

**CITY OF BRIDGEPORT, CONNECTICUT**

**FINANCIAL REPORT**

**JUNE 30, 2011**

# **CITY OF BRIDGEPORT, CONNECTICUT**



## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**For the Fiscal Year  
July 1, 2010 to June 30, 2011**

Prepared By:  
DEPARTMENT OF FINANCE

DAWN NORTON  
Interim Director of Finance

**CITY OF BRIDGEPORT, CONNECTICUT**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
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# **Introductory Section**



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Mayor

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December 27, 2011

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, 2011.

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 unqualified (“clean”) opinion on the City of Bridgeport, Connecticut’s financial statements for the year ended June 30, 2011. 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 State. 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 Conrail 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 twenty 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.

### **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 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: The University of Bridgeport, Fairfield University, Sacred Heart University, and Housatonic Community College. 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 Harboryard and The Arena at Harboryard 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 shows. The Beardsley 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.

The City's taxable base remains steady with the October 1, 2010 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.

During 2005, the City of Bridgeport and the Bridgeport Regional Business Council invited the Urban Land Institute ("ULI") to visit the City for the purpose of evaluating the City's economic development potential.

ULI prepared a report that has been widely accepted as a blueprint for transitioning the City successfully into the 21<sup>st</sup> century. Among other things, the report has been a point of departure for a new Master Plan of Conservation and Development, adopted in January 2008, and a new zoning ordinance, approved and effective as of January 2010. The report also predicted much of the economic activity and opportunity that has been observed in the City during the last four years. Opportunities identified in the report included downtown development, industrial development and energy, medical sector and senior living development and waterfront development. Despite a slowdown of the national economy, tangible progress has continued throughout the last several years on various public and private investments in the City.

### **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. 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 State of Connecticut's *Juvenile Court Complex* was completed in 2009. The \$40 million complex allows the integration of the Family and Juvenile Courts into a centralized facility that is anticipated to stimulate new private investment in the area. The complex is sited on the location of the City's former Public Works garage, which was never compatible with other central business district activities and had previously discouraged private investment in Bridgeport's downtown for more than 40 years.

The City completed the construction of a \$17 million *Bridgeport ITC Garage* (Intermodal Transportation Center) in 2001. This 900-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 Arena at Harbor Yard 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 and approximately 500 spaces to the garage. 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 5989 students for the Spring 2011 semester. Current enrollment is at an all time high, and has provided added life to Bridgeport's downtown. 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.

***The Lofts 881*** adaptive reuse project was completed in the fall of 2008. The project, a conversion of an obsolete and vacant medical office building to 38 residential condominiums and retail space, was undertaken at a cost of approximately \$7 million. 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% of the retail space, and on more than 50% 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 has 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 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 will create 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. The project is currently leasing both residential and retail space, with occupancy expected in October 2011.

### **Industrial Development and Energy Projects**

The City has seen significant new industrial and commercial investment in recent years, including the expansion of several businesses and the construction of new business facilities. In 2005, **Carr's Ice Cream** opened its new \$1,400,000 cold storage warehouse on State Street in the West End on a portion of a previously remediated Brownfield site. Tolland, CT based **Dari-Farms** acquired Carr's in 2007, and has negotiated the acquisition of additional property in order to expand its operations.

**A-1 Truck Accessories** completed construction of its new 17,000 square-foot, \$1.6 million facility on Howard Avenue in the West End in 2008. **AKDO Intertrade**, a major importer and distributor of marble, tile, granite and other high-end stone products has moved into a new 115,000 square foot showroom, office and warehouse on the former Bryant Electric site in the City's West End/State Street Corridor. Construction of the \$8.5 million project was completed in 2006.

In 2005, **Lecoq Cuisine Corporation** relocated from Stamford, rehabilitating and expanding a previously abandoned industrial building in the City's East End. The company is a wholesale, high-end bakery that distributes goods throughout the continental United States. The company's employment in Bridgeport has grown from 25 to 86 since the relocation. Lecoq currently occupies approximately 60,000 square feet, and in October 2009 presented plans to the State and the City for \$10 million of capital investment in plant, machinery and equipment. The first phase of Lecoq's new investment is a plant renovation and addition scheduled for construction in the Summer or Fall of 2011.

**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 company plans to break ground on a 25,000 square foot warehouse addition next year. 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 has announced its intention to commence construction of the \$60 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 is currently in design and anticipated to start in Spring 2012.

***DRS Fermont***, a division of Italian multinational conglomerate Finmeccanica, opened a second Bridgeport plant in the Fall of 2009. The company, a manufacturer of field electric generators, increased its Bridgeport employment by 95 with the expansion.

In 2009, ***North East Builders Supply and Home Centers*** completed the environmental clean-up of a five acre former metal junkyard at 1558 Barnum Avenue in the East End. \$2.3 million of US Environmental Protection Agency funding was utilized to subsidize the remediation. Approximately 30,000 square feet of industrial warehouse space has been constructed on the site, now known as Barnum Avenue Business Park. Approximately 90,000 square feet of commercial/industrial space is ultimately planned for the project.

