>Date</u>	<u>Purpose</u>	<u>Rate %</u>	<u>Original Issue</u>	<u>Debt Outstanding</u>	<u>Fiscal Year Maturity</u>
08/29/00	Pension	6.92 - 7.64%	\$ 350,000,000	\$ 274,190,000	2030
12/12/03	General Purpose	1.41 - 5.03%	18,925,000	795,000	2015
08/12/04	General Purpose	3.0 - 5.25%	9,945,600	392,200	2025
08/12/04	Schools	3.0 - 5.25%	16,934,400	667,800	2025
08/12/04	General Purpose	3.0 - 5.50%	48,035,600	38,216,100	2022
08/12/04	Schools	3.0 - 5.50%	10,544,400	8,388,900	2022
04/27/06	General Purpose-Refunding	4.0 - 4.5%	18,456,000	15,774,000	2025
04/27/06	Schools-Refunding	4.0 - 4.5%	12,304,000	10,516,000	2025
06/06/06	General Purpose	4.0 - 5.0%	30,789,200	23,072,400	2025
06/06/06	Schools	4.0 - 5.0%	28,420,800	21,297,600	2025
06/06/06	General Purpose-Refunding	4.0 - 5.0%	4,669,650	834,300	2016
06/06/06	Schools-Refunding	4.0 - 5.0%	1,095,350	195,700	2016
06/28/07	General Purpose	4.125 - 6.0%	16,449,200	12,656,500	2027
06/28/07	Schools	4.125 - 6.0%	31,930,800	24,568,500	2027
12/15/09	General Purpose	2.0 - 2.4%	7,508,522	1,612,798	2015
12/15/09	Schools	2.0 - 2.4%	196,478	42,200	2015
12/15/09	General Purpose	3.98 - 6.571%	13,614,785	13,614,786	2029
12/15/09	Schools	3.98 - 6.571%	15,520,215	15,520,215	2029
12/15/09	Schools	6.821%	4,000,000	4,000,000	2030
07/22/10	General Purpose	1.68 - 6.388%	19,440,000	17,005,000	2030
07/22/10	General Purpose-Refunding	2.50 - 3.0%	6,324,318	5,345,028	2019
07/22/10	Schools-Refunding	2.50 - 3.0%	3,685,682	3,114,972	2019
06/14/12	General Purpose	3.0 - 5.0%	55,940,355	54,021,600	2032
06/14/12	Schools	3.0 - 5.0%	11,989,645	11,578,400	2032
07/12/12	General Purpose-Refunding	2.0 - 5.0%	41,971,000	38,760,000	2022
07/12/12	Schools-Refunding	2.0 - 5.0%	13,254,000	12,240,000	2022
07/11/13	General Purpose-Refunding	5.0%	8,235,327	8,053,793	2019
07/11/13	Schools-Refunding	5.0%	<u>6,054,673</u>	<u>5,921,208</u>	2019
	Total		<u>\$ 806,235,000</u>	<u>\$ 622,395,000</u>	
	Less amount representing business-type activities			<u>(3,679,276)</u>	
	Total Outstanding, government activities			<u>\$ 618,715,724</u>	

Designation of 2010 Series B Bonds as Build America Bonds

The federal American Recovery and Reinvestment Act of 2009, Pub. L No. 111-5, 123 Stat. 115 (2009), enacted February 17, 2009 (the Recovery Act) permits the City to issue taxable bonds referred to as "Build America Bonds" to finance capital expenditures for which it could otherwise issue tax-exempt bonds, and to elect to receive payments from the federal government equal to 35% of the corresponding interest payable on

such taxable bonds (the BAB Subsidy Payments). The City elects to designate the 2010 Series B Bonds as “Build America Bonds” for purposes of the Recovery Act and to receive BAB Subsidy Payments from the United States Treasury in connection therewith. BAB Subsidy Payments for the 2010 Series B Bonds will be paid to the City on or about each interest payment date; the holders of the 2010 Series B Bonds are not entitled to a tax credit. Such BAB Subsidy Payments are not pledged to pay the 2010 Series B Bonds, nor is their receipt by the City a condition of payment of any portion of the principal and interest on the 2010 Series B Bonds.

The annual debt service requirements relative to the outstanding notes payable and general obligation bonds are as follows:

Year Ending June 30,	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2015	\$ 38,154,591	\$ 36,812,643	\$ 74,967,234	\$ 5,415,219	\$ 820,104	\$ 6,235,323
2016	39,574,934	34,833,740	74,408,674	5,636,310	1,088,833	6,725,143
2017	41,339,695	32,690,319	74,030,014	3,992,786	688,598	4,681,384
2018	41,365,669	30,432,633	71,798,302	3,735,740	606,675	4,342,415
2019	43,394,187	28,117,222	71,511,409	3,573,340	551,257	4,124,597
2020	44,157,256	25,672,077	69,829,333	3,458,263	484,548	3,942,811
2021	37,605,209	23,452,399	61,057,608	1,928,463	422,370	2,350,833
2022	39,732,480	21,262,816	60,995,296	1,871,386	378,916	2,250,302
2023	36,259,076	19,053,780	55,312,856	1,869,716	333,888	2,203,604
2024	38,434,878	16,801,752	55,236,630	1,702,358	292,898	1,995,256
2025	36,890,451	14,489,679	51,380,130	1,696,939	249,693	1,946,632
2026	36,556,846	12,239,282	48,796,128	1,630,177	209,788	1,839,965
2027	33,867,893	10,001,520	43,869,413	1,533,067	171,028	1,704,095
2028	32,243,267	7,808,849	40,052,116	1,502,237	132,968	1,635,205
2029	34,467,027	5,492,012	39,959,039	1,353,847	94,735	1,448,582
2030	36,845,564	3,008,985	39,854,549	1,141,832	59,549	1,201,381
2031	4,850,671	497,035	5,347,706	484,409	36,643	521,052
2032	5,090,030	254,501	5,344,531	438,623	24,243	462,866
2033				172,147	13,092	185,239
2034				158,828	9,893	168,721
2035				139,348	6,749	146,097
2036				78,944	4,661	83,605
2037				78,766	3,085	81,851
2038				78,766	1,510	80,276
2039				32,818	164	32,982
Total	\$ <u>620,829,724</u>	\$ <u>322,921,244</u>	\$ <u>943,750,968</u>	\$ <u>43,704,329</u>	\$ <u>6,685,888</u>	\$ <u>50,390,217</u>

The State of Connecticut reimburses the City for eligible school bond principal and interest costs. The amount of principal reimbursement for the year ended June 30, 2014 was \$1,472,291. Additional principal reimbursements of \$6,633,084 are expected to be received through the bonds’ maturity dates.

Legal Debt Limit

The City's indebtedness does not exceed the legal debt limitation as provided by Connecticut General Statutes and as reflected in the following schedule:

<u>Category</u>	<u>Debt Limit</u>	<u>Net Indebtedness</u>	<u>Balance</u>
General purpose	\$ 659,065,788	\$ 324,460,269	\$ 334,605,519
Schools	1,318,131,576	214,042,974	1,104,088,602
Sewers	1,098,442,980	43,704,329	1,054,738,651
Urban renewal	951,983,916	2,114,000	949,869,916
Unfunded pension	878,754,384	274,190,000	604,564,384

The total overall statutory debt limit for the City is equal to seven times annual receipts from taxation, or \$2,050,426,896. All long-term debt obligations are retired through General Fund appropriations or user charges.

Indebtedness above includes bonds authorized, but not issued as follows:

General purpose	\$ 44,158,540
Sewer	16,348,343
Schools	<u>89,312,325</u>
	<u>\$ 149,819,208</u>

Tax Anticipation Notes Payable

On October 22, 2013, the City issued a tax anticipation note in the amount of \$71,500,000 to fund cash flows for operating expenses. The note matured on February 18, 2014 with an interest rate of 1.00%.

On April 15, 2014, the City issued a tax anticipation note in the amount of \$20,000,000 to fund cash flows for operating expenses. The note matured on August 15, 2014 with an interest rate of 1.0%.

On November 19, 2014, the City issued a tax anticipation note in the amount of \$50,000,000 to fund cash flows for operating expenses. The note will mature on February 19, 2015 with an interest rate of 1.00%.

General Obligation Bonds Refunding

On July 11, 2013, the City issued \$14,290,00 of general obligation refunding bonds with interest rate of 1.904%. The bonds were issued to outstanding principal amounts of the 2003C and 2004A general obligation bonds of the City. The net proceeds of \$15,228,178 (after an original issue premium of \$1,150,189 and payment of \$212,011 in underwriter's fees and other issuance costs) were deposited in an irrevocable trust fund under an escrow agreement dated July 11, 2013 between the Escrow Agent and the City. The Escrow Agent will use such proceeds to purchase a portfolio of United States Treasury State and Local Government Securities. All investment income on and the maturing principal of the escrow securities held in the escrow deposit fund will be irrevocably deposited by the City for payment of the refunded bonds. The City refunded the above bonds to reduce total debt service payments over the next 5 years by \$604,676 and to obtain an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$596,119. The refunded bonds are considered defeased. As of June 30, 2014, the amount of defeased debt outstanding but removed from the governmental activities column of the statement of net position is \$6,805,000 and the escrow balance is \$6,969,491.

Prior Year Defeasance of Debt

In prior years, the City defeased various bond issues. As of June 30, 2014, the amount of defeased debt outstanding but removed from the governmental activities column of the statement of net position amounted to \$12,850,000 and the escrow balance is \$13,212,142.

State of Connecticut Department of Education Loan

The State of Connecticut Department of Education provided the City with a loan of \$3.5 million for the purpose of inclusion in the budgeted appropriation for education for the fiscal year ended June 30, 2012 to cover education expenditures incurred during that year. Certain criteria were established that will make the loan forgivable over the next three years. If the criteria are not met, the City agrees that it shall repay the State of Connecticut for any funds loaned under the Agreement. As of June 30, 2014 the outstanding amount on the loan that the City is obligated to repay if the Agreement criterias are not met is \$1,500,000.

Subsequent Events

On November 18th 2014, the City issued \$32,435,000 of general obligation refunding bonds. The bonds were issued to refund the outstanding principal amount for the 2007A general obligation bonds of the City.

On November 18, 2014, the City issued a tax anticipation note in the amount of \$50,000,000 to fund cash flows for operating expenses. The note will mature on February 19, 2015 with an interest rate of 1.00%.

9. FUND BALANCE

The components of fund balance for the governmental funds at June 30, 2014 are as follows:

	<u>General Fund</u>	<u>Education Grants Fund</u>	<u>Capital Bond Issue Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Fund balances:					
Nonspendable:					
Prepays	\$ 350,000	\$	\$	\$	\$ 350,000
Restricted for:					
Grants				4,206,902	4,206,902
Library trust fund				549,251	549,251
Education trust fund				108,761	108,761
Committed to:					
General government projects			2,257,865		2,257,865
Public safety projects			829,077		829,077
Public facilities projects			22,860,174		22,860,174
OPEB and other projects			3,552,687	4,304,040	7,856,727
Library				4,293,913	4,293,913
General special revenue				652,007	652,007
Education				240,993	240,993
Assigned to:					
Unassigned	<u>13,045,816</u>	<u>(603,655)</u>	<u></u>	<u>573,794</u>	<u>13,015,955</u>
Total Fund Balances	<u>\$ 13,395,816</u>	<u>\$ (603,655)</u>	<u>\$ 29,499,803</u>	<u>\$ 14,929,661</u>	<u>\$ 57,221,625</u>

10. COMMITMENTS AND CONTINGENCIES

The City, its officers and its employees are defendants in a number of lawsuits. The ultimate disposition and fiscal consequences of these lawsuits are not presently determinable. The City Attorney's Office has reviewed the status of the pending litigation and reports that it is the opinion of the City Attorney that such pending litigation will not be finally determined so as to result individually or in the aggregate in a final judgment against the City, or settlement that would materially adversely affect its financial position, except that adverse judgment in cases described below could have a fiscal impact in the aggregate and in certain circumstances which might be significant.

Personal Injury and Other Actions

There are presently pending certain major personal injury and other claims and lawsuits that the City is actively defending for which, in the event the City is held liable, the amount of recovery could, under certain circumstances, total between \$10 and \$20 million dollars in the aggregate. Any recovery under such actions will be paid by the City, which is self-insured for such risks.

Wheelabrator Bridgeport, L.P. Real and Personal Property Tax Valuation Appeal

Wheelabrator Bridgeport L.P. (Wheelabrator), operator of the solid waste to energy facility which is currently the City's largest taxpayer, has filed tax valuation appeals for the 2007, 2008, 2009, 2010, 2011, 2012 and 2013 Tax Grand Lists.

The City assessed Wheelabrator's property at the following assessed values (70% of fair market value): for 2007 - \$256 million for real property and \$12 million for personal property; for 2008 - \$281 million for real property and \$7.3 million for personal property; for 2009 - \$281 million for real property and \$39 million for personal property; for 2010 - \$285 million for real property and \$32.5 million for personal property; for 2011 - \$310 million for real property and \$33.2 million for personal property; for 2012 - \$310 million for real property and \$33.5 million for personal property; and for 2013 - \$310 million for real property and \$33.2 million for personal property.

These assessed valuations formed the basis for tax bills as follows: For the last six months of 2007 - \$5,704,846.65 for real property and \$538,414.91 for personal property; 2008 - \$10,891,255.52 for real property and \$286,353.46 for personal property; 2009 - \$11,144,279.00 for real property and \$1,535,398.59 for personal property; 2010 - \$11,308,437.72 for real property and \$1,290,862.41 for personal property; 2011 - \$12,772,848.26 for real property and \$1,367,586.48 for personal property; 2012 - \$13,004,319.24 for real property and \$1,402,211.87 for personal property; and for 2013 - \$13,110,889.10 for real property and \$1,403,210.18 for personal property.

The trial of the Wheelabrator tax valuation appeals concluded in March 2012. On June 28, 2013, Judge Trial Referee Arnold W. Aronson rendered the Court's decision. Wheelabrator's appeal of its real property and personal property assessments on the 2007, 2008 and 2009 Grand Lists were dismissed on jurisdictional grounds. The assessor's valuation of Wheelabrator's real property on the 2010, 2011 and 2012 Grand Lists was reduced to a fair market value of \$314,017,430 (an assessed value of \$219,812,201 (70% of fair market value)). The assessments of its personal property on the 2010, 2011, and 2012 Grand Lists were not reduced.

On July 18, 2013, Wheelabrator appealed the Superior Court's decision to the Connecticut Appellate Court. The City filed a cross appeal of the Court's decision pertaining to the 2010, 2011 and 2012 Grand List real property assessments to the Connecticut Appellate Court. On March 3, 2014, the Connecticut Supreme Court transferred this appeal to itself. Wheelabrator's appeal brief was filed on June 20, 2014. The City's appeal brief was filed on or about October 24, 2014. The tax bills pertaining to Wheelabrator's real property will not be changed unless required by subsequent judicial action.

As described above under “TAX BASE DATA - Assessments,” the City, pursuant to state statutory authority, postponed the revaluation scheduled for the 2013 assessment year until the 2015 assessment year. The Tax Assessor certified the Grand List for the 2013 assessment year based upon the assessments for the 2012 assessment year, subject to transfers of ownership, additions for new construction and reductions for demolitions. As a result, Wheelabrator’s tax valuation appeal and the resultant court action will also apply to the 2013 and 2014 Grand Lists.

In July 2013, Wheelabrator commenced a separate appeal of the penalty assessments imposed with respect to the 2010, 2011 and 2012 Grand Lists for which Wheelabrator failed to file certain Income and Expense Information with the City. By statute, the assessor is required to impose a 10% penalty on the assessed value of the real property for a taxpayer’s failure to file the requested Income and Expense Information. The City is asserting that Wheelabrator did not timely appeal the imposition of the penalties for the 2010 and 2011 Grand Lists and is seeking to bar these claims. The foregoing assessed values and tax bills for all grand lists include any penalty applied.

In June 2014, Wheelabrator filed another appeal, which appears to repeat and amplify earlier claims. The appeal relates to Wheelabrator’s real property tax values on the 2010, 2011, and 2012 Grand Lists which have already been addressed by the Superior Court decision discussed above. This appeal also concerns Wheelabrator’s real and personal property tax values on the 2013 Grand List.

Beardsley Zoo

On May 13, 1997, the City sold the land, buildings, equipment and animals comprising the Beardsley Zoological Gardens (the Zoo) to the Connecticut Zoological Society (the Society). Under the sale agreement, if the Society is no longer willing or able to operate and maintain the Zoo, the responsibilities associated with it, and the trust assets, will revert back to the City.

The City also entered into a service agreement with the Society in which the City is required to provide operating assistance to the Society for such costs as personnel, supplies, services, materials, utilities, maintenance, equipment and vehicles, that it currently provides to the Zoo, which approximated \$1,171,633 during the year ended June 30, 2014, before the subsidy referred to below. These levels can be adjusted up or down depending on changes to the Zoo such as expansion. However, the Society is required to pay the City any subsidy received from the State. A subsidy of \$269,470 was received for the year ended June 30, 2014. The Society retains any revenues from admissions, vending, concessions, other grants or bequests.

WPCA Privatization Agreement

On October 8, 2013 the WPCA entered into a ten-year agreement (the Agreement) with a new independent contractor (the Contactor) to provide operations, maintenance and management services to its two wastewater treatment facilities and collection system. This agreement took effect on January 1, 2014. This Agreement replaced the previous contractor who had agreed to stay through December 31, 2013.

Consent Decrees

Under various consent decrees issued by the State of Connecticut Department of Environmental Protection (consent decrees), the WPCA is required to bring both of its treatment facilities in compliance with federal standards and eliminate certain combined storm and sanitary sewers. The estimated cost of these improvements is \$244,000,000. As of June 30, 2014, approximately \$187,000,000 relating to these projects, including capitalized interest, has been incurred and included in property and equipment. Based on current engineering estimates, completion of these projects will be within the next six years. Funding for these improvements is being provided by the State of Connecticut’s Clean Water Fund in the form of loans and grants. As of June 30, 2014, the State is committed to providing the WPCA additional funding in the form of loans and grants of approximately \$10,126,000 and \$7,953,000 respectively.