***WestRock Development*** has completed significant renovations to the former American Fabrics Complex on Connecticut Avenue in the East End. WestRock has named the project ***Bridgeport Commerce Park***. This obsolete and underutilized 1930s manufacturing complex was acquired by the City via property tax foreclosure in 2006. WestRock purchased the property from the City in 2008, selectively demolished the poorest structures, and as of March 2011 had invested nearly \$4 million into renovations of the remaining buildings, and site improvements, aimed at improving energy efficiency, site circulation and security. The nine acre, 270,000 square foot complex currently houses approximately 30 business tenants, ranging from construction firms, military contractors and other manufactures to artisans.

In Spring 2010, ***PC Richards & Son*** acquired a warehouse facility in the City's West End. The 70,000 square foot facility is being used for regional offices, warehousing and a retail outlet store. The building supports home deliveries for several company stores opening in Connecticut.

***Sampson Associates*** is scheduled to commence construction in 2011 of an 8,000 square foot Leadership in Energy and Environmental Design Green Certified recycling facility on Davenport Avenue in the East End. Construction of the building, machinery and equipment is currently estimated at \$825,000. The project is expected to employ 10 full time workers when completed in the Spring of 2012.

Since 2007, the State of Connecticut has certified 30 of the City's companies for the State-sponsored Urban Jobs property tax incentive program. The participating companies have been responsible for the creation or retention of approximately 600 jobs in the City.

### **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 2010, *Bridgeport Hospital*, an employer of over 2,500 people, completed various upgrades to its 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.

*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.

### **Waterfront Development/Steel Pointe**

In September 2009, the Simon Konover Company ("Konover") announced plans for *Seaview Plaza*, a 148,000 square foot retail development in Bridgeport's East Side neighborhood. The plans include an anchor grocery store, pharmacy, a waterfront restaurant and public access to the waterfront. The City's Port Authority which owns the underlying land, has negotiated a Development Agreement with Konover that would allow the project to commence. Konover has previously developed more than 13 million square feet of commercial real estate in 22 states.

On November 10, 2009 the City entered into an Amended and Restated Development and Acquisition Agreement with Bridgeport Landing Development ("BLD") for the *Steel Pointe* project, a 50 acre mixed use development on Bridgeport Harbor. The newly approved version of the agreement contained necessary changes to the 2007 Development and Acquisition Agreement, which had been negotiated in a different economic climate.

Upon execution of the new agreement, BLD paid the City \$500,000 in the form of a nonrefundable deposit. The development program calls for an ultimate build-out of approximately 2.8 million square feet of commercial and residential improvement in four separate phases only after demonstrating to the City that tenants and financing have been secured. The agreement requires BLD to acquire a portion of the waterfront real estate and to commence construction there of certain public improvements, infrastructure and a restaurant in 2011. On an eleven acre parcel of real estate adjacent to Interstate 95, BLD is required to commence construction on 135,000 square feet of retail space prior to 2012. The agreement provides that other phases of the project will proceed following the

construction of the first two phases. Zoning approval for the project's General Development was obtained over-the-counter. In 2010, BLD also obtained necessary approvals from the Connecticut State Traffic Commission and the Connecticut Department of Environmental Protection for the project.

The new agreement commits BLD to advance all of the funds necessary to fund the public improvements for the initial retail phase and to advance a minimum of \$3 million in funding for public infrastructure improvements related to the waterfront portion of the project. The City secured this commitment from BLD in light of the anticipated difficulty in issuing property tax incremental financing bonds to fund public improvements in the current economic climate. Pursuant to Public Act 05-289 of the 2005 state legislature session, the City is authorized to create 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. District bond proceeds would be utilized to create and construct the public improvements on the Steel Pointe site. Upon the issuance of District bonds, BLD would be reimbursed for its eligible expenditures previously advanced for the waterfront public improvements and related infrastructure. If the district bonds are not issued, the City is obligated to reimburse BLD for those advances. District bonds are not expected to be guaranteed by the City.

In addition to the availability of the district bonds, 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 certain 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.

For more information on current development activity in the city of Bridgeport, please see the City's web site at: [www.bridgeportct.gov](http://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 2003, the City hired an outside firm to investigate City residents who were registering their cars in other states or municipalities. The

program remains in place and has resulted in approximately \$2.8 million in additional taxes, interest and fees collected since its inception. 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 \$5.2 million of delinquent motor vehicle taxes has been collected since the implementation of this initiative. The City recently upgraded the Bootfinder Program in 2008. In addition, the City hired TaxServ LLC to serve as the City's tax collection agency. Since April 2009, approximately \$2.3 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 89.2% in Fiscal Year 2010.

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 thirty lien sales, generating more than \$94.2 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 2010, in which the city sold tax liens of approximately \$3.2 million. The City will be conducting its next tax lien sale in April 2012 and will offer approximately \$7 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, 2010, the fund had a deficit of \$1,476,356. 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, 2010. 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 eleven 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, 2010.

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 cursive script that reads "Dawn Norton".

Dawn Norton  
Interim Director of Finance

# 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, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



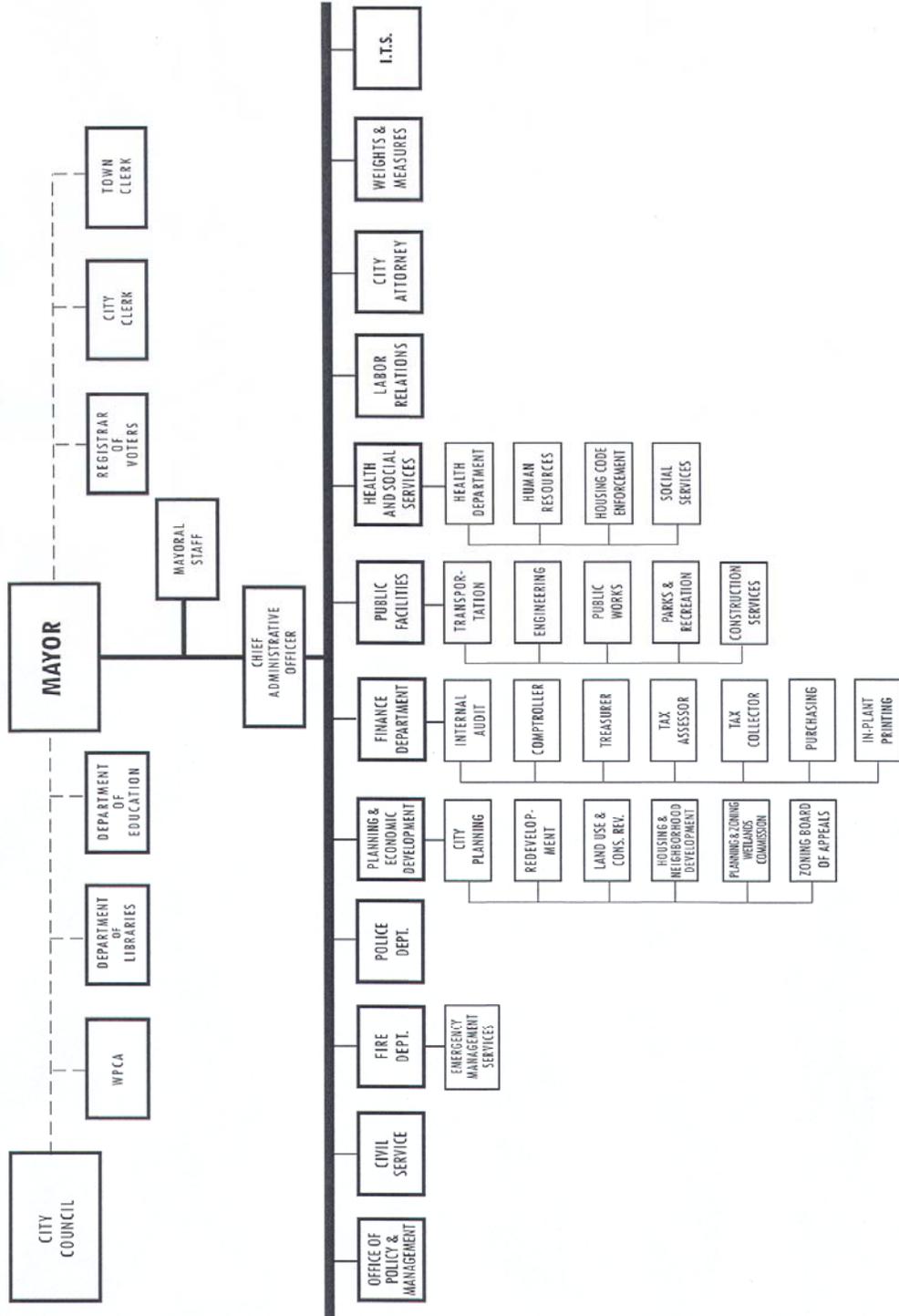
*Linda C. Danison*

President

*Jeffrey R. Emer*

Executive Director

# CITY OF BRIDGEPORT TABLE OF ORGANIZATION



**CITY OF BRIDGEPORT, CONNECTICUT**

**LIST OF PRINCIPAL OFFICERS**

**As of June 30, 2011**

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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
Interim Director of Finance	Dawn Norton	Appointed by Mayor
Deputy Director of Finance/Comptroller	Dawn Norton	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
School Superintendent	John J. Ramos, Sr., E.D.D.	Board of Education

# **Financial Section**



Accounting | Tax | Business Consulting

## Independent Auditors' Report

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Bridgeport, Connecticut, as of and for the year ended June 30, 2011, which collectively comprise the City of Bridgeport, Connecticut's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *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 basic financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to 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, 2011 and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 27, 2011 on our consideration of the City of Bridgeport, Connecticut's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Management's discussion and analysis on pages 3 through 16 and the budgetary comparison information on pages 70 through 74 are not required parts of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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 tables 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 have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we express no opinion on them.