Municipal Solid Waste Service Agreement

Bridgeport is one of twelve municipalities that has entered into a 2009 Successor Municipal Service Agreement (the “2009 MSA”) with the Connecticut Resources Recovery Authority (the “Authority”) for the disposal of solid waste through the Greater Bridgeport Resource Recovery System (the “System”), including a solid waste disposal and processing facility (the “Facility”) located in Bridgeport and operated by Wheelabrator Bridgeport L.P. (“Wheelabrator”). Each municipality which has signed such 2009 MSA (a “Participating Municipality”) has agreed to deliver or cause to be delivered to the System all “Acceptable Waste,” as defined in the 2009 MSA, generated within its boundaries. The Facility began commercial operation in July 1988 and is designed to process up to 2,250 tons of solid waste per day. The 2009 MSA expired on June 30, 2014.

On or about January 21, 2014, the City notified the Authority that it would not be extending the 2009 MSA which expired on June 30, 2014. As an alternative, the Bridgeport City Council authorized and directed the Mayor to enter into a Greater Bridgeport Regional Solid Waste Interlocal Agreement (“Interlocal Agreement”) which creates the Greater Bridgeport Regional Solid Waste Committee (“Operating Committee”) as a public body comprised of various southwest Connecticut municipalities (including but not limited to Bridgeport, Trumbull, Fairfield, Milford and Westport) for the purpose of, and with the authority to, contract with a solid waste facility for the disposal of municipal solid waste after June 30, 2014.

On or about March 20, 2014, Wheelabrator agreed to the Operating Committee’s proposed contract terms of \$60.00 per ton up to 175,000 aggregate annual tonnage for a term of up to 20 years with a \$1.00 per ton decrease for each new 25,000 tons the Operating Committee attracts and an annual Consumer Price Index escalator at 75% of the change, subject to an executable contract and Wheelabrator Board approvals. A final agreement was signed on June 27, 2014.

Bridgeport is also part of an Inter-Community Agreement dated September 15, 1989 establishing a regional recycling program. The Southwest Connecticut Regional Recycling Operating Committee (“SWEROC”) was established to implement a regional recycling program to meet the State of Connecticut mandated program for recycling, per Sections 22a-241 through 22a-241i of the Connecticut General Statutes. Bridgeport is one of seventeen "Contracting Communities" participating in the SWEROC recycling program. The City is committed to supply recyclables annually consisting of: food and beverage containers made of glass, metal and certain plastics, and newspapers. Other defined residential recyclables are cardboard, waste oil, storage batteries and scrap metal.

11. PENSION PLANS

A. Connecticut Municipal Employees’ Retirement Fund

All full-time employees of the City, except for Board of Education personnel, police, firefighters, janitors and engineers who participate in other plans described below, participate in the Connecticut Municipal Employees’ Retirement Fund B (CMERF), a cost-sharing multiple employer public employee retirement system administered by the State of Connecticut.

Employees are eligible to participate in CMERF provided they work at least 20 hours per week if hired after September 30, 1969. If hired prior to that date there is no minimum hourly requirement. All benefits vest after 5 years of continuous service. Members who retire after age 55 with 15 years of service or after 25 years of service, irrespective of age, are entitled to an annual retirement benefit, payable monthly for life, in an amount for each year of service equal to:

- ◆ If not covered by Social Security: 2% of the average of earnings for the three highest paid years of service.
- ◆ If covered by Social Security: 1-1/6% of the average of earnings not in excess of the taxable wage base for the 10 highest paid years, plus 2% of the average of earnings for the three highest paid years of service that is in excess of the average of earnings not in excess of the taxable wage base for the 10 highest paid years.

CMERF also provides death and disability benefits.

Benefits and other plan provisions are established by State statute. Covered employees are required by Connecticut statute to contribute 2-1/4% of earnings upon which Social Security tax is paid plus 5% of earnings upon which no Social Security tax is paid. The City is required to make contributions as set by the State Retirement Commission to fund the remaining cost. The employer contribution represents 14.32% of covered payroll for the current year. The City's contributions for the years ended June 30, 2014, 2013, and 2012 were \$20,033,088, \$12,847,194 and \$9,589,103 respectively, equal to the required contributions for each year. The contributions increased for fiscal year 2014 due to the Police department joining CMERF.

The financial statements of the plan are available from the State Treasurer for the CMERF Fund, 55 Elm Street, Hartford, CT 06106.

B. State Teachers' Retirement System

The faculty and professional personnel of the Board of Education participate in a contributory defined benefit plan, established under Section 10.183 of the Connecticut General Statutes, which is administered by the Connecticut State Teachers' Retirement Board. A teacher is eligible to receive normal retirement benefits if he or she has attained age 60 and has accumulated 20 years of credited service in the public schools of Connecticut or has attained any age and has accumulated 35 years of credited service, at least 25 of which are service in the public schools of Connecticut. The financial statements of the Plan are available from the Connecticut Office of the State Comptroller, 55 Elm Street, Hartford, CT 06106.

Certain part-time and full-time certified teachers are eligible to participate in the plan and are required to contribute 7.25% of their annual earnings to the plan. The City does not and is not legally responsible to contribute to the plan. The State of Connecticut contributes based on actuarially determined amounts. The funding level was determined based on an actuarial valuation of the plan as a whole, which does not provide actuarial information on an individual municipality basis.

In addition, the City has recognized revenues and expenditures for on-behalf payments for pension contributions paid directly to the Connecticut State Teachers' Retirement System by the State of Connecticut. Such on-behalf payments were \$28,462,937 for the year ended June 30, 2014.

C. Single Employer Defined Benefit Plans

The City maintains and administers four single employer defined benefit pension plans that cover substantially all of the employees of the City with the exception of those covered under CMERF and the State Teachers' Retirement System. The costs of administering the plans are paid by each individual plan. Stand-alone plan reports are not available for these plans. The four City plans are as follows:

- i) Public Safety Plan A Investment and Pension Trust (Plan A)
- ii) Police Retirement Plan B
- iii) Firefighters' Retirement Plan B
- iv) Janitors' and Engineers' Retirement Plan

Management of the plans rests with the Trustees for each pension plan. The Trustees of pension Plan A consist of 3 members, The Mayor, The Finance Director and the Treasurer. The police commissioners for plan B consist of seven members and are also the Trustees for Police pension plan B. The Mayor, in December of each odd numbered year, shall appoint with the approval of the city council. The Fire commissioners for plan B consist of seven members and are also the Trustees for the Fire pension plan B. The Mayor, in December of each odd numbered year, shall appoint with the approval of the city council. The Board of Education committee members are also the trustees for the Engineers and Janitors pension plan. The committee consists of nine members.

The Police Retirement Plan B and Firefighters' Retirement Plan B are funded on an actuarial basis; the Janitors' and Engineers' Retirement Plan is funded on a "pay-as-you-go" basis; that is, the City's contribution to the plan is the amount necessary to pay annual benefits. The City makes contributions to Plan A equal to the actuarially determined Normal Cost amounts. The net pension obligation and the contribution requirements are actuarially determined. Plan A is a closed plan and as such no new enrollments have been allowed since January 1, 1984.

In August 1985, the City purchased an annuity contract for approximately \$75 million to fund a portion of the net pension obligation for Plan A. The plan assets available for benefits and the net pension obligation amounts for Plan A exclude the plan assets and pension obligations covered by the above-mentioned annuity contract. For the year ended June 30, 2014, \$1,893,599 of benefits was provided through this annuity contract.

In August 2000, the City issued \$350,000,000 of taxable general obligation pension funding bonds. The proceeds of these bonds were transferred into Plans A's Investment Trust (the A Trust). The proceeds and any future investment earnings are to be used to make contributions to the Plan A or to pay benefits on behalf of the Plan. The City can, however, withdraw from the Plan A Trust the greater of: 1) 20% of the amount by which the Plan A Trust assets exceed the present value of accrued Plan benefits (\$327,047,224 based on the July 1, 2013 actuarial valuation) or 2) the amount of the Plan A Trust assets in excess of 110% of the present value of accrued Plan benefits.

Under State statutes regarding pension obligation bonds, the City is required to make its "Actuarially Recommended Contribution," defined as the lesser of the Employer's Normal Cost or the Annual Required Contribution. In addition, the City could have to make additional contributions as it is required to fund Plan A at approximately the same funding level as immediately following the bond issuance (79%).

The City, police, and firefighters' union negotiated a contract whereby all active bargaining unit members were transferred to the MERS retirement plan. The Fire transfer was effective April 1, 2012 and the police was July 1, 2013. The Plan B Police board transferred \$56,708,806 from the Police Retirement Plan to the State of Connecticut Treasurer.

Provisions of Pension Plans	Public Safety Plan A	Police Retirement Plan B	Firefighters' Retirement Plan B	Janitors' and Engineers' Retirement Plan
Employees covered	All police and fire employed before 6/4/81 and 1/1/84, respectively	All police employed on or after 6/4/81	All firefighters employed on or after 1/1/84	All employees hired before 1985
Plan Status	Closed	Closed, Active participants transferred to CMERS effective July 1, 2013	Closed, Active participants transferred to CMERS effective April 1, 2012	Closed
Benefit provisions	50% of compensation plus 2-1/2% for each year of service in excess of 20 years, maximum 75%	2% of annual salary for each full year of service plus 50% of subsequent compensation increase, maximum 70%	2% of annual salary for each year of service plus 50% of subsequent compensation increase, maximum 70%	2% of 3 year average compensation for each year of service, up to 33 years plus 1% of 3 year compensation thereafter
Definition of "Compensation"	Maximum yearly compensation currently being paid to members in the department in the same position that the employee held at the time of retirement	Maximum yearly compensation currently being paid to members in the department in the same position which the employee held at the time of	Maximum yearly compensation currently being paid to members in the department in the same position which the employee held at the time of retirement	Average of three highest years
Eligibility requirements	Vest after 10 years of service	Vest after 5 years of service	Vest after 5 years of service	Vest after the earlier of 10 years of continuous or 15 years of aggregate service
Obligation to contribute in accordance with funding policy:				
Employee	8% of earnings	6% of earnings	6% of earnings	5% of earnings
Employer	\$ 12,623,967 (Normal Cost)	\$ 1,851,758	\$ 518,934	Pay as you go
Authority under which benefit provisions established	Contract negotiation	Contract negotiation	Contract negotiation	Contract negotiation

At July 1, 2013, Plan membership consisted of the following:

	Public Safety Plan A	Police Retirement Plan B	Firefighters' Retirement Plan B	Janitors' and Engineers' Retirement Plan
Number of retirees receiving benefits	799	129	69	35
Terminated employees entitled to future benefits		4	9	
Current employees:				
Fully vested				
Nonvested				
	<hr/>	<hr/>	<hr/>	<hr/>
Total number of participants	<u>799</u>	<u>133</u>	<u>78</u>	<u>35</u>

Summary of Significant Accounting Policies

Basis of Accounting: Financial statements are prepared using the accrual basis of accounting for the three defined benefit pension plans. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plans.

Method Used to Value Investments: Investments are reported at market value. Securities traded on a national exchange are valued at the last reported sales price. Investment income is recognized as earned.

Investments

Investment Policy: The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the PERS Board by a majority vote of its members. It is the policy of the PERS Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the Board's adopted asset allocation policy as of June 30, 2014:

Public Safety Plan A

Asset Class	Target Allocation
Domestic equity	50.0%
International equity	10.0%
Core fixed income	12.5%
High yield fixed income	12.5%
Emerging markets	5.0%
Hedge Funds and alternatives	<u>10.0%</u>
Total	<u>100.0%</u>

Police Retirement Plan B and Firefighters' Retirement Plan B

<u>Asset Class</u>	<u>Target Allocation</u>
Domestic equity	65.0%
Core fixed income	<u>35.0%</u>
Total	<u><u>100.0%</u></u>

Rate of Return: For the year ended June 30, 2014, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense for each pension plan is as follows:

Public Safety Plan A	14.26%
Police Retirement Plan B	15.11%
Firefighters' Retirement Plan B	16.82%

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

Net Pension Liability of the City

In accordance with Government Accounting Standards Board Statement No. 67, the components of the net pension liability of the City at June 30, 2014, were as follows:

	<u>Public Safety Plan A</u>	<u>Police Retirement Plan B</u>	<u>Firefighters' Retirement Plan B</u>	<u>Janitors' and Engineers' Retirement Plan</u>
Total pension liability	\$ 294,737,010	\$ 85,254,763	\$ 45,551,431	\$ 8,861,652
Plan fiduciary net position	<u>119,631,213</u>	<u>64,924,654</u>	<u>39,429,306</u>	<u>3,433</u>
Net Pension Liability	<u>\$ 175,105,797</u>	<u>\$ 20,330,109</u>	<u>\$ 6,122,125</u>	<u>\$ 8,858,219</u>
Plan fiduciary net position as a percentage of the total pension liability	40.59%	76.15%	86.56%	0.04%

The City's net pension liability will be required to be recorded on the government wide statement of net position at June 30, 2015.

Actuarial Assumptions: The total pension liability was determined by an actuarial valuation as of June 30, 2014, using the following actuarial assumptions, applied to all periods included in the measurement:

	Public Safety Plan A	Police Retirement Plan B	Firefighters' Retirement Plan B	Janitors' and Engineers' Retirement Plan
Actuarial valuation date	July 1, 2013	July 1, 2013	July 1, 2013	July 1, 2012
Measurement date	June 30, 2014	June 30, 2014	June 30, 2014	June 30, 2014
Inflation	2.60%	2.60%	2.60%	N/A
Salary increases including inflation	N/A	N/A	N/A	N/A
Actuarial cost method	Entry age normal	Entry age normal	Entry age normal	Entry age normal

Mortality rates were based on the RP-2000 Healthy Annuitant Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2014 (see the discussion of the pension plan's investment policy) are summarized in the following table:

Public Safety Plan A

Asset Class	Long Term Expected Real Rate of Return
Domestic equity	6.60%
International equity	7.10%
Core fixed income	2.20%
High yield fixed income	47.00%
Emerging markets	9.40%
Hedge Funds and alternatives	3.90%

Police Retirement Plan B and Firefighters' Retirement Plan B

<u>Asset Class</u>	<u>Long Term Expected Real Rate of Return</u>
Domestic equity	6.60%
Core fixed income	2.20%

Discount Rate: The discount rate used to measure the total pension liability was 8.00% for Public Safety Plan A, 4.92% for Police Retirement Plan B, 5.13% for Firefighters' Plan B and 4.29% for Janitors' and Engineers' Retirement Plan. 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 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.

The discount rate used in determining the liabilities for Public Safety Plan A increased from 7.27% in the prior year to 8% in the current year. The cost of living assumptions for the Police group was decreased from 3% to 2.5%. For the Police Retirement Plan B and Firefighters' Retirement Plan B, the interest rate used in determining the liabilities decreased from 4.94% in the prior year to 4.92% in the current year. The cost of living assumption was reduced to 2.5% from 3%. For the Janitors' and Engineers' Retirement Plan, the interest rate used in determining the liabilities decreased from 4.29% for the fiscal year ended June 30, 2014 from 4.63% for the fiscal year ended June 30, 2013.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate: The following presents the net pension liability of the City, calculated using the current discount rate, as well as what the City's net pension liability would be for each Retirement Plan if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

Public Safety Plan A

	<u>1% Decrease 7.00%</u>	<u>Current Discount Rate 8.00%</u>	<u>1% Increase 9.00%</u>
Net Pension Liability	\$ 198,663,565	\$ 175,105,797	\$ 154,623,865

Police Retirement Plan B

	<u>1% Decrease 3.92%</u>	<u>Current Discount Rate 4.92%</u>	<u>1% Increase 5.92%</u>
Net Pension Liability (Asset)	\$ 34,251,625	\$ 20,330,109	\$ 9,357,776

Firefighters' Retirement Plan B

	<u>1% Decrease 4.13%</u>	<u>Current Discount Rate 5.13%</u>	<u>1% Increase 6.13%</u>
Net Pension Liability (Asset)	\$ 13,261,901	\$ 6,122,125	\$ 438,604

Janitors' and Engineers' Retirement Plan

	1% Decrease 3.29%	Current Discount Rate 4.29%	1% Increase 5.29%
Net Pension Liability	\$ <u>9,622,109</u>	\$ <u>8,858,219</u>	\$ <u>8,205,312</u>

Annual Pension Cost and Net Pension Obligations

In accordance with GASB No. 27, the City's annual pension cost and net pension obligation to the City of Bridgeport Pension Plans for the year ended June 30, 2014 were as follows:

	Public Safety Plan A	Janitors' and Engineers' Retirement Fund
Annual required contribution	\$ 12,623,967	\$ 873,475
Interest on net pension obligation	(4,772,239)	115,827
Adjustment to annual required contribution	<u>(3,474,783)</u>	<u>257,622</u>
Annual pension cost	11,326,511	731,680
Contributions made	<u>11,600,000</u>	<u>889,803</u>
Increase in net pension asset	(273,489)	(158,123)
Net pension obligation (asset), July 1, 2013	<u>(59,652,984)</u>	<u>1,447,837</u>
Net Pension Obligation (Asset), June 30, 2014	<u>\$ (59,926,473)</u>	<u>\$ 1,289,714</u>

	Police Plan B	Firefighters' Plan B
Annual required contribution	\$ 1,851,758	\$ 518,934
Interest on net pension obligation	(54,554)	(26,305)
Adjustment to annual required contribution	<u>(49,447)</u>	<u>(23,842)</u>
Annual pension cost	1,846,651	516,471
Contributions made	<u>-</u>	<u>-</u>
Increase in net pension obligation	1,846,651	516,471
Net pension asset, July 1, 2013	<u>(991,885)</u>	<u>(478,265)</u>
Net Pension Obligation, June 30, 2014	<u>\$ 854,766</u>	<u>\$ 38,206</u>

TREND INFORMATION

Fiscal Year	Annual Pension Cost (APC) (\$000)	Percentage of APC Contributed	Net Pension Obligation (Asset) (\$000)
Public Safety			
Plan A:			
2014	\$ 11,327	102.4%	\$ (59,926)
2013	10,162	103.3%	(59,653)
2012	8,276	84.6%	(59,315)
Police Retirement			
Plan B:			
2014	\$ 1,847	0.0%	\$ 855
2013	7,948	74.2%	(992)
2012	6,476	84.5%	(3,044)
Firefighters' Retirement			
Plan B:			
2014	\$ 516	0.00%	\$ 38
2013	33	0.0%	(478)
2012	4,378	67.1%	(511)
Janitors' and Engineers' Retirement Plan:			
2014	\$ 732	121.6%	\$ 1,290
2013	761	123.0%	1,448
2012	775	118.0%	1,623