*Blum, Shapiro & Company, P.C.*

December 27, 2011

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**City of Bridgeport, Connecticut**  
**Management's Discussion and Analysis**  
**June 30, 2011**

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, 2011. 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 assets at the close of the fiscal year of \$223,529,018. Total net assets for Governmental Activities at fiscal year-end were \$140,012,799 and total net assets for Business-Type Activities were \$83,516,219. The total unrestricted net deficit at June 30, 2011 was \$(336,806,296).
- ◆ On a government-wide basis, during the year, the City's net assets decreased by \$7,327,811 from \$230,856,829 to \$223,529,018. Net assets decreased by \$10,192,018 for Governmental Activities and increased by \$2,864,207 for Business-Type Activities. Government-wide expenses for governmental activities were \$652.4 million, while revenues were \$642.2 million.
- ◆ At the close of the year, the City's governmental funds reported, on a current financial resource basis, combined ending fund balances of \$74.1 million, an increase of \$977,504 from the prior fiscal year. Of the total fund balance as of June 30, 2011, \$1.3 million represents the restricted fund balance, \$65.6 million committed or assigned and \$6.7 million unassigned in the general fund, special revenue funds, capital projects fund and permanent trust fund. Of this balance, only \$16.6 million, and \$54.1 million represent the positive fund balance in the general fund, and capital funds respectively, are 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 \$16.6 million: \$5.2 million is assigned for potential future claims/uses; \$10.9 million is unassigned. Available general fund fund balance at year-end represents 2.2% of total general fund expenditures (\$500 million).
- ◆ The City's total long term debt decreased by \$15.5 million during fiscal 2011.

**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 2002.

## 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 assets presents information on all of the City's assets and liabilities, with the difference reported as net assets. Over time, increases or decreases in net assets 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 assets 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 Assets 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 28-69 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**

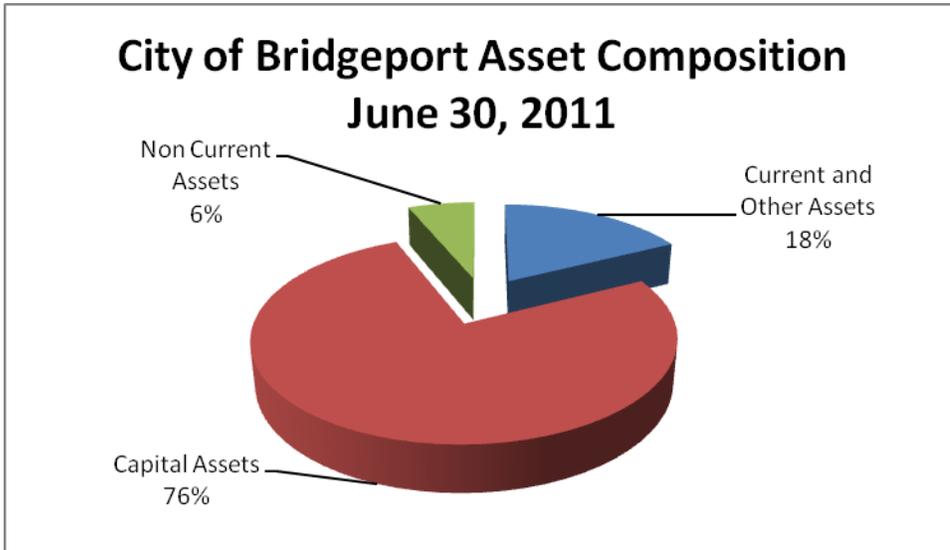
As noted earlier, net assets may serve over time as a useful indicator of a government's financial position and an important determinant of its ability to finance services in the future. On a government-wide basis, the City's assets exceeded its liabilities by \$223,529,018 at June 30, 2011. This is a decrease of \$7,327,811 from last year's net assets of \$230,856,829.

**CITY OF BRIDGEPORT, CONNECTICUT**

**NET ASSETS**

(In Thousands)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Current and other assets	\$ 214,356	\$ 211,020	\$ 9,119	\$ 8,348	\$ 223,475	\$ 219,368
Noncurrent	78,632	88,318	923	821	79,555	89,139
Capital assets	846,536	816,518	121,374	123,595	967,910	940,113
Total assets	<u>1,139,524</u>	<u>1,115,856</u>	<u>131,416</u>	<u>132,764</u>	<u>1,270,940</u>	<u>1,248,620</u>
Other liabilities	163,902	170,843	7,322	7,602	171,224	178,445
Long-term debt outstanding	835,609	794,808	40,578	44,510	876,187	839,318
Total liabilities	<u>999,511</u>	<u>965,651</u>	<u>47,900</u>	<u>52,112</u>	<u>1,047,411</u>	<u>1,017,763</u>
Net assets:						
Invested in capital assets net of related debt	480,650	444,946	75,601	73,752	556,251	518,698
Restricted	3,161	3,161	923	820	4,084	3,981
Unrestricted	<u>(343,798)</u>	<u>(297,902)</u>	<u>6,992</u>	<u>6,080</u>	<u>(336,806)</u>	<u>(291,822)</u>
Total net assets	<u>\$ 140,013</u>	<u>\$ 150,205</u>	<u>\$ 83,516</u>	<u>\$ 80,652</u>	<u>\$ 223,529</u>	<u>\$ 230,857</u>



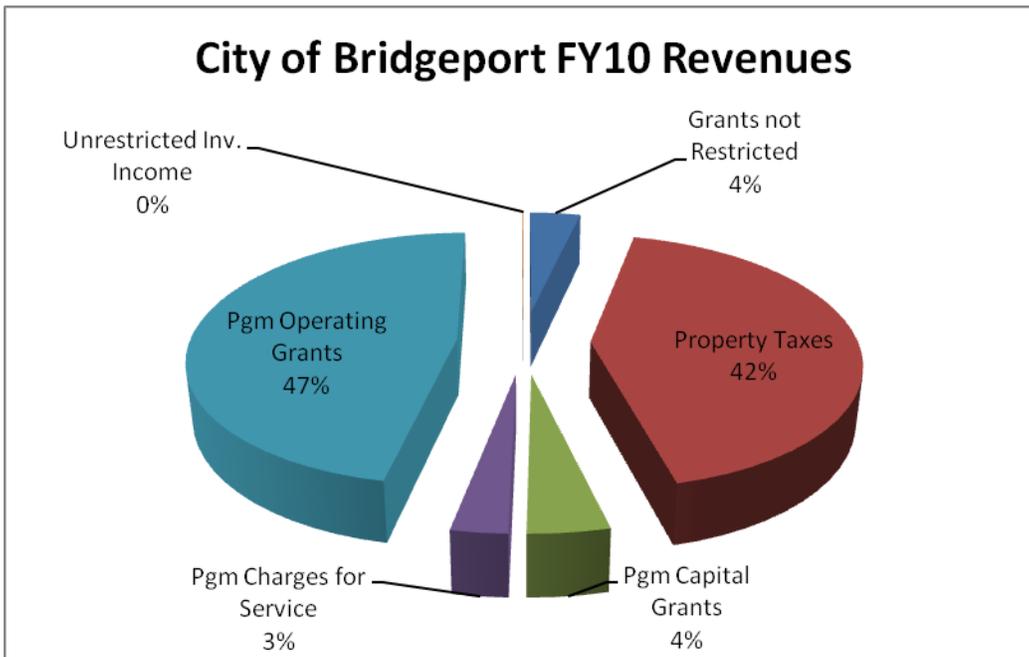
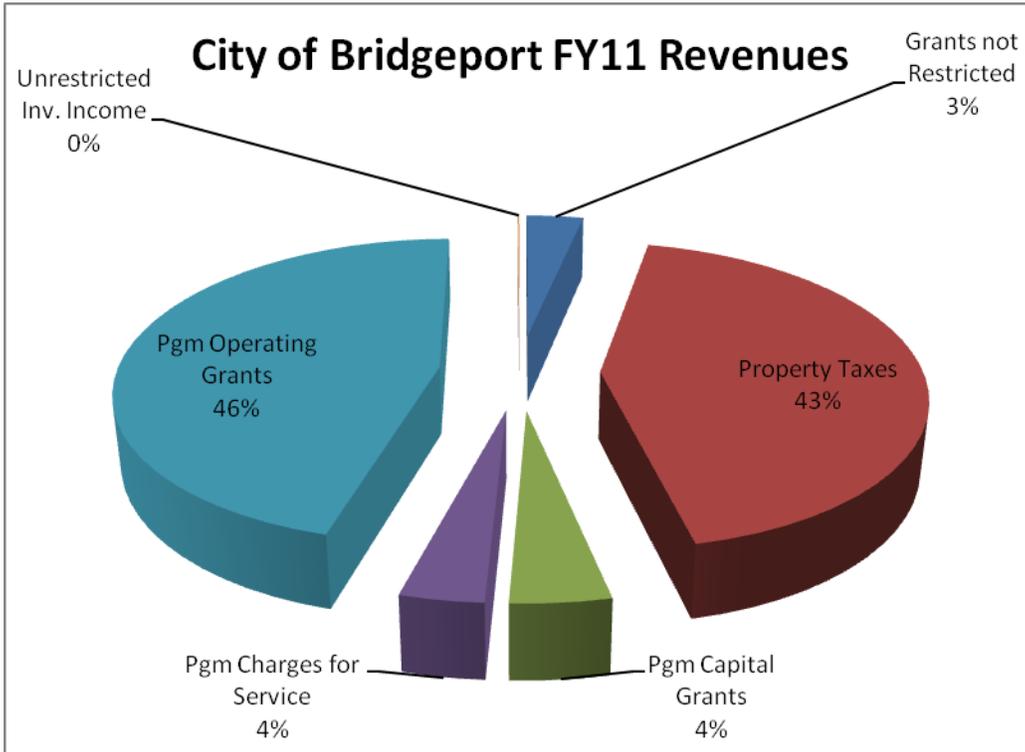
At the end of the current fiscal year, the City is able to report a positive balance in both its governmental and proprietary activities.