**SCHEDULES OF FUNDING PROGRESS
(DOLLARS IN THOUSANDS)**

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>(Under)/ Over AAL (UAAL)/ OAAL</u>	<u>Funded Ratio %</u>	<u>Covered Payroll</u>	<u>(UAAL)/ OAAL as a Percentage of Covered Payroll</u>
Public Safety Plan A						
July 1, 2013	\$ 126,380	\$ 327,047	\$ (200,667)	38.6 %	\$ 1,622	(11,296.0) %
July 1, 2012	147,699	336,963	(189,264)	43.8	1,675	(11,299.3)
July 1, 2011	173,208	338,253	(165,045)	51.2	2,077	(7,946.3)
July 1, 2010	192,669	339,216	(146,547)	56.8	2,556	(5,733.5)
July 1, 2009	213,387	348,461	(135,074)	61.2	2,551	(5,294.9)
July 1, 2008	251,075	355,017	(103,942)	70.7	3,070	(3,385.7)

Police Retirement Plan B

July 1, 2013	\$ 59,534	\$ 84,374	\$ (24,840)	70.6 %	\$ N/A	N/A %
July 1, 2012	129,726	165,561	(35,835)	78.4	26,876	(133.3)
July 1, 2011	122,295	150,984	(28,689)	81.0	25,620	(112.0)
July 1, 2010	113,272	136,819	(23,547)	82.8	24,797	(95.0)
July 1, 2009	109,017	127,768	(18,751)	85.3	23,937	(78.3)
July 1, 2008	104,661	113,453	(8,792)	92.3	24,832	(35.4)

Note: All activities and liabilities were transferred to CMERS during the 2012-2013 plan year

Firefighters' Retirement Plan B

July 1, 2013	\$ 36,312	\$ 43,273	\$ (6,961)	83.9 %	\$ N/A	N/A %
July 1, 2012	74,312	41,988	32,324	177.0	N/A	N/A
July 1, 2011	72,667	93,605	(28,689)	77.6	15,918	(180.2)
July 1, 2010	65,956	84,768	(28,689)	77.8	16,163	(177.5)
July 1, 2009	62,013	77,496	(28,689)	80.0	15,815	(181.4)
July 1, 2008	62,016	69,277	(28,689)	89.5	16,017	(179.1)

Note: The 2012 funded ratio is artificially high because the active liabilities were transferred to CMERS on April 1, 2012, but the accompanying asset transfers occurred after the valuation date

Janitors' and Engineers' Retirement Plan

July 1, 2012	\$ 3	\$ 7,386	\$ (7,383)	0.04 %	\$ -	-
July 1, 2010	3	8,021	(8,018)	0.04	-	-
July 1, 2008	3	9,478	(9,475)	0.03	-	-
July 1, 2006	3	9,870	(9,867)	0.03	-	-
July 1, 2004	3	10,448	(10,445)	0.03	29	36,419 %
July 1, 2002	3	10,575	(10,572)	0.03	156	6,783

**SCHEDULE OF PLAN NET POSITION
JUNE 30, 2014**

	Public Safety Investment and Pension Trust Plan A	Police Retirement Plan B	Firefighters' Retirement Plan B	Janitors' and Engineers' Retirement Plan	Total
Assets:					
Cash and cash equivalents	\$ 16,109,832	\$ 1,394,603	\$ 749,846	\$ 3,433	\$ 18,257,714
Investments, at fair value:					
U.S. Government Agency Bonds		5,785,834	5,645,179		11,431,013
U.S. Government Security Bonds	7,455,713				7,455,713
Corporate bonds		8,103,303	5,002,464		13,105,767
Certificate of deposits		357,971			357,971
Common stocks	58,386,198	26,677,168	23,562,698		108,626,064
Private hedge fund	6,626,769				6,626,769
Mutual funds - equities	13,294,783	22,605,775	4,469,119		40,369,677
Alternative investments	15,016,484				15,016,484
Total investments	<u>100,779,947</u>	<u>63,530,051</u>	<u>38,679,460</u>	<u>-</u>	<u>202,989,458</u>
Due from other funds of the City of Bridgeport	<u>2,593,558</u>				<u>2,593,558</u>
Contributions receivable	<u>147,876</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>147,876</u>
Total assets	<u>119,631,213</u>	<u>64,924,654</u>	<u>39,429,306</u>	<u>3,433</u>	<u>223,988,606</u>
Total Net Position	<u>\$ 119,631,213</u>	<u>\$ 64,924,654</u>	<u>\$ 39,429,306</u>	<u>\$ 3,433</u>	<u>\$ 223,988,606</u>

**SCHEDULE OF CHANGES IN
PLAN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2014**

	Public Safety Investment and Pension Trust Plan A	Police Retirement Plan B	Firefighters' Retirement Plan B	Janitors' and Engineers' Retirement Plan	Total
Additions:					
Contributions:					
Employer	\$ 11,600,000	\$	\$	\$ 889,803	\$ 12,489,803
Plan members	143,974	181,840			325,814
Annuity proceeds	1,893,599				1,893,599
Total contributions	<u>13,637,573</u>	<u>181,840</u>	<u>-</u>	<u>889,803</u>	<u>14,709,216</u>
Investment income:					
Net appreciation in					
fair value of investments	14,019,863	7,645,738	4,573,860		26,239,461
Interest and dividends	2,664,570	2,210,955	990,526		5,866,051
	16,684,433	9,856,693	5,564,386	-	32,105,512
Less investment management fees	(846,630)	(223,377)	(253,658)		(1,323,665)
Net investment income	<u>15,837,803</u>	<u>9,633,316</u>	<u>5,310,728</u>	<u>-</u>	<u>30,781,847</u>
Total additions	<u>29,475,376</u>	<u>9,815,156</u>	<u>5,310,728</u>	<u>889,803</u>	<u>45,491,063</u>
Deductions:					
Benefits	32,857,603	3,852,737	2,170,390	889,803	39,770,533
Administration		215,762	23,230		238,992
Distribution of assets to State Municipal					
Employees' Retirement Fund - Note 11		56,708,806			56,708,806
Total deductions	<u>32,857,603</u>	<u>60,777,305</u>	<u>2,193,620</u>	<u>889,803</u>	<u>96,718,331</u>
Change in net position	(3,382,227)	(50,962,149)	3,117,108	-	(51,227,268)
Net position - beginning of year	<u>123,013,440</u>	<u>115,886,803</u>	<u>36,312,198</u>	<u>3,433</u>	<u>275,215,874</u>
Net Position - End of Year	<u>\$ 119,631,213</u>	<u>\$ 64,924,654</u>	<u>\$ 39,429,306</u>	<u>\$ 3,433</u>	<u>\$ 223,988,606</u>

12. OTHER POSTEMPLOYMENT BENEFITS

A. Plan Description

The City, in accordance with various collective bargaining agreements, provides retiree medical benefits for the lifetime of the retired member and covered dependents. The plan covers City, Board of Education, Police and Fire employees as further defined in collective bargaining agreements and other written materials. Eligibility and premium sharing information is detailed in the various collective bargaining agreements. The postemployment health care benefits plan is a single-employer plan administered by the City of Bridgeport. The City does not issue separate stand-alone financial statements for the plan.

At July 1, 2012 plan membership consisted of the following:

Number of members:	
Active	4,067
Retired members	<u>3,359</u>
Total Participants	<u><u>7,426</u></u>

B. Funding Policy

The City currently pays for postemployment health care benefits on a pay-as-you-go basis. As of June 30, 2014, the City has not established a trust fund to irrevocably segregate assets to fund the liability associated with the postemployment benefits, which would require the reporting of a trust fund in accordance with GASB guidelines. The contribution requirements of plan members and the City are also negotiated with the various unions representing the employees. Retired plan members and beneficiaries currently receiving benefits are required to contribute specified amounts monthly towards the cost of health insurance premiums as follows:

Eligibility:

- City employees can retire on or after reaching the earlier of 25 years of service or age 55 and completing 15 years of service.
- Board of Education (non-teachers) employees can retire the earlier of 25 years of service or age 55 and 15 years of service.
- Board of Education (teachers) employees can retire the earlier of 35 years of service or age 60 and 25 years of service.
- If an employee is a police or fire employee, attainment of age 45 and 25 years.

Medical Benefit:

- Medical coverage continues for the lifetime of the retiree.
- Substitute Teachers, Part-time employees and Crossing Guards are not eligible for coverage.
- The eligible retirees pay a percentage of the cost of coverage calculated at the time of retirement. The percentage, based on group, is shown below:

<u>Group</u>	<u>Level</u>	<u>Retiree Contribution Varies with Actives</u>
AFSCME	12%	No
NAGE	12%	No
Social Workers*	12%	No
Unaffiliated	12%	No
Appointed	12%	No
BCSA	12%	No
Elected	12%	No
BCAS	30%	Yes
BEA	60%	Yes
Building Trades	12%	Yes
Attorneys	12%	Yes
Hygienists	12%	Yes
LIUNA	12%	Yes
Nurses	12%	Yes
Printers	12%	Yes
Teamsters	12%	Yes
Firefighters*	12%	No
Police	12%	Partial

*Assumed from current negotiations, currently Social Workers are at 2.5% and Firefighters pay \$78/month.

- Spousal coverage is available for life of the retiree, based on the percentages above.

Annual OPEB Cost and Net OPEB Obligations

The City's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation (asset):

Annual required contribution (ARC)	\$ 51,062,573
Interest on net OPEB obligation	7,947,895
Adjustment to annual required contribution	<u>(5,081,836)</u>
Annual OPEB cost	53,928,632
Contributions made	<u>28,451,770</u>
Increase in net OPEB obligation	25,476,862
Net OPEB obligation, Beginning of year	<u>144,507,188</u>
Net OPEB Obligation, End of Year	<u><u>\$ 169,984,050</u></u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation (asset) for the last three fiscal years is presented below.

Fiscal Year Ended	Annual OPEB Cost (AOC)	Actual Contribution	Percentage of AOC Contributed	Net OPEB Obligation (Asset)
6/30/2012	\$ 62,892,629	\$ 33,074,646	52.6%	\$ 120,183,849
6/30/2013	50,127,033	25,803,694	51.5	144,507,188
6/30/2014	53,928,632	28,451,770	47.2	169,984,050

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about the future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as accrual results are compared with past expectations and new estimates are made about the future. The following schedule of funding progress presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Schedule of Funding Progress

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL) (b)</u>	<u>Underfunded AAL (OAAL) (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll (c)</u>	<u>OAAL as a Percentage of Covered Payroll ((b-a)/c)</u>
7/1/2008	\$ -	\$ 861,812,200	\$ 861,812,200	0.0%	\$ 221,789,000	388.6%
7/1/2010	-	915,806,973	915,806,973	0.0	180,948,566	506.1
7/1/2012	-	723,711,649	723,711,649	0.0	221,438,910	326.8

Schedule of Employer Contributions

<u>Year Ended</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
2009	\$ 50,744,800	59.3%
2010	54,129,700	59.0
2011	57,100,111	51.9
2012	61,100,372	54.1
2013	47,743,386	54.0
2014	51,062,573	49.9

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

In the July 1, 2012 actuarial valuation, the entry age normal cost method was used. The ARC effects a closed 30-year, level percent amount amortization of the unfunded actuarial accrued liability (AAL). The actuarial assumptions include an inflation rate of 3%, a 5.5% discount rate and projected salary increase of 5.5%. The medical assumption begins at 10.5% and decreases to a 5.0% long-term trend rate for all healthcare benefits after 11 years. The dental assumption begins at 4.5% and decreases to 4.0% long-term trend rate for all health care benefits after one year.

13. LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

A portion of the Bridgeport Seaside Landfill was used for disposal of materials classified as hazardous waste from 1974 until late 1981 when it stopped accepting waste. The hazardous waste area of the landfill is subject to federal and state laws and regulations that required that the City close the facility in a manner that minimizes the need for further maintenance; and controls, minimizes or eliminates, to the extent necessary to protect human health and the environment, postclosure escape of hazardous waste, hazardous constituents, leachate, contaminated run-off, or hazardous waste decomposition products to the ground or surface waters or to the atmosphere. In addition, the City is required to perform certain maintenance and monitoring functions at the hazardous waste site for 30 years after closure. The estimated total current cost of the postclosure care of \$79,752 is based on the estimated amount to be paid for all equipment, facilities and services required to close, monitor and maintain the site as of June 30, 2014. The actual cost of postclosure care costs may be higher due to inflation, changes in technology or changes in federal, state or local laws and regulations.

The nonhazardous waste portion of the landfill is not subject to any federal, state or local laws and regulations requiring closure or postclosure care.

14. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City carries commercial insurance for insurable risks of loss except for general liability, workers' compensation and employee health and dental insurance. Coverage has not been materially reduced, nor have settled claims exceeded commercial coverage in any of the past three years.

Workers' Compensation

The City carries no insurance coverage for losses arising out of workers' compensation claims. These claims are paid from the Internal Service Fund. The City estimates a liability for workers' compensation claims payable and for claims incurred but not reported based on an actuarial valuation. This is accounted for in the Internal Service Fund.

Group Health Insurance

The City maintains a group health plan providing both insured and self-insured medical, prescription drug, dental and vision plan benefits as described below:

The following programs are provided under self-insured administrative only contracts:

- Medical benefits for all employees and Non-Medicare-Eligible Retirees
- Prescription benefits for all employees and all retirees except Medicare-eligible fire and police retirees
- Dental benefit for all employees and retired teachers and school system administrators
- Vision plan benefits for City and BOE employees excluding teachers and school system administrators

The following programs are provided under fully insured contracts:

- Medical benefits for Medicare-eligible retirees
- Prescription benefits for Medicare-eligible fire and police retirees
- Dental HMO benefits for approximately 300 people

Approximately 3,605 employees and 3,671 retirees receive their health benefits through these plans. Payments related to these claims are made by outside administrators under administrative services contracts and are accounted for in the Internal Service Fund. The current contract requires that approximately \$2,000,000 be deposited with amount being recorded as a prepaid asset in the accompanying balance sheet. As of June 30, 2014, the amount of prepaid asset in the fund is \$2,461,540.

Reconciliation of Liabilities

The liability for general liability, workers’ compensation and group health insurance includes all known claims reported plus a provision for those claims incurred but not reported, net of estimated recoveries. The liability is based on past experience adjusted for current trends and includes incremental claim expenditures. The liability for workers’ compensation claims is calculated using actuarial methods. Changes in the reported liability are as follows:

	<u>Beginning of Fiscal Year Liability</u>		<u>Current Year Claims and Changes in Estimates</u>		<u>Claim Payments</u>		<u>End of Fiscal Year Liability</u>
2013	\$ 102,185,796	\$	106,837,040	\$	104,251,980	\$	104,770,856
2014	104,770,856		109,095,945		113,106,723		100,760,078

The current portion of claims incurred but not reported as of June 30, 2014 is \$16,057,947, which relates to Group Health Insurance Claims of \$5,703,076 and \$10,354,871 of general liability and workmen’s compensation claims and is reported in the Internal Service Fund. The remaining liability for general liability and workmen’s compensation claims of \$84,702,131 is recorded as long-term obligations.

15. FUND DEFICITS

The following funds have fund deficits as of June 30, 2014:

Special Revenue Fund:	
Education Grants	\$ 603,655
Nonmajor Governmental Funds:	
Special Revenue Funds:	
Community Development Block Grant	483,839
HOME Program	167,820
Proprietary Funds:	
Internal Service Fund	85,517,425

The City anticipates eliminating the fund deficits through future grants and revenues. The Education Grants fund deficit will be funded by the Board of education through transfers from the operating budget.

16. PRIOR PERIOD RESTATEMENT

During fiscal year ended June 30, 2014, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 65, Items Previously Reported as Assets and Liabilities. The cumulative effect of applying this statement resulted in the retroactive restatement of beginning net position in the government-wide financial statements. As a result, bond issuance costs of \$5,534,254 reported as an asset in fiscal year ended June 30, 2013 have been eliminated and net position decreased by \$5,534,254 from \$203,886,761 reported in June 30, 2013 to \$198,352,507 in July 1, 2014. There was no effect on the fund financial statements as a result of this change.