The portion of the City's net assets \$556,250,980 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.

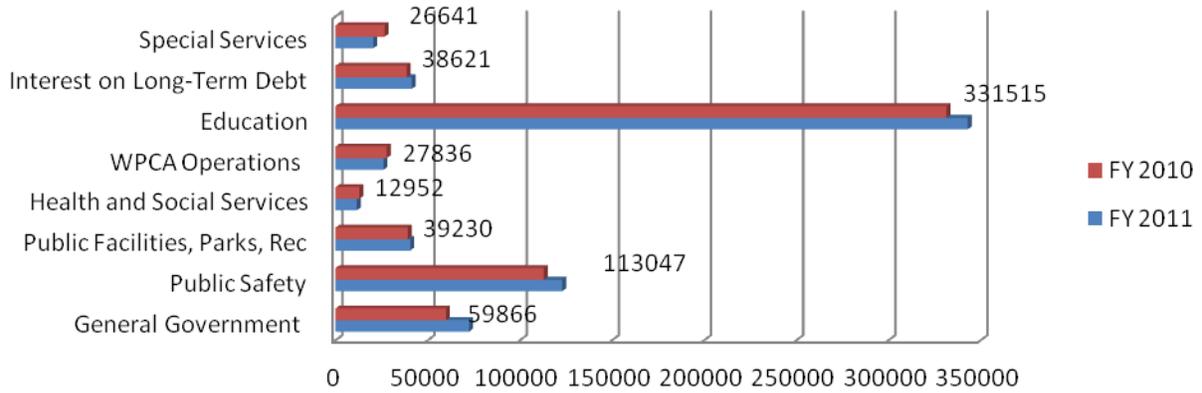
- ◆ The portion of the City's net assets that are restricted, \$4,084,334 represents resources that are subject to external restrictions on how they may be used. Unrestricted net deficit of \$(336,806,296) may not be used to meet the government's ongoing obligations to citizens and creditors, due to 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 \$298,375,000. On a government-wide basis, during the year, the City's net assets decreased by \$7,327,811 from \$230,856,829 to \$223,529,018. Net assets decreased by \$10,192,018 for Governmental Activities and net assets increased by \$2,864,207 for Business-Type Activities. Government-wide expenses were \$652.4 million, while revenues were \$642.2 million. The decrease in net assets can primarily be explained by the increase in noncurrent liabilities which are due in more than one year.

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

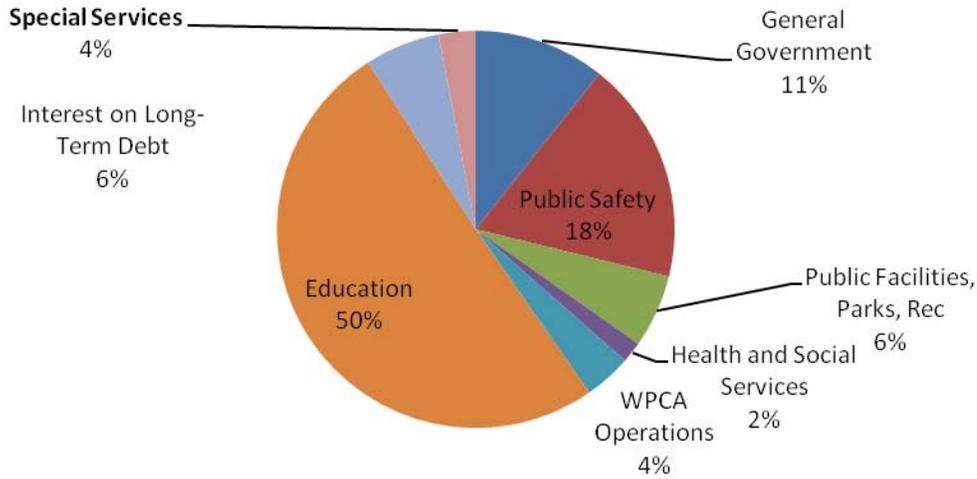
	<u>Governmental</u> <u>Activities</u>		<u>Proprietary</u> <u>Activities</u>		<u>Total</u> <u>Government-Wide</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Revenues:						
Program revenues:						
Charges for services	\$ 22,510	\$ 17,852	\$ 28,077	\$ 26,813	\$ 50,587	\$ 44,665
Operating grants and contributions	293,281	293,489			293,281	293,489
Capital grants and contributions	26,800	25,791	776	1,343	27,576	27,134
General revenues:						
Property taxes	277,621	267,026			277,621	267,026
Grants not restricted to specific programs	21,547	22,626			21,547	22,626
Unrestricted investment earnings	469	371	23	25	492	396
Miscellaneous	14				14	
Total revenues	<u>642,242</u>	<u>627,155</u>	<u>28,876</u>	<u>28,181</u>	<u>671,118</u>	<u>655,336</u>
Expenses:						
General government	72,447	59,866			72,447	59,866
Public safety	123,045	113,047			123,045	113,047
Public facilities, parks and recreation, planning and development	40,488	39,229			40,488	39,229
Health and social services	11,568	12,952			11,568	12,952
Operations			26,012	27,836	26,012	27,836
Education	343,046	331,515			343,046	331,515
Interest on long-term debt	41,407	38,622			41,407	38,622
Special services	20,433	26,641			20,433	26,641
Total expenses	<u>652,434</u>	<u>621,872</u>	<u>26,012</u>	<u>27,836</u>	<u>678,446</u>	<u>649,708</u>
Change in net assets	(10,192)	5,283	2,864	345	(7,328)	5,628
Net Assets, beginning	<u>150,205</u>	<u>144,922</u>	<u>80,652</u>	<u>80,307</u>	<u>230,857</u>	<u>196,233</u>
Net Assets, Ending	<u>\$ 140,013</u>	<u>\$ 150,205</u>	<u>\$ 83,516</u>	<u>\$ 80,652</u>	<u>\$ 223,529</u>	<u>\$ 230,857</u>



## City of Bridgeport Primary Government Expenditures FY 2011 v FY2010 (in millions)



## City of Bridgeport Expenses - Primary Government June 30, 2011



Bridgeport's net assets decreased by \$7,327,811 during the fiscal year, with the net assets of Governmental Activities decreasing by \$10,192,018 million, and net assets of Business-Type Activities increasing by \$2,864,207. The decrease in net assets represents the degree to which increases in ongoing expenditures have outpaced revenues.

## **Governmental Activities**

Program revenues represented 54% of total revenues, followed by property taxes at 43%, and other unrestricted grants and investment earnings at 3%.

Major revenue factors included:

- ◆ Property tax revenues recorded for fiscal year 2011 represents an increase of \$10,594,685 from the prior fiscal year ended June 30, 2010.
- ◆ Program Revenue increased \$5,460,021 from \$337,131,360 in the prior fiscal year to \$342,591,381 for the fiscal year ended June 30, 2011.

For Governmental Activities, 51% of the City's expenses relate to education; 18% relate to public safety; 3% relate to special services; 6% relate to interest payments on long-term debt; 6% relate to public facilities, parks and recreation; 3% related to Water Pollution Control Authority operations; 11% relate to general government; and 2% relate to health and welfare.

Major expense factors include:

- ◆ On the job loss of two of the City's bravest incurred unanticipated expenses.
- ◆ During the 2010-2011 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 went from \$26.8 million in fiscal year 2010 to \$28 million in fiscal year 2011 while their expenses decreased from \$27.8 million to \$26 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 \$74.1 million, an increase of \$977,504 from the prior year, due mainly to an increase in assets. Total General Fund balance grew \$894,982 from \$15.6 million to \$16.6 million. Of this total General Fund balance \$5.2 million is assigned to cover pension expense and legal for potential future claims/uses. \$10.9 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 \$16.6 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 3.31% of total General Fund expenditures.

All Long-term liabilities except OPEB were collectively down \$14,023,326 mainly due to union negotiations that resulted in higher contributions toward employee benefits and payoff of debt. OPEB increased mainly due to a loss of two lives while on the job. There was an increase in the Internal Service Fund due to an increase in workers compensation liability, also due to the loss of the two lives on the job.

The Capital Bond Issue Fund has a total fund balance of \$54 million up from \$52.8 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. Net Capital Assets increased \$30,017,609 over prior year.

The Other Governmental Funds have a total fund balance of \$4.1 million, down from \$5.2 million in the prior year, mainly due to lower revenues 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 assets of the proprietary fund consisting of the Water Pollution Control Authority were \$80.6 million, as compared to \$80.3 million in the prior year.

The unrestricted net assets of the Water Pollution Control Authority were \$7 million. The Water Pollution Control Authority experienced operating revenues of \$27.1 million from user fees. There was a total operating income for the WPCA of \$2 million before capital contributions of \$775,944. The change in net assets for the fiscal year ended June 30, 2011 was \$2.9 million.