Required Supplementary Information

CITY OF BRIDGEPORT, CONNECTICUT

**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) - GENERAL FUND**

FOR THE YEAR ENDED JUNE 30, 2014

	Budgeted Amounts		Actual	Variance With
	Original	Final		Final Budget
				Positive (Negative)
Revenues and Other Financing Sources:				
Property taxes:				
Current taxes	\$ 287,898,354	\$ 287,898,354	\$ 284,631,064	\$ (3,267,290)
Interest - current	1,705,480	1,705,480	2,023,291	317,811
Arrears - principal	2,461,746	2,461,746	3,356,372	894,626
Arrears - interest	1,210,000	1,210,000	497,028	(712,972)
Lien fees	175,000	175,000	183,021	8,021
Total property taxes	<u>293,450,580</u>	<u>293,450,580</u>	<u>290,690,776</u>	<u>(2,759,804)</u>
Intergovernmental:				
Elderly exemption refund	701,000	701,000	761,724	60,724
Elderly freeze program	16,334	16,334	10,000	(6,334)
DCA tax abatement			261,405	261,405
Distressed municipalities	319,515	319,515	211,002	(108,513)
Education cost sharing	165,031,191	166,231,191	165,401,553	(829,638)
School construction refunds	1,872,098	1,872,098	1,872,099	1
Transportation	1,338,356	1,338,356	1,478,614	140,258
Aid to non-public schools	155,000	155,000	155,058	58
Town aid roads	1,370,242	1,370,242	2,350,167	979,925
Legally blind	140,000	140,000		(140,000)
Miscellaneous PILOTs	1,106,811	1,106,811	1,292,100	185,289
Tax exempt colleges and hospitals	6,788,275	6,788,275	7,563,747	775,472
Breakfast program:				
State	206,064	206,064	141,512	(64,552)
Federal	4,459,647	4,459,647	4,519,902	60,255
Nutrition Center:				
Federal	152,000	152,000	152,375	375
State	8,791,351	8,791,351	8,517,623	(273,728)
Mashantucket Pequot funds	5,074,938	5,074,938	6,156,637	1,081,699
Manufacturing Machinery & Equipment			2,333,181	2,333,181
Beardsley Zoo subsidy			372,539	372,539
Build America Bonds subsidy	883,285	883,285	957,008	73,723
State-owned property	2,411,952	2,411,952	2,754,074	342,122
Total intergovernmental	<u>200,818,059</u>	<u>202,018,059</u>	<u>207,262,320</u>	<u>5,244,261</u>
Fees, permits and licenses:				
Finance:				
Comptroller Copies/Books/Miscellaneous	25,100	25,100	20,986	(4,114)
Comptroller Court Fine/CARC	5,000	5,000	69,214	64,214
Information Technology Services	250	250	638	388
Total finance	<u>30,350</u>	<u>30,350</u>	<u>90,838</u>	<u>60,488</u>
Town Clerk:				
Licenses and Town Fund	1,200	1,200	1,726	526
Notaries/late fees	2,800	2,800	2,830	30
Farm fund			26,434	26,434
Assignments	900,000	900,000	1,217,356	317,356
Certification	425,000	425,000	635,536	210,536
Other licenses	23,100	23,100	3,915	(19,185)
Total town clerk	<u>1,352,100</u>	<u>1,352,100</u>	<u>1,887,797</u>	<u>535,697</u>

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**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) - GENERAL FUND (CONTINUED)**

FOR THE YEAR ENDED JUNE 30, 2014

	Budgeted Amounts		Actual	Variance With
	Original	Final		Final Budget
				Positive (Negative)
Building Department:				
Building permits	\$ 3,534,500	\$ 3,534,500	\$ 3,711,148	\$ 176,648
Sign permits	18,000	18,000	15,057	(2,943)
Certificate of occupancy fees	50,000	50,000	62,025	12,025
Copies	500	500	656	156
Total building department	<u>3,603,000</u>	<u>3,603,000</u>	<u>3,788,886</u>	<u>185,886</u>
Police Department:				
Traffic violations	1,100,000	1,100,000	1,061,503	(38,497)
Photocopy fees	14,000	14,000	22,800	8,800
Outside overtime	4,948,000	4,948,000	4,673,198	(274,802)
Overtime surcharge			164,409	164,409
Reclaimed dog fees	2,000	2,000	5,478	3,478
Vendor annual registration fees	25,000	25,000	28,635	3,635
Towing fines	177,000	177,000	148,171	(28,829)
Alarms	25,600	25,600	22,164	(3,436)
Ordinance violations	12,000	12,000		(12,000)
Other	70,950	70,950	61,693	(9,257)
Total police department	<u>6,374,550</u>	<u>6,374,550</u>	<u>6,188,051</u>	<u>(186,499)</u>
Public facilities:				
Dump license fees	18,000	18,000	9,400	(8,600)
Commercial dump fees	54,000	54,000	63,478	9,478
Street excavation license	3,300	3,300	500	(2,800)
Public facility enforcement	10,400	10,400	23,287	12,887
Sewer permits	4,000	4,000	3,465	(535)
Congress Plaza	10,000	10,000	12,000	2,000
Annual rent	445,000	445,000	174,150	(270,850)
Parking meters	415,000	415,000	416,947	1,947
Engineering map sales	4,000	4,000	4,786	786
Contractors license	127,500	127,500	110,400	(17,100)
Zoning appeals fees	37,000	37,000	38,411	1,411
Tavern zoning permits	168,400	168,400	261,937	93,537
Other revenues	170,000	170,000	134,286	(35,714)
Total public facilities	<u>1,561,600</u>	<u>1,561,600</u>	<u>1,356,561</u>	<u>(205,039)</u>
Parks and recreation:				
Golf course revenues	1,865,000	1,865,000	1,649,201	(215,799)
Wonderland of Ice	137,106	137,106	30,000	(107,106)
Kennedy Stadium	10,000	10,000	5,200	(10,000)
Leases/W.I.C.C.	10,500	10,500	10,500	-
Flea market/ball field	67,000	67,000	60,710	(6,290)
Miscellaneous	446,000	446,000	454,028	8,028
Parking stickers	30,000	30,000	14,895	(15,105)
Apartment rental	6,000	6,000	5,200	(800)
City concessions	10,000	10,000		(10,000)
Total parks and recreation	<u>2,581,606</u>	<u>2,581,606</u>	<u>2,229,734</u>	<u>(351,872)</u>
Civil service:				
Label/Admin fees	<u>90,100</u>	<u>90,100</u>	<u>1,856</u>	<u>(88,244)</u>

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CITY OF BRIDGEPORT, CONNECTICUT

**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) - GENERAL FUND (CONTINUED)**

FOR THE YEAR ENDED JUNE 30, 2014

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Health Department:				
Vital statistics	\$ 490,580	\$ 490,580	\$ 426,007	\$ (64,573)
Business license	354,200	354,200	311,413	(42,787)
Housing code	17,700	17,700	14,800	(2,900)
Total health department	<u>862,480</u>	<u>862,480</u>	<u>752,220</u>	<u>(110,260)</u>
Education and Nutrition Center:				
Cafeteria	695,000	695,000	710,042	15,042
Summer school tuition	25,000	25,000	25,080	80
Total Education and Nutrition Center	<u>720,000</u>	<u>720,000</u>	<u>735,122</u>	<u>15,122</u>
Sikorsky Airport:				
Airport fees	58,000	58,000	55,010	(2,990)
Shared revenue	80,000	80,000	94,635	14,635
Airport leases	711,264	711,264	599,596	(111,668)
Total Sikorsky Airport	<u>849,264</u>	<u>849,264</u>	<u>749,241</u>	<u>(100,023)</u>
Fire Department:				
Firewatch reimbursement	112,150	112,150	96,599	(15,551)
Copies	1,500	1,500	815	(685)
Permit	87,775	87,775	56,494	(31,281)
Tank installation	3,000	3,000	3,550	550
Total fire department	<u>204,425</u>	<u>204,425</u>	<u>157,458</u>	<u>(46,967)</u>
Total fees, permits and licenses	<u>18,229,475</u>	<u>18,229,475</u>	<u>17,937,764</u>	<u>(291,711)</u>
Interest	<u>125,000</u>	<u>125,000</u>	<u>59,550</u>	<u>(65,450)</u>
Other:				
Property rental			111,163	111,163
O.T.B. income	450,000	450,000	400,541	(49,459)
State Bingo	200	200	57	(143)
Weights and measures	76,000	76,000	72,581	(3,419)
Sale of City-owned property	100,000	100,000	1,308,049	1,208,049
Miscellaneous	156,100	156,100	242,806	86,706
Foreclosure cost recovery	5,000	5,000		(5,000)
Restitution	5,000	5,000	2,751	(2,249)
Comptroller miscellaneous revenue	3,190,416	3,190,416	1,150,572	(2,039,844)
Total other	<u>3,982,716</u>	<u>3,982,716</u>	<u>3,288,520</u>	<u>(694,196)</u>
Total revenues	<u>516,605,830</u>	<u>517,805,830</u>	<u>519,238,930</u>	<u>1,433,100</u>
Other financing sources:				
Transfers in	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>-</u>
Total Revenues and Other Financing Sources	<u>\$ 517,105,830</u>	<u>\$ 518,305,830</u>	<u>\$ 519,738,930</u>	<u>\$ 1,433,100</u>

CITY OF BRIDGEPORT, CONNECTICUT

**SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) - GENERAL FUND**

FOR THE YEAR ENDED JUNE 30, 2014

	Budgeted Amounts		Actual	Variance With
	Original	Final		Final Budget
				Positive (Negative)
General government:				
Mayor's office	\$ 983,762	\$ 983,762	\$ 941,565	\$ 42,197
Central grants	472,339	472,339	426,695	45,644
Finance divisions	5,840,704	5,840,705	5,295,446	545,259
Registrar of voters	710,331	710,331	685,041	25,290
City clerk	367,297	367,297	359,512	7,785
City attorney	4,391,535	4,391,535	4,806,664	(415,129)
Archives and records	86,108	86,108	84,068	2,040
Civil service	961,477	961,477	795,131	166,346
Labor relations/benefits/pensions	20,642,888	20,642,888	20,390,744	252,144
Town Clerk	751,434	751,434	670,025	81,409
Legislative department	287,446	287,446	130,797	156,649
Office of policy and management	735,551	735,551	636,406	99,145
Ethics commission	3,344	3,344	500	2,844
Chief administrative officer	1,088,643	1,088,643	990,781	97,862
Information technology service	3,203,060	3,203,059	2,611,626	591,433
Minority business enterprise office	234,161	234,161	203,145	31,016
Total general government	40,760,080	40,760,080	39,028,146	1,731,934
Public Safety:				
Police department	87,589,766	87,589,766	89,373,495	(1,783,729)
Fire department	55,667,472	55,667,472	56,969,541	(1,302,069)
Weights and measures	131,322	131,322	127,117	4,205
Emergency Operation Center	5,201,743	5,201,743	5,527,986	(326,243)
Total public safety	148,590,303	148,590,303	151,998,139	(3,407,836)
Public facilities:				
Airport	1,255,305	1,255,298	1,204,429	50,869
Engineering	448,720	448,720	460,295	(11,575)
Harbor master	192,385	192,385	176,789	15,596
Maintenance	11,116,270	11,116,270	11,087,898	28,372
Municipal garage	2,662,927	2,662,927	2,712,821	(49,894)
Public facilities administration	16,431,667	13,882,049	13,418,046	464,003
Roadway	3,556,962	3,556,962	3,827,238	(270,276)
Sanitation	5,577,786	5,577,786	6,011,201	(433,415)
Transfer station	1,999,767	1,999,767	1,949,302	50,465
Recreation	938,440	938,441	898,181	40,260
Department on aging	508,266	508,266	478,366	29,900
Parks administration	502,261	502,261	386,056	116,205
Parks	2,443,441	2,443,441	2,445,231	(1,790)
Zoo	1,426,763	1,426,763	1,431,642	(4,879)
Golf course	1,457,790	1,457,791	1,346,477	111,314
Total public facilities	50,518,750	47,969,127	47,833,972	135,155

(Continued on next page)

CITY OF BRIDGEPORT, CONNECTICUT

**SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) - GENERAL FUND (CONTINUED)**

FOR THE YEAR ENDED JUNE 30, 2014

	Budgeted Amounts		Actual	Variance With
	Original	Final		Final Budget
				Positive (Negative)
Planning and Economic Development:				
OPED administration	\$ 9,214,806	\$ 9,214,806	\$ 8,874,186	\$ 340,620
Building department	1,272,832	1,272,832	1,238,969	33,863
Zoning board of appeals	97,382	97,382	87,972	9,410
Zoning commission	540,766	540,766	498,095	42,671
Total planning and economic development	<u>11,125,786</u>	<u>11,125,786</u>	<u>10,699,222</u>	<u>426,564</u>
Health and social services:				
Health and social services administration	366,520	366,520	366,401	119
Vital statistics	325,386	325,386	325,493	(107)
Communicable disease clinic	475,658	475,658	462,742	12,916
Environmental health	826,173	826,173	822,710	3,463
Housing code enforcement	621,212	621,212	627,126	(5,914)
Lead prevention program	161,239	161,239	169,064	(7,825)
Human services administration	93,476	93,476	92,273	1,203
Persons with disabilities	45,994	45,994	35,593	10,401
Veterans' affairs	152,363	152,363	145,236	7,127
Lighthouse/Youth services	1,748,785	1,748,785	1,676,277	72,508
Social services	218,771	218,771	223,238	(4,467)
Total health and social services	<u>5,035,577</u>	<u>5,035,577</u>	<u>4,946,153</u>	<u>89,424</u>
Libraries	<u>6,877,801</u>	<u>9,427,424</u>	<u>9,427,424</u>	<u>-</u>
Special services:				
Miscellaneous expenses	21,217	21,217	488,874	(467,657)
Supportive contributions	495,275	495,275	485,140	10,135
Citywide memberships	24,000	24,000	23,092	908
Debt service	3,563,636	3,563,636	3,053,373	510,263
Total special services	<u>4,104,128</u>	<u>4,104,128</u>	<u>4,050,479</u>	<u>53,649</u>
Education:				
Schools	219,813,895	221,013,895	221,008,580	5,315
Food services	14,046,472	14,046,472	14,042,043	4,429
Board of education debt service	16,233,038	16,233,038	16,233,038	-
Total education	<u>250,093,405</u>	<u>251,293,405</u>	<u>251,283,661</u>	<u>9,744</u>
Total Expenditures and Other Financing Uses	<u>\$ 517,105,830</u>	<u>\$ 518,305,830</u>	<u>\$ 519,267,196</u>	<u>\$ (961,366)</u>

CITY OF BRIDGEPORT, CONNECTICUT

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
PUBLIC SAFETY PLAN A**

LAST FISCAL YEAR

	<u>2014</u>
Total pension liability:	
Interest	\$ 24,079,006
Changes of benefit terms	
Differences between expected and actual experience	(22,337,660)
Changes of assumptions	(22,732,874)
Benefit payments, including refunds of member contributions	(30,964,004)
Net change in total pension liability	<u>(51,955,532)</u>
Total pension liability - beginning	<u>346,692,542</u>
Total pension liability - ending	<u>294,737,010</u>
 Plan fiduciary net position:	
Contributions - employer	11,600,000
Contributions - member	143,974
Net investment income	15,837,803
Benefit payments, including refunds of member contributions	(30,964,004)
Net change in plan fiduciary net position	<u>(3,382,227)</u>
Plan fiduciary net position - beginning	<u>123,013,440</u>
Plan fiduciary net position - ending	<u>119,631,213</u>
 Net Pension Liability - Ending	 <u>\$ 175,105,797</u>
 Plan fiduciary net position as a percentage of the total pension liability/asset	 40.59%
 Covered-employee payroll	 N/A
 Net pension liability as a percentage of covered-employee payroll	 N/A

Notes to Schedule:

Benefit changes: None

Assumption changes: The interest rate used in determining the liabilities increased from 7.27% at July 1, 2013 to 8% at June 30, 2014. The cost of living assumption for the Police group was decreased from 3% to 2.5%

CITY OF BRIDGEPORT, CONNECTICUT

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
POLICE RETIREMENT PLAN B**

LAST FISCAL YEAR

	<u>2014</u>
Total pension liability:	
Interest	\$ 4,435,830
Differences between expected and actual experience	(991,025)
Changes of assumptions	(6,081,926)
Benefit payments, including refunds of member contributions	<u>(3,804,480)</u>
Net change in total pension liability	(6,441,601)
Total pension liability - beginning	<u>91,696,364</u>
Total pension liability - ending	<u>85,254,763</u>
 Plan fiduciary net position:	
Contributions - employer	
Contributions - member	181,840
Net investment income	9,633,316
Benefit payments, including refunds of member contributions	(3,852,737)
Administrative expense	<u>(215,762)</u>
Net change in plan fiduciary net position	5,746,657
Plan fiduciary net position - beginning	<u>59,177,997</u>
Plan fiduciary net position - ending	<u>64,924,654</u>
 Net Pension Liability - Ending	\$ <u><u>20,330,109</u></u>
 Plan fiduciary net position as a percentage of the total pension liability/asset	76.15%
 Covered-employee payroll	N/A
 Net pension liability as a percentage of covered-employee payroll	N/A

Notes to Schedule:

Benefit changes: None

Assumption changes: The interest rate used in determining the liabilities decreased from 4.94% at July 1, 2013 to 4.92% at June 30, 2014. The cost of living assumption was reduced to 2.5% from 3%.

CITY OF BRIDGEPORT, CONNECTICUT

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
FIREFIGHTERS' RETIREMENT PLAN B**

LAST FISCAL YEAR

	<u>2014</u>
Total pension liability:	
Interest	\$ 2,283,352
Differences between expected and actual experience	(133,251)
Changes of assumptions	63,339
Benefit payments, including refunds of member contributions	<u>(2,170,390)</u>
Net change in total pension liability	43,050
Total pension liability - beginning	<u>45,508,381</u>
Total pension liability - ending	<u>45,551,431</u>
 Plan fiduciary net position:	
Net investment income	5,310,728
Benefit payments, including refunds of member contributions	(2,170,390)
Administrative expense	<u>(23,230)</u>
Net change in plan fiduciary net position	3,117,108
Plan fiduciary net position - beginning	<u>36,312,198</u>
Plan fiduciary net position - ending	<u>39,429,306</u>
 Net Pension Liability - Ending	 <u>\$ 6,122,125</u>
 Plan fiduciary net position as a percentage of the total pension liability/asset	 86.56%
 Covered-employee payroll	 N / A
 Net pension liability as a percentage of covered-employee payroll	 N/A

Notes to Schedule:

Benefit changes: None

Assumption changes: The interest rate used in determining the liabilities decreased from 4.94% at July 1, 2013 to 4.92% at June 30, 2014. The cost of living assumption was reduced to 2.5% from 3%.

CITY OF BRIDGEPORT, CONNECTICUT

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
JANITORS' AND ENGINEERS' RETIREMENT PLAN**

LAST FISCAL YEAR

	<u>2014</u>
Total pension liability:	
Interest	\$ 401,794
Changes of assumptions	226,706
Benefit payments, including refunds of member contributions	<u>(889,803)</u>
Net change in total pension liability	(261,303)
Total pension liability - beginning	<u>9,122,955</u>
Total pension liability - ending	<u><u>8,861,652</u></u>
 Plan fiduciary net position:	
Contributions - employer	889,803
Benefit payments, including refunds of member contributions	<u>(889,803)</u>
Net change in plan fiduciary net position	-
Plan fiduciary net position - beginning	<u>3,433</u>
Plan fiduciary net position - ending	<u><u>3,433</u></u>
 Net Pension Liability - Ending	\$ <u><u>8,858,219</u></u>
 Plan fiduciary net position as a percentage of the total pension liability/asset	0.04%
 Covered-employee payroll	N/A
 Net pension liability as a percentage of covered-employee payroll	N/A

Notes to Schedule:

Benefit changes: None

Assumption changes: The interest rate used in determining the liabilities decreased from 4.29% for the fiscal year ended June 30, 2014 from 4.63% for the fiscal year ended June 30, 2013.

CITY OF BRIDGEPORT, CONNECTICUT

SCHEDULE OF EMPLOYER CONTRIBUTIONS
PUBLIC SAFETY PLAN A

LAST TEN FISCAL YEARS

(In Thousands)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Actuarially determined contribution	\$ 4,645	\$ 6,473	\$ 8,115	\$ 8,876	\$ 9,621	\$ 12,352	\$ 13,557	\$ 9,794	\$ 11,554	\$ 12,624
Contributions in relation to the actuarially determined contribution	50	68	3,125	4,552	6,220	4,726	50,000	7,000	10,500	11,600
Contribution Deficiency (Excess)	\$ 4,595	\$ 6,405	\$ 4,990	\$ 4,324	\$ 3,401	\$ 7,626	\$ (36,443)	\$ 2,794	\$ 1,054	\$ 1,024
Covered-employee payroll	\$ 3,890	\$ 4,569	\$ 4,326	\$ 3,617	\$ 307	\$ 2,551	\$ 2,556	\$ 2,077	\$ 1,675	\$ N/A
Contributions as a percentage of covered-employee payroll	1.29%	1.49%	72.24%	125.85%	2026.06%	185.26%	1956.18%	337.02%	626.87%	N/A

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Notes to Schedule

Valuation date July 1, 2013

Measurement date June 30, 2014

Valuation timing Actuarially determined contribution rates are calculated as of July 1, one year prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method Entry age normal

Amortization method Closed, increasing 5% per year

Remaining amortization period 23 years

Asset valuation method Market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between the actual market return and the expected return on the market value, and is recognized over a five-year period, further adjusted, if necessary, to be within 30% of the market value.

Inflation 2.60%

Salary increases N/A

Investment rate of return 8.00%

Cost of living adjustment None

Retirement age Rates based on age and service

Turnover Rates based on age

Mortality RP-2000 Mortality for Employees and Healthy Annuitant Mortality Table with generational projection per Scale AA

CITY OF BRIDGEPORT, CONNECTICUT

SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE RETIREMENT PLAN BLAST TEN FISCAL YEARS
(In Thousands)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Actuarially determined contribution	\$ 2,989	\$ 3,047	\$ 3,212	\$ 3,617	\$ 3,544	\$ 4,481	\$ 5,351	\$ 6,314	\$ 7,793	\$ 1,852
Contributions in relation to the actuarially determined contribution	2,823	2,987	3,188	4,590	3,396	4,340	6,176	5,475	5,895	-
Contribution Deficiency (Excess)	\$ 166	\$ 60	\$ 24	\$ (973)	\$ 148	\$ 141	\$ (825)	\$ 839	\$ 1,898	\$ 1,852
Covered-employee payroll	\$ 21,825	\$ 22,296	\$ 22,511	\$ 24,832	\$ 23,937	\$ 24,797	\$ 25,620	\$ 26,876	N/A	N/A
Contributions as a percentage of covered-employee payroll	12.93%	13.40%	14.16%	18.48%	14.19%	17.50%	24.11%	20.37%	N/A	N/A

79 Notes to Schedule

Valuation date	July 1, 2013
Measurement date	June 30, 2014
Valuation timing	Actuarially determined contribution rates are calculated as of July 1, one year prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Closed level dollar for remaining unfunded liability
Remaining amortization period	24 years
Asset valuation method	Market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between the actual market return and the expected return on the market value, and is recognized over a five-year period, further adjusted, if necessary, to be within 30% of the market value.
Inflation	2.60%
Salary increases	N/A
Investment rate of return	5.50%
Cost of living adjustment	2.5% (Previously, 3%)
Retirement age	Rates based on age and service
Mortality	RP-2000 Combined Healthy Mortality, projected generationally with Scale AA

CITY OF BRIDGEPORT, CONNECTICUT

SCHEDULE OF EMPLOYER CONTRIBUTIONS
FIREFIGHTERS' RETIREMENT PLAN B

LAST TEN FISCAL YEARS

(In Thousands)

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Actuarially determined contribution	\$ 1,476	\$ 1,530	\$ 1,885	\$ 2,157	\$ 2,505	\$ 3,351	\$ 3,937	\$ 4,300	\$ -	\$ 519
Contributions in relation to the actuarially determined contribution	<u>777</u>	<u>798</u>	<u>1,773</u>	<u>2,485</u>	<u>2,435</u>	<u>3,302</u>	<u>4,207</u>	<u>2,939</u>	<u>-</u>	<u>-</u>
Contribution Deficiency (Excess)	\$ <u>699</u>	\$ <u>732</u>	\$ <u>112</u>	\$ <u>(328)</u>	\$ <u>70</u>	\$ <u>49</u>	\$ <u>(270)</u>	\$ <u>1,361</u>	\$ <u>-</u>	\$ <u>519</u>
Covered-employee payroll	\$ 13,631	\$ 13,674	\$ 13,727	\$ 14,364	\$ 16,018	\$ 15,815	\$ 16,163	\$ 15,918	N/A	N/A
Contributions as a percentage of covered-employee payroll	5.70%	5.84%	12.92%	17.30%	15.20%	20.88%	26.03%	18.46%	N/A	N/A

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Notes to Schedule

Valuation date	July 1, 2013
Measurement date	June 30, 2014
Valuation timing	Actuarially determined contribution rates are calculated as of July 1, one year prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Closed level dollar for remaining unfunded liability
Remaining amortization period	24 years
Asset valuation method	Market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between the actual market return and the expected return on the market value, and is recognized over a five-year period, further adjusted, if necessary, to be within 30% of the market value.
Inflation	2.60%
Salary increases	N/A
Investment rate of return	5.5%. Prior to July 1, 2009 the interest rate was 8.25%. Prior to July 1, 2012 the interest rate was 8%
Cost of living adjustment	3.00%
Mortality	RP-2000 Combined Healthy Mortality, projected generationally with Scale AA

CITY OF BRIDGEPORT, CONNECTICUT

SCHEDULE OF EMPLOYER CONTRIBUTIONS
JANITORS' AND ENGINEERS' RETIREMENT PLAN

LAST TEN FISCAL YEARS

(In Thousands)

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Actuarially determined contribution	\$ 839	\$ 839	\$ 897	\$ 897	\$ 877	\$ 877	\$ 6	\$ 895	\$ 893	\$ 873
Contributions in relation to the actuarially determined contribution	<u>1,055</u>	<u>1,067</u>	<u>1,020</u>	<u>1,013</u>	<u>1,032</u>	<u>985</u>	<u>891</u>	<u>914</u>	<u>936</u>	<u>890</u>
Contribution Deficiency (Excess)	<u>\$ (216)</u>	<u>\$ (228)</u>	<u>\$ (123)</u>	<u>\$ (116)</u>	<u>\$ (155)</u>	<u>\$ (108)</u>	<u>\$ (885)</u>	<u>\$ (19)</u>	<u>\$ (43)</u>	<u>\$ (17)</u>
Covered-employee payroll	\$ 29	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Contributions as a percentage of covered-employee payroll	3637.93%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	N/A

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Notes to Schedule

Valuation date July 1, 2013

Measurement date June 30, 2014

Valuation timing Actuarially determined contribution rates are calculated as of July 1, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Projected unit credit
Amortization method	None
Remaining amortization period	N/A
Asset valuation method	4-years smoothed market, non-asymptotic, Corridor - 80% to 120% of market value
Inflation	2.75%
Salary increases	N/A
Investment rate of return	8.00%
Cost of living adjustment	3.00%
Mortality	1994 Group Annuity Mortality Table

CITY OF BRIDGEPORT, CONNECTICUT**SCHEDULE OF INVESTMENT RETURNS
PENSION PLANS****LAST FISCAL YEAR****2014**

Annual money-weighted rate of return, net of investment expense:

Public Safety Plan A 14.26%

Police Retirement Plan B 15.11%

Firefighters' Retirement Plan B 16.82%

**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

General Fund

GENERAL FUND

The General Fund is used to account for resources traditionally associated with government that are not required legally or by sound financial management to be accounted for in another fund.

CITY OF BRIDGEPORT, CONNECTICUT

GENERAL FUND
COMPARATIVE BALANCE SHEET

JUNE 30, 2014 AND 2013

(In Thousands)

	<u>2014</u>	<u>2013</u>
ASSETS		
Cash and cash equivalents	\$ 38,737,637	\$ 40,684,619
Receivables:		
Property taxes, net of allowance for uncollectible amounts of \$26,190,890 in 2013 and \$25,489,278 in 2013	39,100,713	34,696,569
Intergovernmental	30,764,438	32,184,568
Other	2,776,382	2,194,123
Due from other funds	19,116,344	20,366,365
Other assets	<u>350,000</u>	<u>350,000</u>
Total assets	<u>\$ 130,845,514</u>	<u>\$ 130,476,244</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
Liabilities:		
Accounts and other payables	\$ 18,544,400	\$ 14,457,832
Accrued liabilities	16,759,782	15,611,688
Due to other funds	16,086,763	20,234,140
Unearned revenue	960,711	1,050,905
Notes payable	<u>20,000,000</u>	<u>25,000,000</u>
Total liabilities	<u>72,351,656</u>	<u>76,354,565</u>
Deferred Inflows of Resources:		
Unavailable revenue - property taxes	38,464,958	33,092,222
Unavailable revenue - school construction	<u>6,633,084</u>	<u>8,105,375</u>
Total deferred inflows of resources	<u>45,098,042</u>	<u>41,197,597</u>
Fund Balance:		
Nonspendable	350,000	350,000
Unassigned	<u>13,045,816</u>	<u>12,574,082</u>
Total fund balance	<u>13,395,816</u>	<u>12,924,082</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 130,845,514</u>	<u>\$ 130,476,244</u>

CITY OF BRIDGEPORT, CONNECTICUT

SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED AND OUTSTANDING

FOR THE YEAR ENDED JUNE 30, 2014

Grand List Year	Balance Uncollected July 1, 2014	Current Levy	Net Adjustments	Transfers to Suspense	Adjusted Taxes Collectible	Collections				Balance Uncollected June 30, 2014
						Taxes	Interest	Lien Fees	Total	
1998	\$ 1,626,402	\$	\$ (4,088)	\$ (1,580)	\$ 1,620,734	\$ 8,234	\$ 21,193	\$ 86	\$ 29,513	\$ 1,612,500
1999	1,968,143		(6,593)	(871)	1,960,679	11,547	28,906	96	40,549	1,949,132
2000	1,840,775		(8,938)	(1,263)	1,830,574	14,350	31,286	198	45,834	1,816,224
2001	2,093,859		(10,838)	(2,069)	2,080,952	25,615	49,563	383	75,561	2,055,337
2002	1,963,053		(8,511)	(3,097)	1,951,445	26,273	48,733	313	75,319	1,925,172
2003	1,200,785		(5,506)	(2,770)	1,192,509	16,832	27,821	901	45,554	1,175,677
2004	1,523,957		(6,410)	(3,534)	1,514,013	22,074	35,269	702	58,045	1,491,939
2005	1,746,294		(13,839)	(7,760)	1,724,695	28,692	39,144	878	68,714	1,696,003
2006	2,371,654		(11,482)	(14,156)	2,346,016	38,252	43,432	982	82,666	2,307,764
2007	4,044,321		(6,370)	(16,189)	4,021,762	280,656	(110,104)	1,379	171,931	3,741,106
2008	4,135,222		9,046	(9,830)	4,134,438	397,215	(88,007)	1,822	311,030	3,737,223
2009	4,391,067		9,741	(8,906)	4,391,902	295,455	73,970	3,112	372,537	4,096,447
2010	5,066,716		1,291,621	(10,528)	6,347,809	621,924	141,369	6,257	769,550	5,725,885
2011	7,473,927		445,191	(13,150)	7,905,968	2,772,607	387,130	30,095	3,189,832	5,133,361
2012		297,528,238	(3,899,356)	(10,845)	293,618,037	284,699,957	2,023,293	136,651	286,859,901	8,918,080
	\$ 41,446,175	\$ 297,528,238	\$ (2,226,332)	\$ (106,548)	\$ 336,641,533	\$ 289,259,683	\$ 2,752,998	\$ 183,855	\$ 292,196,536	\$ 47,381,850

Nonmajor Governmental Funds

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Health and Sanitation Fund - is used to account for U.S. Department of Health and Human Services, U.S. Department of Agriculture and Connecticut Department of Health Services grants, as well as local grants relating to health services.

Public Safety Fund - is used to account for state and federal grants used for public safety programs such as victim assistance, weed and seed; JAG; and other homeland security special revenues.

Facility and Miscellaneous Fund - is used to account for state and local grants for such programs as Veteran Affairs and Light House programs; School Security and other special revenue projects. The new fund is now called Facility and Miscellaneous (fund 24). Please provide description.

Social Services Fund - is used to account for U.S. Department of Labor, U.S. Department of Health and Human Services and Connecticut Office of Policy and Management grants for such programs as employment for senior citizens, summer feeding for school-age children and home care maintenance for the handicapped.

Community Development Block Grant Fund - is used to account for U.S. Department of Housing and Urban Development (HUD) and Connecticut Department of Housing grants used for such activities as housing programs, community facilities, economic development and public services.

Housing Opportunities AIDS - is used to account for the U.S. Department of Housing and Urban Development (HUD) grant used for such activities as devising long-term strategies for meeting the housing needs of persons with acquired immunodeficiency syndrome (AIDS).

HOME Program Fund - is used to account for HUD grants used to expand the supply of affordable housing including home ownership opportunities, rental housing and tenant based rental assistance.

Section 108 Loan Guarantee Fund - is used to account for development projects funded through the HUD Section 108 Loan Guarantee Program.

Development Administration State Grant Fund - is used to account for Connecticut Department of Social Services and Connecticut Department of Economic Development grants used for such programs as community centers, low and middle income housing, and neighborhood rehabilitation.

Library Fund - is used to account for donations and income from the investments of donations and endowments restricted for library-related activities.

Library Operations Fund - is used to account for charges for services, donations and income from miscellaneous sources to fund library-related activities.

Education Fund - is used to account for donations and income from the investment of donations restricted for scholarship grants to qualified recipients.

Miscellaneous Grants Fund - is used to account for Local Capital Improvement (LOCIP), as well as other miscellaneous federal and state grants.

General Government Fund - is used to account for special revenues for Library Historic Document Preservation; Business Expo and other general government grants.

Capital Projects Funds

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

Conversion Capital Projects Fund - is used to account for older miscellaneous projects bonded for prior to 1997 for miscellaneous construction and renovation projects

Permanent Funds

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

Library Fund - is used to account for endowments and donations, the income from which is restricted for library-related activities.

Education Fund - is used to account for endowments and donations, the income from which is restricted for scholarship grants to qualified recipients.

CITY OF BRIDGEPORT, CONNECTICUT

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2014

	Special Revenue Funds									
	Health and Sanitation	Public Safety	Facility and Miscellaneous	Social Services	Community Development Block Grant	Housing Opportunities AIDS	HOME Program	Section 108 Loan Guarantee	Development Administration State Grant	
ASSETS										
Cash and cash equivalents	\$	\$ 1,472,891	\$	\$	\$ 180,871	\$ 115,131	\$ 45,666	\$ 123,848	\$ 2,360,875	
Investments										
Receivables:										
Intergovernmental		416,367	1,598,348	599,734		1,286,846		1,039,237	1,353,959	
Other		4,860,091			1,234,767		477,110			
Due from other funds		257,180	711,147	201,250			25,246		4,130	
Total Assets	\$	<u>673,547</u>	<u>6,332,982</u>	<u>2,309,495</u>	<u>800,984</u>	<u>1,415,638</u>	<u>1,401,977</u>	<u>548,022</u>	<u>1,163,085</u>	<u>3,718,964</u>
∞ LIABILITIES AND FUND BALANCES										
Liabilities:										
Accounts payable	\$	116,644	\$ 5,194	\$ 147,426	\$ 180,684	\$	\$ 993	\$ 32,178	\$ 65,308	
Accrued liabilities		4,447	357,066			125,520				
Due to other funds			4,045,917	653,035	202,315	948,753	866,457	456,551	743,882	1,684,805
Unearned revenues		154,129	1,223,024	1,768	54,326	770,040	65,303	258,298		470,671
Total liabilities		<u>275,220</u>	<u>5,626,007</u>	<u>659,997</u>	<u>404,067</u>	<u>1,899,477</u>	<u>1,057,280</u>	<u>715,842</u>	<u>776,060</u>	<u>2,220,784</u>
Fund Balances:										
Restricted		398,327	706,975	1,649,498		(483,839)		387,025	1,498,180	
Committed										
Unassigned				396,917		344,697	(167,820)			
Total fund balances		<u>398,327</u>	<u>706,975</u>	<u>1,649,498</u>	<u>396,917</u>	<u>(483,839)</u>	<u>344,697</u>	<u>(167,820)</u>	<u>387,025</u>	<u>1,498,180</u>
Total Liabilities and Fund Balances	\$	<u>673,547</u>	<u>6,332,982</u>	<u>2,309,495</u>	<u>800,984</u>	<u>1,415,638</u>	<u>1,401,977</u>	<u>548,022</u>	<u>1,163,085</u>	<u>3,718,964</u>

(Continued on next page)

CITY OF BRIDGEPORT, CONNECTICUT

COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2014

	Special Revenue Funds					Capital Projects	Permanent Trusts		Interfund Eliminations	Total Nonmajor Governmental Funds
	Library	Library Operations	Education	Miscellaneous Grants	General Government	Conversion Capital Projects	Library	Education		
ASSETS										
Cash and cash equivalents	\$ 573,611	\$	\$ 240,993	\$ 52,380	\$	\$ 4,378,395	\$ 97,248	\$ 107,993	\$	\$ 9,749,902
Investments	1,341,801						452,003			1,793,804
Receivables:										
Intergovernmental						284,466				6,578,957
Other					943					6,572,911
Due from other funds	2,421	2,376,080		58,174	651,089	392,635		768	(492,091)	4,188,029
Total Assets	<u>\$ 1,917,833</u>	<u>\$ 2,376,080</u>	<u>\$ 240,993</u>	<u>\$ 110,554</u>	<u>\$ 652,032</u>	<u>\$ 5,055,496</u>	<u>\$ 549,251</u>	<u>\$ 108,761</u>	<u>\$ (492,091)</u>	<u>\$ 28,883,603</u>
LIABILITIES AND FUND BALANCES										
Liabilities:										
Accounts payable	\$	\$	\$	\$ 59,818	\$	\$ 41	\$	\$	\$	\$ 608,286
Accrued liabilities										487,033
Due to other funds									(492,091)	9,109,624
Unearned revenues					25	751,415				3,748,999
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>59,818</u>	<u>25</u>	<u>751,456</u>	<u>-</u>	<u>-</u>	<u>(492,091)</u>	<u>13,953,942</u>
Fund Balances:										
Restricted				50,736			549,251	108,761		4,864,914
Committed	1,917,833	2,376,080	240,993		652,007	4,304,040				9,490,953
Unassigned										573,794
Total fund balances	<u>1,917,833</u>	<u>2,376,080</u>	<u>240,993</u>	<u>50,736</u>	<u>652,007</u>	<u>4,304,040</u>	<u>549,251</u>	<u>108,761</u>	<u>-</u>	<u>14,929,661</u>
Total Liabilities and Fund Balances	<u>\$ 1,917,833</u>	<u>\$ 2,376,080</u>	<u>\$ 240,993</u>	<u>\$ 110,554</u>	<u>\$ 652,032</u>	<u>\$ 5,055,496</u>	<u>\$ 549,251</u>	<u>\$ 108,761</u>	<u>\$ (492,091)</u>	<u>\$ 28,883,603</u>

CITY OF BRIDGEPORT, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2014

	Special Revenue								
	Health and Sanitation	Public Safety	Facility and Miscellaneous	Social Services	Community Development Block Grant	Housing Opportunities AIDS	HOME Program	Section 108 Loan Guarantee	Development Administration State Grant
Revenues:									
Intergovernmental	\$ 1,236,399	\$ 9,230,189	\$ 1,452,686	\$ 1,477,325	\$ 1,789,371	\$ 829,339	\$ 799,637	\$	\$ 3,081,847
Interest		1,786							4,128
Other	159,886	91,897	727,395	632,980			147,977	56,248	416,000
Total revenues	<u>1,396,285</u>	<u>9,323,872</u>	<u>2,180,081</u>	<u>2,110,305</u>	<u>1,789,371</u>	<u>829,339</u>	<u>947,614</u>	<u>56,248</u>	<u>3,501,975</u>
Expenditures:									
General government									
Health and social services	1,123,637					777,591			
Libraries									
Education									
Special services		9,286,690	1,035,059	1,606,357	2,619,815		1,345,587		3,383,585
Total expenditures	<u>1,123,637</u>	<u>9,286,690</u>	<u>1,035,059</u>	<u>1,606,357</u>	<u>2,619,815</u>	<u>777,591</u>	<u>1,345,587</u>	<u>-</u>	<u>3,383,585</u>
Excess (Deficiency) of Revenues over Expenditures	272,648	37,182	1,145,022	503,948	(830,444)	51,748	(397,973)	56,248	118,390
Other Financing Sources:									
Transfers in									
Net Change in Fund Balances	272,648	37,182	1,145,022	503,948	(830,444)	51,748	(397,973)	56,248	118,390
Fund Balances at Beginning of Year	125,679	669,793	504,476	(107,031)	346,605	292,949	230,153	330,777	1,379,790
Fund Balances at End of Year	<u>\$ 398,327</u>	<u>\$ 706,975</u>	<u>\$ 1,649,498</u>	<u>\$ 396,917</u>	<u>\$ (483,839)</u>	<u>\$ 344,697</u>	<u>\$ (167,820)</u>	<u>\$ 387,025</u>	<u>\$ 1,498,180</u>

(Continued on next page)

**CITY OF BRIDGEPORT, CONNECTICUT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES (CONTINUED)
 NONMAJOR GOVERNMENTAL FUNDS**

FOR THE YEAR ENDED JUNE 30, 2014

	Special Revenue					Capital Projects	Permanent Trusts		Interfund Eliminations	Total Nonmajor Governmental Funds
	Library	Library Operations	Education	Miscellaneous Grants	General Government	Conversion Capital Projects	Library	Education		
Revenues:										
Intergovernmental	\$	\$	\$	\$	638,154	\$	\$	\$	\$	20,534,947
Interest		392	173	185		5,001	29,073	76		40,814
Other		206,387			46,829					2,485,599
Total revenues		<u>206,779</u>	<u>-</u>	<u>173</u>	<u>684,983</u>	<u>5,001</u>	<u>29,073</u>	<u>76</u>	<u>-</u>	<u>23,061,360</u>
Expenditures:										
General government					32,381					32,381
Health and social services										1,901,228
Libraries	165,343	112,627					53,623			331,593
Education			1,845					32		1,877
Special services										19,277,093
Total expenditures	<u>165,343</u>	<u>112,627</u>	<u>1,845</u>	<u>-</u>	<u>32,381</u>	<u>-</u>	<u>53,623</u>	<u>32</u>	<u>-</u>	<u>21,544,172</u>
Excess (Deficiency) of Revenues over Expenditures	41,436	(112,627)	(1,672)	185	652,602	5,001	(24,550)	44	-	1,517,188
Other Financing Sources:										
Transfers in		2,910,284								2,910,284
Net Change in Fund Balances	41,436	2,797,657	(1,672)	185	652,602	5,001	(24,550)	44	-	4,427,472
Fund Balances at Beginning of Year	<u>1,876,397</u>	<u>(421,577)</u>	<u>242,665</u>	<u>50,551</u>	<u>(595)</u>	<u>4,299,039</u>	<u>573,801</u>	<u>108,717</u>	<u>-</u>	<u>10,502,189</u>
Fund Balances at End of Year	<u>\$ 1,917,833</u>	<u>\$ 2,376,080</u>	<u>\$ 240,993</u>	<u>\$ 50,736</u>	<u>\$ 652,007</u>	<u>\$ 4,304,040</u>	<u>\$ 549,251</u>	<u>\$ 108,761</u>	<u>\$ -</u>	<u>\$ 14,929,661</u>

Fiduciary Fund

FIDUCIARY FUND

Fiduciary Funds are used to account for assets held in a trustee capacity for others, and include Agency Funds.

Agency Funds - Agency funds are custodial in nature (assets equal liabilities). The City's one Agency Fund is listed below:

Student Activities Fund

CITY OF BRIDGEPORT, CONNECTICUT

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUND

FOR THE YEAR ENDED JUNE 30, 2014

	<u>Balance</u> <u>June 30, 2013</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2014</u>
Student Activities Fund				
Assets:				
Cash and Cash Equivalents	\$ 436,636	\$ 1,307,670	\$ 1,303,679	\$ 440,627
Liabilities:				
Due to Student Groups	\$ 436,636	\$ 1,307,670	\$ 1,303,679	\$ 440,627

-

Statistical Section

Statistical Section

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

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

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

CITY OF BRIDGEPORT, CONNECTICUT

NET POSITION BY COMPONENT

LAST TEN YEARS

(Accrual Basis of Accounting)

	FISCAL YEAR									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Governmental Activities:										
Invested in capital assets, net of related debt	\$ 676,991,832	\$ 552,338,566	\$ 552,338,566	\$ 480,649,847	\$ 444,946,155	\$ 444,537,656	\$ 344,230,733	\$ 209,090,671	\$ 127,514,772	\$ 108,362,879
Restricted	3,119,552	3,161,264	3,161,264	3,161,236	3,161,176	3,161,212	3,161,212	3,161,212	3,161,212	3,207,234
Unrestricted	(443,964,841)	(400,754,807)	(400,754,807)	(343,798,284)	(297,902,514)	(302,776,953)	(226,824,933)	(168,193,991)	(151,356,989)	(175,841,584)
Total Governmental Activities Net Position	<u>236,146,543</u>	<u>154,745,023</u>	<u>154,745,023</u>	<u>140,012,799</u>	<u>150,204,817</u>	<u>144,921,915</u>	<u>120,567,012</u>	<u>44,057,892</u>	<u>(20,681,005)</u>	<u>(64,271,471)</u>
Business-type activities:										
Invested in capital assets, net of related debt	85,819,063	80,642,078	80,642,078	75,601,133	73,751,510	74,449,447	73,809,271	71,647,808	70,239,858	69,306,606
Restricted				923,098	820,556	1,433,775	1,290,387	582,299	1,005,237	2,513,522
Unrestricted	<u>9,186,043</u>	<u>8,865,646</u>	<u>8,865,646</u>	<u>6,991,988</u>	<u>6,079,946</u>	<u>4,424,261</u>	<u>566,363</u>	<u>196,996</u>	<u>(531,792)</u>	<u>(2,669,623)</u>
Total Business-Type Activities Net Position	<u>95,005,106</u>	<u>89,507,724</u>	<u>89,507,724</u>	<u>83,516,219</u>	<u>80,652,012</u>	<u>80,307,483</u>	<u>75,666,021</u>	<u>72,427,103</u>	<u>70,713,303</u>	<u>69,150,505</u>
Primary Government:										
Invested in capital assets, net of related debt	762,810,895	632,980,644	632,980,644	556,250,980	518,697,665	518,987,103	418,040,004	280,738,479	197,754,630	177,669,485
Restricted	3,119,552	3,161,264	3,161,264	4,084,334	3,981,732	4,594,987	4,451,599	3,743,511	4,166,449	5,720,756
Unrestricted	<u>(434,778,798)</u>	<u>(391,889,161)</u>	<u>(391,889,161)</u>	<u>(336,806,296)</u>	<u>(291,822,568)</u>	<u>(298,352,692)</u>	<u>(226,258,570)</u>	<u>(167,996,995)</u>	<u>(151,888,781)</u>	<u>(178,511,207)</u>
Total Primary Government Net Position	<u>\$ 331,151,649</u>	<u>\$ 244,252,747</u>	<u>\$ 244,252,747</u>	<u>\$ 223,529,018</u>	<u>\$ 230,856,829</u>	<u>\$ 225,229,398</u>	<u>\$ 196,233,033</u>	<u>\$ 116,484,995</u>	<u>\$ 50,032,298</u>	<u>\$ 4,879,034</u>

CITY OF BRIDGEPORT, CONNECTICUT

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS

(Accrual Basis of Accounting)

	FISCAL YEAR									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Expenses:										
Governmental activities:										
General government	\$ 58,489,188	\$ 50,229,529	\$ 47,585,310	\$ 72,446,991	\$ 59,866,015	\$ 91,804,266	\$ 86,823,753	\$ 40,345,741	\$ 41,722,180	\$ 38,157,661
Public safety	129,070,130	128,334,652	127,416,487	123,045,441	113,047,552	74,990,792	83,787,624	84,118,885	84,409,628	94,461,547
Public facilities	44,866,708	42,355,324	40,813,295	36,878,325	35,788,530	31,183,603	23,239,850	33,603,711	23,565,756	28,882,305
Parks and recreation	4,000,056	3,804,545	3,630,343	3,610,102		5,898,866	6,024,774	6,716,385	6,583,851	6,521,261
Planning and economic development	6,732,534	7,373,284	7,514,927	11,567,506	3,441,668					
Health and social services	374,610,065	358,684,463	341,738,042	343,046,242	12,951,797	12,656,636	18,589,707	20,437,426	18,690,534	19,301,232
Education	17,238,984	21,196,639	16,736,988	20,432,503	331,514,612	319,481,793	364,900,855	316,003,326	275,174,924	271,053,265
Special services	33,248,783	36,008,703	41,869,525	41,407,157	26,640,656	19,319,483	30,381,114	41,536,847	23,419,505	20,221,443
Interest on long-term debt					38,620,545	46,224,302	40,053,878	40,704,065	41,900,200	40,832,426
Total governmental activities expenses	668,256,448	647,987,139	627,304,917	652,434,267	621,871,375	601,559,741	653,801,555	583,466,386	515,466,578	519,431,140
Business-type activities:										
Water Pollution Control Authority	35,625,341	28,399,775	26,387,727	26,011,481	27,836,743	24,894,883	25,457,947	23,879,708	22,869,459	22,115,101
Total primary government expenses	703,881,789	676,386,914	653,692,644	678,445,748	649,708,118	626,454,624	679,259,502	607,346,094	538,336,037	541,546,241
Program revenue:										
Governmental activities:										
Charges for services:										
General government	4,296,733	3,766,901	3,632,801	5,681,830	3,728,748	3,330,184	8,914,116	11,067,469	23,874,846	20,788,251
Public safety	6,418,090	6,077,391	6,263,832	6,217,889	5,281,305	7,713,796	9,856,899	4,905,692	4,476,760	4,533,724
Public facilities, parks and recreation	3,882,782	4,217,714	4,008,679	5,225,479	4,350,689	2,792,042	2,985,124	10,182,342	6,647,338	6,697,358
Parks and recreation						2,514,238	2,318,393	1,518,799	1,726,183	1,902,781
Planning and economic development	4,386,547	2,904,860	4,102,402	2,292,655	2,749,419					
Health and social services	1,125,770	2,013,222	865,318	1,502,929	924,169	570,541	817,350	1,991,980	2,155,194	1,529,848
Education	735,122	704,164	702,587	756,596	817,448	900,591	1,018,406	1,276,551	1,423,341	654,426
Special services	549,529	1,468,921	-	832,216				1,061,769	178,938	1,012,749
Operating grants and contributions:										
General government	196,264	704,873	425,724	975,269	773,282	3,152	11,467		14,992	5,093
Public safety	58,274	64,006	77,404	530,148	4,148,209			5,698,748	4,380,797	4,302,286
Public facilities	11,210,773	1,619,514	4,279,642	1,560,017	738,415	816,659	1,528,445			
Parks and recreation										
Planning and economic development	11,141,789	12,587,947	12,320,951	7,291,614	20,985,448					
Health and social services	4,920,034	3,892,593	5,916,291	8,662,148	9,402,270	11,890,493	14,951,983			
Education	299,181,796	276,324,293	257,452,149	265,667,950	255,015,046	251,852,265	309,252,770	215,343,447	210,955,679	217,758,757
Special services	3,813,519	8,993,807	3,880,602	6,890,585	1,627,623	25,798,114	25,282,869	41,522,707	20,301,961	12,504,646
Interest on long-term debt	1,356,816	1,526,001	1,570,900	1,703,694	798,503	1,350,146				
Capital grants and contributions:										
General government					849,366					
Education	29,876,935	60,215,806	35,750,724	26,475,637	24,941,420	35,296,564	87,193,304	64,067,911	36,550,562	20,973,871
Public facilities	3,522,581	1,205,943	1,188,554	324,725			8,343,237	16,809,428		
Public safety								2,500,000		
Special services	251,000	310,000								
Total governmental activities program revenue	386,924,354	388,287,956	342,438,560	342,591,381	337,131,360	344,828,785	472,474,363	377,946,843	312,686,591	292,663,790

(Continued on next page)

CITY OF BRIDGEPORT, CONNECTICUT
CHANGES IN NET POSITION (CONTINUED)

LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	FISCAL YEAR									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Business-type activities:										
Charges for services:										
Water Pollution Control Authority	\$ 36,038,499	\$ 28,159,305	\$ 28,083,135	\$ 28,076,908	\$ 26,813,200	\$ 28,099,203	\$ 27,538,494	\$ 24,437,184	\$ 22,715,548	\$ 27,855,870
Capital grants and contributions:										
Water Pollution Control Authority	2,256,871	3,052,731	4,284,004	775,944	1,342,985	1,404,430	1,158,371	1,156,324	1,557,806	937,936
Total business-type activities program revenues	<u>38,295,370</u>	<u>31,212,036</u>	<u>32,367,139</u>	<u>28,852,852</u>	<u>28,156,185</u>	<u>29,503,633</u>	<u>28,696,865</u>	<u>25,593,508</u>	<u>24,273,354</u>	<u>28,793,806</u>
Total primary government program revenues	<u>425,219,724</u>	<u>419,499,992</u>	<u>374,805,699</u>	<u>371,444,233</u>	<u>365,287,545</u>	<u>374,332,418</u>	<u>501,171,228</u>	<u>403,540,351</u>	<u>336,959,945</u>	<u>321,457,596</u>
Net (expense) revenue:										
Governmental activities	(281,332,094)	(259,699,183)	(284,866,357)	(309,842,886)	(284,740,015)	(256,730,956)	(181,327,192)	(205,519,543)	(202,779,987)	(226,767,350)
Business-type activities	2,670,029	2,812,261	5,979,412	2,841,371	319,442	4,608,750	3,238,918	1,713,800	1,403,895	6,678,705
Total primary government net expense	<u>(278,662,065)</u>	<u>(256,886,922)</u>	<u>(278,886,945)</u>	<u>(307,001,515)</u>	<u>(284,420,573)</u>	<u>(252,122,206)</u>	<u>(178,088,274)</u>	<u>(203,805,743)</u>	<u>(201,376,092)</u>	<u>(220,088,645)</u>
General Revenues and Other Changes in Net Position:										
Governmental activities:										
Property taxes	296,275,535	284,379,599	278,055,567	277,621,119	267,026,434	247,817,417	220,435,186	226,471,874	210,007,626	197,001,706
Grants and contributions not restricted to specific programs	22,591,287	23,820,702	21,237,067	21,546,933	22,625,844	32,403,834	32,440,856	35,588,659	32,127,837	35,361,300
Proceeds from sale of City-owned property	259,308	307,620	305,947	468,605						1,231,298
Unrestricted investment earnings					370,639	864,608	4,115,785	8,197,907	4,234,990	2,963,220
Miscellaneous		23,000								
Transfers				14,211						
Total governmental activities	<u>319,126,130</u>	<u>308,530,921</u>	<u>299,598,581</u>	<u>299,650,868</u>	<u>290,022,917</u>	<u>281,085,859</u>	<u>256,991,827</u>	<u>270,258,440</u>	<u>246,370,453</u>	<u>236,557,524</u>
Business-type activities:										
Investment earnings	7,194	7,898	12,093	22,836	25,087	32,712			158,903	108,940
Total primary government	<u>319,133,324</u>	<u>308,538,819</u>	<u>299,610,674</u>	<u>299,673,704</u>	<u>290,048,004</u>	<u>281,118,571</u>	<u>256,991,827</u>	<u>270,258,440</u>	<u>246,529,356</u>	<u>236,666,464</u>
Changes in Net Position:										
Governmental activities	37,794,036	48,831,738	14,732,224	(10,192,018)	5,282,902	24,354,903	75,664,635	64,738,897	43,590,466	9,790,174
Business-type activities	2,677,223	2,820,159	5,991,505	2,864,207	344,529	4,641,462	3,238,918	1,713,800	1,562,798	6,787,645
Total Primary Government	<u>\$ 40,471,259</u>	<u>\$ 51,651,897</u>	<u>\$ 20,723,729</u>	<u>\$ (7,327,811)</u>	<u>\$ 5,627,431</u>	<u>\$ 28,996,365</u>	<u>\$ 78,903,553</u>	<u>\$ 66,452,697</u>	<u>\$ 45,153,264</u>	<u>\$ 16,577,819</u>

CITY OF BRIDGEPORT, CONNECTICUT
PROGRAM REVENUES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

Function/Program	FISCAL YEAR											
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Governmental activities												
General government	\$ 4,492,997	\$ 4,471,774	\$ 4,058,525	\$ 6,657,099	\$ 5,351,396	\$ 3,333,336	\$ 8,925,583	\$ 11,067,469	\$ 23,889,838	\$ 20,793,344	\$ 34,895,459	\$ 17,981,097
Public safety	6,476,364	6,141,397	6,341,236	6,748,037	9,429,514	7,713,796	9,856,899	13,104,440	8,857,557	8,836,010	7,842,503	4,891,789
Public facilities	18,616,136	7,043,171	9,476,875	7,110,221	5,089,104	3,608,701	12,856,806	26,991,770	6,647,338	6,697,358	6,266,939	1,635,128
Parks and recreation						2,514,238	2,318,393	1,518,799	1,726,183	1,902,781	1,945,085	2,246,348
Planning and economic developmen	15,528,336	15,492,807	16,423,353	9,584,269	23,734,867							
Health and social services	6,045,804	5,905,815	6,781,609	10,165,077	10,326,439	12,461,034	15,769,333	1,991,980	2,155,194	1,529,848	1,570,304	5,981,751
Education	329,793,853	337,244,263	293,905,460	292,900,183	280,773,914	288,049,420	397,464,480	280,687,909	248,929,582	239,387,054	227,124,974	205,937,403
Special services	4,614,048	10,772,728	3,880,602	7,722,801	1,627,623	25,798,114	25,282,869	42,584,476	20,480,899	13,517,395	14,503,239	20,091,274
Interest on long-term debt	1,356,816	1,526,001	1,570,900	1,703,694	798,503	1,350,146						
Total governmental activities	<u>386,924,354</u>	<u>388,597,956</u>	<u>342,438,560</u>	<u>342,591,381</u>	<u>337,131,360</u>	<u>344,828,785</u>	<u>472,474,363</u>	<u>377,946,843</u>	<u>312,686,591</u>	<u>292,663,790</u>	<u>294,148,503</u>	<u>258,764,790</u>
Business-type activities												
Water Pollution Control Authority	38,295,370	31,212,036	32,367,139	28,852,852	28,156,185	29,503,633	28,696,865	25,593,508	24,273,354	27,855,870	19,272,070	19,746,578
Total Government	<u>\$ 425,219,724</u>	<u>\$ 419,809,992</u>	<u>\$ 374,805,699</u>	<u>\$ 371,444,233</u>	<u>\$ 365,287,545</u>	<u>\$ 374,332,418</u>	<u>\$ 501,171,228</u>	<u>\$ 403,540,351</u>	<u>\$ 336,959,945</u>	<u>\$ 320,519,660</u>	<u>\$ 313,420,573</u>	<u>\$ 278,511,368</u>

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CITY OF BRIDGEPORT, CONNECTICUT
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

	FISCAL YEAR									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
General Fund:										
Reserved	\$	\$	\$	\$	\$ 30,876	\$	\$	\$	\$ 4,127,588	\$ 2,500,000
Unreserved					15,611,351	10,752,753	10,605,102	29,241,106	24,686,939	29,800,885
Nonspendable	350,000	350,000	350,000	350,000						
Restricted										
Committed										
Assigned			3,222,700	5,222,700						
Unassigned	<u>13,045,816</u>	<u>12,574,082</u>	<u>9,147,814</u>	<u>10,987,910</u>						
Total General Fund	<u>\$ 13,395,816</u>	<u>\$ 12,924,082</u>	<u>\$ 37,949,944</u>	<u>\$ 16,560,610</u>	<u>\$ 15,642,227</u>	<u>\$ 10,752,753</u>	<u>\$ 10,605,102</u>	<u>\$ 29,241,106</u>	<u>\$ 28,814,527</u>	<u>\$ 32,300,885</u>
All Other Governmental Funds:										
Reserved	\$	\$	\$	\$	\$ 10,068,125	\$ 5,068,118	\$ 114,188,749	\$ 101,323,449	\$ 132,000,973	\$ 142,385,942
Unreserved, reported in:										
Special revenue funds					(5,968,762)	(1,854,831)	(14,537,239)	(8,379,055)	(19,480,868)	(8,817,211)
Capital projects funds					53,320,116	29,831,588	(12,518,325)	14,104,079	(13,936,725)	(60,633,269)
Permanent fund					59,770	47,182	35,573	3,126	661,212	707,234
Restricted	4,864,914	4,592,021	1,910,141	1,398,998						
Committed	38,990,756	67,334,090	97,217,290	60,355,682						
Unassigned	<u>(29,861)</u>	<u>(1,132,864)</u>	<u>(2,933,603)</u>	<u>(4,216,210)</u>						
Total All Other Governmental Funds	<u>\$ 43,825,809</u>	<u>\$ 70,793,247</u>	<u>\$ 42,088,130</u>	<u>\$ 57,538,470</u>	<u>\$ 57,479,249</u>	<u>\$ 33,092,057</u>	<u>\$ 87,168,758</u>	<u>\$ 107,051,599</u>	<u>\$ 99,244,592</u>	<u>\$ 73,642,696</u>

Note: City implemented GASB Statement No 54 in fiscal year 2011. Fund Balances prior to fiscal year 2011 were not restated to conform with GASB Statement No 54 requirements

TABLE 5

CITY OF BRIDGEPORT, CONNECTICUT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(Modified Accrual Basis of Accounting)

		FISCAL YEAR										
		2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Revenues:												
Property taxes	\$	290,690,776	\$ 285,962,925	\$ 274,118,745	\$ 272,206,146	\$ 268,637,066	\$ 248,743,175	\$ 227,028,207	\$ 228,593,633	\$ 218,013,347	\$ 203,587,418	\$ 181,841,069
Intergovernmental		387,013,540	391,193,349	346,936,724	340,359,992	340,863,435	355,431,137	475,240,256	383,345,871	306,711,917	294,084,874	279,402,599
Fees, permits and licenses		17,937,764	15,953,121	16,664,394	15,355,420	15,454,092	16,100,329	19,942,980	20,844,855	20,727,139	19,037,466	16,598,258
Interest		259,308	307,039	305,673	467,604	370,639	864,608	4,115,785	8,184,000	4,169,012	2,972,578	520,946
Other		6,248,652	7,046,473	4,347,520	9,412,146	5,023,480	7,183,515	11,122,689	12,340,020	20,826,665	23,517,173	35,420,447
Total revenues		<u>702,150,040</u>	<u>700,462,907</u>	<u>642,373,056</u>	<u>637,801,308</u>	<u>630,348,712</u>	<u>628,322,764</u>	<u>737,449,917</u>	<u>653,308,379</u>	<u>570,448,080</u>	<u>543,199,509</u>	<u>513,783,319</u>
Expenditures:												
Governmental and community services:												
General government		39,060,527	39,691,634	39,935,817	38,663,676	39,461,942	84,165,283	77,150,939	78,130,009	108,862,558	104,564,452	99,660,481
Public safety		119,804,154	121,687,093	115,629,783	107,582,600	99,874,176	65,494,093	72,907,644	63,938,653	63,669,135	63,846,820	62,224,435
Excess Pension Contribution												
Public facilities		37,473,983	36,166,380	34,490,427	33,119,337	32,932,515	26,706,098	27,997,221	26,303,916	24,479,831	24,662,002	23,096,673
Parks and recreation							5,368,932	5,675,667	5,969,788	5,818,319	5,655,220	5,044,139
Planning and economic development		4,000,056	3,804,545	3,630,343	3,610,102	3,441,668						
Health and social services		6,847,381	6,962,930	6,536,848	11,501,774	12,954,954	13,378,869	18,483,802	18,206,936	16,087,863	16,627,932	16,324,964
Charities and hospitals							123,835	184,968		90,833	70,462	53,021
Libraries		6,576,900	6,166,881	6,034,045	5,392,768	4,660,185						
Education		353,994,653	332,092,576	312,976,935	317,360,583	306,601,910	302,812,667	357,577,107	279,762,589	232,779,256	233,091,242	225,514,687
Special services		20,274,199	20,237,367	17,368,994	21,096,024	27,006,901	27,925,851	30,945,946	40,966,303	22,892,503	19,660,655	18,040,700
Debt service:												
Principal retirements		38,143,098	27,717,065	31,183,000	31,641,000	32,375,000	30,961,925	26,232,000	23,579,000	26,435,988	23,526,717	20,965,572
Interest and other charges		35,880,297	38,484,830	39,791,002	41,269,592	40,933,701	41,594,667	41,521,922	41,852,539	46,276,800	43,567,518	41,109,530
Capital outlay		66,802,507	93,042,777	74,551,555	45,222,964	41,669,094	83,719,594	118,136,031	114,737,164	63,239,695	42,681,632	23,040,567
Total expenditures		<u>728,857,755</u>	<u>726,054,078</u>	<u>682,128,749</u>	<u>656,460,420</u>	<u>641,912,046</u>	<u>682,251,814</u>	<u>776,813,247</u>	<u>693,446,897</u>	<u>610,632,781</u>	<u>577,954,652</u>	<u>535,074,769</u>
Excess of revenues over (under) expenditures		<u>(26,707,715)</u>	<u>(25,591,171)</u>	<u>(39,755,693)</u>	<u>(18,659,112)</u>	<u>(11,563,334)</u>	<u>(53,929,050)</u>	<u>(39,363,330)</u>	<u>(40,138,518)</u>	<u>(40,184,701)</u>	<u>(34,755,143)</u>	<u>(21,291,450)</u>
Other financing sources (uses):												
Transfers in		3,410,284	500,000	500,000	500,000	205,649,402	224,867,074	219,222,813	212,264,417	175,331,870	179,817,106	175,814,614
Transfers out		(3,410,284)	(500,000)	(500,000)	(500,000)	(205,649,402)	(224,867,074)	(219,222,813)	(212,264,417)	(175,331,870)	(179,817,106)	(175,814,614)
Bonds issued				67,930,000	19,440,000	40,840,000			47,890,000	95,735,000	88,505,000	77,265,000
Bond refunding issue		14,290,000	55,225,000									
Premium on long-term debt		1,150,189	4,874,093	6,641,055					482,104	895,239	8,186,165	1,600,083
Payments to escrow agent		(15,228,178)	(59,704,935)							(34,330,000)	(64,019,065)	(29,585,083)
Total other financing sources (uses)		<u>212,011</u>	<u>394,158</u>	<u>74,571,055</u>	<u>19,440,000</u>	<u>40,840,000</u>	<u>-</u>	<u>-</u>	<u>48,372,104</u>	<u>62,300,239</u>	<u>32,672,100</u>	<u>49,280,000</u>
Net Changes in Fund Balance	\$	<u>(26,495,704)</u>	<u>(25,197,013)</u>	<u>34,815,362</u>	<u>780,888</u>	<u>29,276,666</u>	<u>(53,929,050)</u>	<u>(39,363,330)</u>	<u>8,233,586</u>	<u>22,115,538</u>	<u>(2,083,043)</u>	<u>27,988,550</u>
Debt Service as a Percentage of Noncapital Expenditures		<u>11.2%</u>	<u>10.5%</u>	<u>11.7%</u>	<u>12.0%</u>	<u>12.4%</u>	<u>12.3%</u>	<u>10.5%</u>	<u>11.5%</u>	<u>13.3%</u>	<u>12.5%</u>	<u>12.1%</u>

CITY OF BRIDGEPORT, CONNECTICUT

TABLE 6

TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(Modified Accrual Basis of Accounting)

(Unaudited)

Fiscal Year	Real Estate	Personal Property	Motor Vehicle	Total
2005	\$ 164,534,675	\$ 18,108,550	\$ 12,072,367	\$ 194,715,592
2006	174,424,859	20,446,933	13,770,384	208,642,176
2007	183,690,496	22,352,699	15,270,656	221,313,851
2008	183,892,848	27,243,385	15,891,974	227,028,207
2009	230,926,963	24,496,725	14,343,553	269,767,241
2010	224,429,907	31,097,659	15,181,089	270,708,655
2011	235,380,246	31,814,553	14,853,112	282,047,911
2012	231,147,846	31,242,492	17,044,538	279,434,876
2013	237,452,454	28,608,729	20,026,111	286,087,294
2014	247,634,510	29,273,456	20,620,272	297,528,238
Change 2005-2014	<u>50.51%</u>	<u>61.66%</u>	<u>70.81%</u>	<u>52.80%</u>

Source: City of Bridgeport records. Allocation by Grand List percentage composition.

CITY OF BRIDGEPORT, CONNECTICUT

TABLE 7

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN FISCAL YEARS
(In Thousands)

(Unaudited)

	Fiscal Year	Residential Property	Commercial Property	Industrial Property	Miscellaneous Land	Personal Property	Motor Vehicle	Total Taxable			Estimated Actual Taxable Value	Value as a Percentage of Actual Value
								Assessed Value	Percent Growth	Total Direct Tax Rate		
100	2005	\$ 3,172,156	\$ 977,737	\$ 187,791	42,391	\$ 517,774	\$ 321,204	\$ 5,219,053	50.01%	38.99	\$ 7,455,790	70.00%
	2006	3,182,882	996,112	188,513	41,072	543,985	348,997	5,301,561	1.58%	40.32	7,573,659	70.00%
	2007	3,199,609	998,510	188,631	41,104	588,791	372,428	5,389,073	1.65%	42.28	7,698,676	70.00%
	2008	3,258,061	1,026,195	171,007	35,280	718,127	397,042	5,605,712	4.02%	41.28	8,008,160	70.00%
	2009	4,087,787	1,256,373	291,075	79,212	703,831	379,451	6,797,729	21.30%	38.74	9,711,041	70.00%
	2010	4,084,631	922,699	578,540	75,833	784,502	382,974	6,829,179	0.4%	39.64	9,755,970	70.00%
	2011	4,159,228	877,194	421,714	84,023	804,932	396,467	7,022,705	0.2%	39.64	10,159,571	70.00%
	2012	4,089,937	1,192,378	564,301	119,384	636,574	412,029	7,014,603	0.0%	41.11	10,020,861	70.00%
	2013	4,082,205	1,225,399	587,398	125,387	698,880	419,227	7,138,496	0.2%	41.86	10,197,851	70.00%
	2014	4,085,344	1,197,586	552,296	124,698	714,071	430,836	7,104,831	0.0%	42.20	10,149,759	70.00%

Source: City of Bridgeport Tax Assessor's Office

Note: City of Bridgeport has no Overlapping Property Tax Rates

CITY OF BRIDGEPORT, CONNECTICUT

PRINCIPAL PROPERTY TAXPAYERS

FY 2014 and 2005

(Unaudited)

Taxpayer	2014			2005		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
CRRA/US Bank NAT Assoc James E. Mogavero	\$ 310,699,301	1	33.97%	\$		
United Illuminating Co. Inc.	259,682,267	2	28.39%	45,695,687	4	11.18%
PSEG Power Connecticut LLC*	52,872,510	3	5.78%	97,166,780	1	23.76%
People's United Bank	54,179,506	4	5.92%			
Connecticut Light & Power	53,581,584	5	5.86%			
Bridgeport Energy LLC	50,215,464	6	5.49%	69,065,900	2	16.89%
Southern CT Gas Co.-Energy EA	39,739,915	7	4.34%	24,168,354	6	5.91%
Wheelabrator BPT LP	33,253,002	8	3.64%			
Watermark 3030 Park LLC*	30,405,390	9	3.32%			
AT&T Mobility LLC	30,096,332	10	3.29%	27,533,613	5	6.73%
Success Village Apts Inc.						
Peoples Real Estate Investment				72,186,141	3	17.65%
Aquarian Water Co. of CT*				21,113,338	7	5.16%
General Electric Company				15,529,006	10	3.80%
Bridgeport Health Care				15,845,710	9	3.88%
1000 Lafayette				20,590,570	8	5.04%
TOTAL	\$ <u>914,725,271</u>		<u>100.00%</u>	\$ <u>408,895,099</u>		<u>100.00%</u>

* Note: Name change occurred during period.

Source: City of Bridgeport - Assessor's Office

Elaine Carvalho - Acting Tax Assessor (203) 576-8062

CITY OF BRIDGEPORT, CONNECTICUT
PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN FISCAL YEARS

(Unaudited)

Fiscal Year Ended June 30:	Grand List Year	Taxes Levied for the Tax Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2005	2003	\$ 197,205,819	\$ 189,036,426	95.86%	\$ 5,133,573	\$ 194,169,999	98.46%
2006	2004	210,375,902	202,659,104	96.33%	3,291,241	205,950,345	97.90%
2007	2005	224,126,241	215,656,891	96.22%	4,489,860	215,656,891	96.22%
2008	2006	222,282,166	215,712,695	97.04%	385,291	215,712,695	97.04%
2009	2007	250,083,276	243,126,091	97.22%	1,634,940	243,126,091	97.22%
2010	2008	267,703,716	260,055,196	97.14%	2,599,244	262,654,440	98.11%
2011	2009	273,823,500	267,033,575	97.52%	1,969,582	269,003,157	98.23%
2012	2010	275,342,274	267,783,020	97.25%	2,463,132	270,246,152	98.15%
2013	2011	286,087,294	278,613,368	97.39%	2,826,411	281,439,779	98.38%
2014	2012	297,528,238	284,699,957	96.96%	4,559,726	289,259,683	98.52%

Source: City of Bridgeport - Tax Collector's Office

CITY OF BRIDGEPORT, CONNECTICUT

RATIOS OF OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS

(In Thousands)

(Unaudited)

Fiscal Year	Governmental Activities		Percentage of Actual Property Value	Debt Per Capita	Business-Type Activities			Total Primary Government	Percentage of Per Capita Income	Per Capita
	General Obligation Bonds	Net General Bonded Debt			Loan Payable	General Obligation Bonds	Revenue Bonds			
2005	\$ 649,685	649,685	8.80%	4,656	59,144	652	-	709,481	28.88%	4,709
2006	719,810	719,810	9.50%	5,159	51,778	-	-	771,588	33.92%	5,530
2007	772,389	772,389	10.01%	5,536	49,552	490	-	822,431	29.03%	5,894
2008	684,228	684,228	8.54%	4,904	51,713	490	-	736,431	26.00%	5,278
2009	654,200	654,200	6.74%	4,689	49,486	450	-	704,136	24.86%	5,046
2010	669,140	669,140	6.86%	4,796	44,509	2,255	-	715,904	29.23%	5,131
2011	651,890	651,890	6.42%	4,520	43,621	2,152	-	697,663	29.66%	4,837
2012	689,265	689,265	6.80%	4,779	42,812	4,008	-	736,085	27.00%	5,104
2013	654,330	654,330	6.38%	4,493	44,866	3,874	-	703,070	24.00%	4,828
2014	622,395	622,395	6.08%	4,315	40,028	3,679	-	666,102	23.12%	4,618

CITY OF BRIDGEPORT, CONNECTICUT

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING

LAST TEN FISCAL YEARS

(In Thousands)

(Unaudited)

Fiscal Year	Governmental Activities		Percentage of Actual Property Value	Debt Per Capita	Business-Type Activities		Percentage of Per Capita Income	Per Capita
	General Obligation Bonds	Net General Bonded Debt			General Obligation Bonds	Total Primary Government		
2005	649,685	649,685	8.80%	4,656	652	650,337	22.96%	4,709
2006	719,810	719,810	9.50%	5,159	-	719,810	25.41%	5,530
2007	772,389	772,389	10.01%	5,536	490	772,879	27.28%	5,894
2008	684,228	684,228	8.54%	4,904	490	684,718	24.17%	5,278
2009	654,200	654,200	6.74%	4,689	450	654,650	23.11%	5,046
2010	669,140	669,140	6.86%	4,796	2,255	671,395	23.70%	5,131
2011	651,890	651,890	6.42%	4,520	2,152	654,042	24.22%	4,837
2012	689,265	689,265	6.80%	4,779	4,008	693,273	25.68%	5,104
2013	654,330	654,330	6.38%	4,493	3,874	658,204	24.38%	4,828
2014	622,395	622,395	6.08%	4,315	3,679	626,074	21.86%	4,618

CITY OF BRIDGEPORT, CONNECTICUT

DIRECT GOVERNMENTAL ACTIVITIES DEBT

FOR THE YEAR ENDED JUNE 30, 2014

(Unaudited)

Governmental Unit	Debt Outstanding
General obligation debt	\$ 622,395,000
Less school construction grants receivable - principal portion only	<u>(9,499,116)</u>
Total Direct Debt	<u>\$ 612,895,884</u>

Source: City records.

Note 1: The City is not subject to the debt of overlapping governments.

Note 2: School construction grants are receivable in substantially equal installments over the life of outstanding school bonds, obtained from the Office of Policy and Management, State of Connecticut.

CITY OF BRIDGEPORT, CONNECTICUT

LEGAL DEBT MARGIN INFORMATION

LAST TEN FISCAL YEARS

(In Thousands)

(Unaudited)

	FISCAL YEAR										
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Debt limit	\$ 1,277,556	\$ 1,421,441	\$ 1,514,400	\$ 1,575,702	\$ 1,595,640	\$ 1,741,261	\$ 1,741,508	\$ 1,909,786,970	\$ 1,918,225,547	\$ 1,975,977,163	\$ 2,050,426,896
Total net debt applicable to limit	825,160	892,013	945,365	934,990	957,601	925,639	959,344	717,375,754	755,691,238	870,367,160	858,511,572
Legal debt margin	\$ 452,396	\$ 529,428	\$ 569,035	\$ 640,712	\$ 638,039	\$ 815,622	\$ 782,164	\$ 1,192,411,216	\$ 1,162,534,309	\$ 1,105,610,003	\$ 1,191,915,324
Total net debt applicable to the limit as a percentage of debt limit	62.63%	64.59%	62.75%	62.43%	59.34%	60.01%	55.09%	37.56%	39.40%	44.05%	41.87%

CITY OF BRIDGEPORT, CONNECTICUT
COMPUTATION OF LEGAL DEBT LIMITATION
JUNE 30, 2014

Total tax collections (including interest and lien fees) for the year ended June 30, 2014					\$ 292,196,536
Reimbursement for revenue loss:					
Tax relief for the elderly					<u>721,592</u>
Base					<u>\$ 292,918,128</u>
Debt Limit					<u>\$ 2,050,426,896</u>
				Unfunded Past Benefit Obligation	
	General Purpose	Schools	Sewer	Urban Renewal	Obligation
Debt Limitation					
2-1/4 times base	\$ 659,065,788	\$	\$	\$	\$
4-1/2 times base		1,318,131,576			
3-3/4 times base			1,098,442,980		
3-1/4 times base				951,983,916	
3 times base					878,754,384
Total debt limitation	<u>659,065,788</u>	<u>1,318,131,576</u>	<u>1,098,442,980</u>	<u>951,983,916</u>	<u>878,754,384</u>
Debt as Defined by Statute:					
Bonds and Notes Payable	226,474,229	118,051,495	43,704,329	2,114,000	274,190,000
Tax Anticipation Notes	20,000,000				
Bonds authorized but unissued ¹	77,986,040	102,624,563			
Less: school construction grants		<u>(6,633,084)</u>			
Total indebtedness	<u>324,460,269</u>	<u>214,042,974</u>	<u>43,704,329</u>	<u>2,114,000</u>	<u>274,190,000</u>
Debt Limitation in Excess of Indebtedness	<u>\$ 334,605,519</u>	<u>\$ 1,104,088,602</u>	<u>\$ 1,054,738,651</u>	<u>\$ 949,869,916</u>	<u>\$ 604,564,384</u>

1. Includes all bonds currently authorized

CITY OF BRIDGEPORT, CONNECTICUT

DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST TEN FISCAL YEARS

(Unaudited)

<u>Calendar Year</u>	<u>Population</u>	<u>Personal Income</u>	<u>Per Capita Income</u>	<u>Median Age</u>	<u>School Enrollment</u>	<u>Unemployment(*) Rate</u>
2005	139,529	54,313	20,302	31.4	22,391	7.8%
2006	139,529	54,313	20,302	31.4	21,934	6.7%
2007	139,529	54,313	20,302	31.4	21,312	6.6%
2008	139,529	54,313	20,302	31.4	20,677	8.6%
2009	139,529	54,313	20,302	31.4	20,235	10.7%
2010	139,529	54,313	20,302	31.4	20,407	12.9%
2011	144,229	48,088	18,721	32.1	19,993	13.98%
2012	144,229	48,088	18,721	32.1	20,338	12.57%
2013	144,229	48,088	18,721	32.1	20,320	12.37%
2014	144,229	48,088	19,854	32.1	21,180	10.1%

CITY OF BRIDGEPORT, CONNECTICUT

PRINCIPAL EMPLOYERS

2014 AND 2006

(Unaudited)

Employer	2014		2006	
	Employees	Rank	Employees*	Rank
People's United Bank	1,099	3	2,400	2
Bridgeport Hospital, Inc.	1,996	2	2,700	1
St. Vincent's Medical Center	2,309	1	2,200	3
University of Bridgeport	390 FT / 417 PT	6	537 *	5
Prime Line Resources	517 (396 FT Reg. / 121 FT Temp.)	5	406	6
Lacey Manufacturing Company	235 REG FT / 72 Temp FT	7	350	7
Bridgeport Health Care Center	550 approx.	4	1,100	4
Watermark	87 FT / 113 PT	0	300 *	8
Housatonic Community College	223 (213 FT Reg. / 10 FT Grant Funded)	8	184	9
Sikorsky Aircraft (United Technologies)				

* = 2008 Data

Sources: City of Bridgeport - Bridgeport CitiStat Office

Note: Rankings are based on Full Time Employees Only

CITY OF BRIDGEPORT, CONNECTICUT
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Unaudited)

Function/Program	FISCAL YEAR									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
General government:										
Central grants office	5	5	6	6	6	6	6	6	6	6
Office of The Mayor	9	9	8	8	8	9	9	8	8	8
Constituent Services	-	-	-	-	-	-	-	-	-	-
Civil service	7	7	9	9	8	8	9	8	7	8
Grants personnel/Benefits	14	14	11	11	9	7	7	7	7	10
City attorney	20	18	21	21	21	21	22	21	22	24
City clerk	5	6	5	6	6	6	6	6	7	6
Registrar of voters/Elections	5	5	5	5	5	6	6	6	6	6
Legislative department	-	-	2	1	2	2	2	2	1	2
Libraries	54	53	53	52	52	60	69	69	68	68
Office of policy and management	6.5	6.5	6.5	6.5	5.5	5.5	6	6	6	7
Archives and records	0.5	0.5	0.5	0.5	0.5	0.5	1	1	1	1
Town Clerk	7	7	7	7	7	8	8	8	8	8
CitiStat	4	4	4	4	4	5	-	-	-	-
Chief administrative officer	4	4	3	3	3	3	3	3	3	3
Minority Business Resource CTR.	3	3	2	2	2	-	-	-	-	-
Finance department	4	4	4	4	4	4	5	4	5	5
Comptroller's office	11	11	14.5	14.5	14.5	15	15	15	15	17
Treasurer's office	2.5	3.5	2	2	2	2	3	3	3	3
Tax assessor	11	11	13	13	13	14	15	15	15	15
Information technology services	15	15	16	15	15	19	21	20	21	24
Tax collector	14	16	18	18	18	18	19	18	16	15
Purchasing	6	5	6	6	6	7	8	8	8	8
Print shop	6.5	7.5	7.5	7.5	7.5	7.5	8	7	7	7
Labor relations	6	6	6	6	6	6	7	8	8	8
Barnum Institute	-	-	-	-	-	-	-	-	-	-
Employee org. & development	-	-	-	-	-	-	-	-	-	2
Protection of person and property:										
Police department / Animal Shelter	471	471	479	473	486	532	538	554	544	574
Fire department	277	281	295	299	310	329	330	326	326	370
Weights and measures	2	2	2	2	2	2	2	2	2	2
Emergency Operations Center	57	57	59	60	60	48	42	43	-	-
Conservation of health:										
Health administrative	3	2	2	2	2	3	3	3	4	5
Vital statistics	5	5	5	5	5	5	4	4	4	4
Communicable diseases	5.2	5.2	5	5	5	4	5	4	4	5
Public health nursing	-	-	-	-	-	-	37	37	37	39
Dental hygiene	-	-	-	-	-	7	7	7	7	8
Environmental health	8	8	8	7	7	7	7	7	8	9
Dental Clinic	-	-	-	-	-	-	-	-	-	-
Housing code enforcement	6	6	5	5	1	3	3	3	3	4
Laboratory	-	-	-	-	-	-	-	-	-	-
Lead Program	2	2	-	-	-	-	-	-	-	3
Clinics	-	-	-	-	-	1	6	6	6	4
School based health clinics	-	-	-	-	-	19	26	26	26	26

(Continued on next page)

CITY OF BRIDGEPORT, CONNECTICUT

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM (CONTINUED)

LAST TEN FISCAL YEARS

(Unaudited)

Function/Program	FISCAL YEAR									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Public facilities:										
City Engineer	6	5	6	6	6	5	6	6	6	6
Zoning commission	6	6	6	5	4	7	7	6	6	6
Zoning Board of Appeals	1	1	1	1	1	1	1	1	1	1
Building Department	12	11	13	13	13	14	14	10	-	10
Harbor Master	0	1	1	1	1	1	1	1	1	1
Transfer station	1	1	1	1	1	1	1	1	1	1
Public Facilities Administration	16	16	15.5	15.5	15.5	17	15	15	15	16
Sanitation/Recycling	29	29	34	34	34	36	36	36	36	36
Landfill operation	-	-	-	-	-	-	-	-	-	-
Recycling	-	-	-	-	-	-	-	-	-	-
Roadway maintenance	37	44	45	45	45	43	43	43	46	48
Clean & Green	-	-	-	-	-	-	-	-	-	-
Planning & Economic Development	20.5	20.5	19.5	18.5	20	22	18	16	16	20
Sikorsky Airport	13	13	14	14	14	15	15	15	15	15
Municipal garage	10	10	10	10	10	10	10	10	10	11
Maintenance	33	31	31	31	31	37	34	34	34	37
Construction Division	-	-	-	-	-	-	-	-	-	-
Charities and hospitals:										
Social Services	1.8	1.8	1	2	2	2	2	2	2	1
Parks and recreation:										
Recreation	3	3	3	3	3	3	3	3	3	3
Parks & Rec. Administration	5	4	4	4	4	5	6	6	Included in Parks Dept. Figure ↓	-
Parks department	14	15	16	17	17	17	23	23	31	30
Park Mounted Unit / Stable	-	-	-	-	-	-	-	-	-	-
Beardsley Zoological Gardens	12	12	13	13	13	13	13	13	13	13
Fairchild Wheeler G.C.	2	2	3	3	3	3	3	2	-	-
Special services:										
Lighthouse/Youth services	6	6	4	4	4	4	4	4	3	2
Human Services Administration	2	2	2	2	2	2	2	2	2	3
Department on aging	7	7	6	6	6	6	6	6	6	6
Office for disabilities	1	1	0.5	0	0	1	1	1	-	1
Veterans Affairs	2	2	2	1	1	1	1	1	-	-
Parent Aide Program	-	-	-	-	-	1	1	-	-	-
Affirmative Action	-	-	-	-	-	-	-	-	-	-
Total	1,296.5	1,305	1,342	1,336	1,354	1,467	1,530	1,527.5	1,465	1,580

CITY OF BRIDGEPORT, CONNECTICUT
OPERATING INDICATORS BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

(Unaudited)

FISCAL YEAR

Function/Program	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Police:										
Calls for service	118,047	123,901	120,655	116,640	111,765	109,523	109,919	114,115	114,780	112,740
Adult arrest	5,927	5,295	7,751	6,505	5,317	4,397	4,237	4,230	6,422	3,771
Juvenile arrest	1,413	1,114	1,406	1,081	1,013	740	553	574	800	590
William Linsley BPD Crime Analysis Division (203) 576-7713										
Fire:										
Total fire runs	10,507	10,094	10,064	9,239	10,263	11,260	14,136	13,373	15,770	15,214
Total rescue runs	1,049	931	831	868	868	1,217	1,135	2,066	1,222	9,151
Property loss	\$ 6,509,323	\$ 6,963,375	\$ 5,936,590	\$ 3,302,875	\$ 3,724,050	\$ 4,506,600	\$ 3,415,473	\$ 7,418,300	\$ 3,649,017	\$ 3,541,176
Robert Petrucci Dep. Chief of Admin. (203) 337-2060										
Building safety:										
Total building permits	2,381	2,724	2,386	2,454	2,683	2,522	2,425	N/A	3,127	2,939
Total value all permits	\$ 108,551,386	\$ 183,273,790	\$ 195,631,366	\$ 131,211,499	\$ 173,761,110	\$ 80,959,003	\$ 48,862,472	N/A	\$ 91,501,839	\$ 172,883,186
Kim Rose Admin Specialist, Building Dept. (203) 576-7226										
Library, volumes in collection	525,000	525,000	499,662	395,561	530,000	550,851	537,580	533,600	538,600	573,455
Jay Aiken extension I Librarian 3 (203) 576-7400										
Public service:										
Garbage collected (ton)	69,171	65,055	67,093	59,533	58,543	59,756	60,436	58,736	55,698	55,538
Recycle collected (ton)	3,864	3,496	2,992	3,055	3,128	3,194	3,217	4,762	5,339	5,421
Paul Catino Budget Analyst, Public Facilities (203) 394-6974										
Parks and recreation:										
Recreation program attendance	2,100	2,375	2,575	2,550	1,500	1,850	1,950	2,000	2,000	1750
Aquatics program attendance	900	600	600	800	900	600	700	700	750	750
Golf rounds played	53,375	23,436***	45,007***	49,708	53,706	60,059	54,776	59,286	50,703	52,884
Street trees maintained	405	490	615	1,430	1,430	1,430	1,800	1,800	1,700	1962
Lee Nastu - Recreation Coordinator, Parks & Rec. (203) 576-8083 Stephen Roach - Fairchild Wheeler Golf Pro (203) 373-5911 Steve Hladun - Tree Warden, Public Facilities (203) 576-7797										

Source: City Records

Note: n/a - Indicator not available

*** - Construction limited rounds available to be played.

CITY OF BRIDGEPORT, CONNECTICUT

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

(Unaudited)

Function/Program	FISCAL YEAR									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Police:										
Stations	3	3	3	3	2	2	1	1	1	1
Police Officer Sector Terminals (POST)	5	5	5	3	3	3	4	3	3	3
Number of personnel and officers	574	574	574	574	574	557	469	456	473	454
Number of Divisions	11	11	11	11	11	11	11	11	11	11
Letha Logan Admin Asst., Chief of Police (203) 581-5111										
Fire:										
Stations	8	8	8	8	8	8	8	8	8	8
Number of personnel and officers	399	399	315	337	366	366	366	296	283	282
Equipment (pieces)	24	25	28	28	28	28	28	28	30	30
Robert Petrucci Dep. Chief of Admin. (203) 337-2060										
Refuse collection:										
Collection Trucks	15	15	15	15	15	15	15	15	18	18
Paul Catino Budget Analyst, Public Facilities (203) 394-6974										
Public facilities:										
Streets (Miles)	829	829	829	829	829	829	829	829	829	829
Traffic Signals	1,552	1,552	1,552	1,552	1,552	1,700	1,750	1,750	1,750	1,750
Paul Catino Budget Analyst, Public Facilities (203) 394-6974										
Parks and recreation:										
Playgrounds	19	19	19	19	19	19	19	21	21	19
Parks	47	47	47	44	45	45	45	46	46	46
Park Acreage	1,330	1,330	1,330	1,330	1,330	1,330	1,330	1,330	1,330	1,330
Golf Courses	2	2	2	2	2	2	2	2	2	2
Swimming Pools	3	3	3	-	2	2	3	3	2	2
Tennis Courts	24	24	24	22	24	23	25	25	25	24
Museums	2	2	2	2	2	2	2	2	2	2
Zoo	1	1	1	1	1	1	1	1	1	1
Baseball/softball diamonds	25	25	25	25	25	31	31	30	30	25
Ice Skating Rinks	1	2	2	2	1	1	1	1	1	1
Soccer/Football Fields	17	17	17	17	17	19	21	26	28	17
Lee Nastu Recreation Coordinator, Parks & Rec. (203) 576-8083										
Library:										
Facilities	5	5	4	4	5	5	5	5	5	5
Volumes	525,000	525,000	499,662	395,561	530,000	550,851	537,580	533,600	538,600	573,455
Jay Aiken Librarian 3 (203) 576-7400										
Water:										
Average Daily Consumption (MGPD)	13,382	13,286	12,821	12,800	12,359	12,021	12,318	11,716	11,447	11,457
Wastewater:										
Sanitary Sewers (miles)	154	154	157	160	160	160	160	170	170	170
Storm Sewers (miles)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Combination Sanitary and Storm (miles)	129	129	126	123	123	123	123	113	113	113
Number of sewer wells	55,050	55,050	55,050	55,050	55,050	55,050	55,050	55,050	55,050	55,050
Number of Treatment Plants	2	2	2	2	2	2	2	2	2	2
Peter Harris Director of Finance, WPCA (203) 332-5550 ext. 207										

Note: n/a - Indicator not available