### **General Fund Budgetary Highlights**

The City's fiscal 2011 budget was a balanced budget. Budgetary operating expenses were set at \$3.3 million lower than fiscal 2010, excluding pension, contractual salary increases and 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 \$470,334,863 of which actual was \$470,136,457 showing total expenditures and other financing uses actual lower than budget by 198,406. Expenses were kept low due to layoffs, position freezes and union granted concessions which included a mandatory step increase to 25% healthcare contribution from all employees to be fully effective July 1, 2012. Excluded from this agreement were two City side bargaining units who were in negotiations and all Board of Education employees.

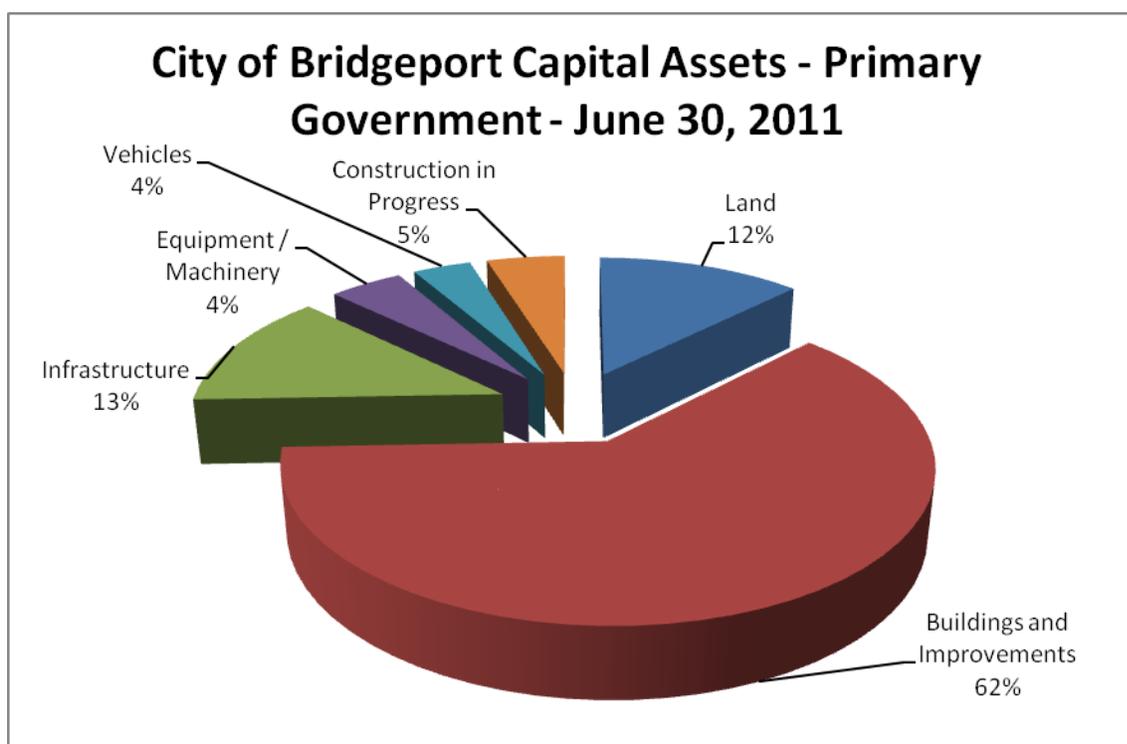
Over all total property taxes fell short of budgetary results for fiscal year 2011 by \$1.4 million, while current tax collection rates remained strong at a 96.38% the collection for the arrears fell short of expectations by \$1.5 million. Total revenues and other financing sources with a budgetary base of \$470,334,863 showed actual of \$471,085,616 resulting in actual over budgetary revenues of \$750,753. Actual revenue over budget was due mainly to intergovernmental revenues that came in over the budgeted amount. The Educational Cost Sharing grant came in ahead of schedule by \$2.1 million.

## 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, 2011, amounted to \$846.5 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 \$30 million.

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

	Governmental Activities		Proprietary Activities		Total Primary Government	
	2011	2010	2011	2010	2011	2010
Land	\$ 139,235	\$ 139,235	\$	\$	\$ 139,235	\$ 139,235
Buildings and improvements	551,254	480,656	53,513	57,625	604,767	538,281
Infrastructure	63,868	58,001			63,868	58,001
Equipment, distribution and collection systems	32,601	27,161	63,344	60,817	95,945	87,978
Vehicles	6,199	8,440	236	271	6,435	8,711
Construction in progress	53,379	103,025	4,280	4,882	57,659	107,907
<b>Total</b>	<b>\$ 846,536</b>	<b>\$ 816,518</b>	<b>\$ 121,373</b>	<b>\$ 123,595</b>	<b>\$ 967,909</b>	<b>\$ 940,113</b>



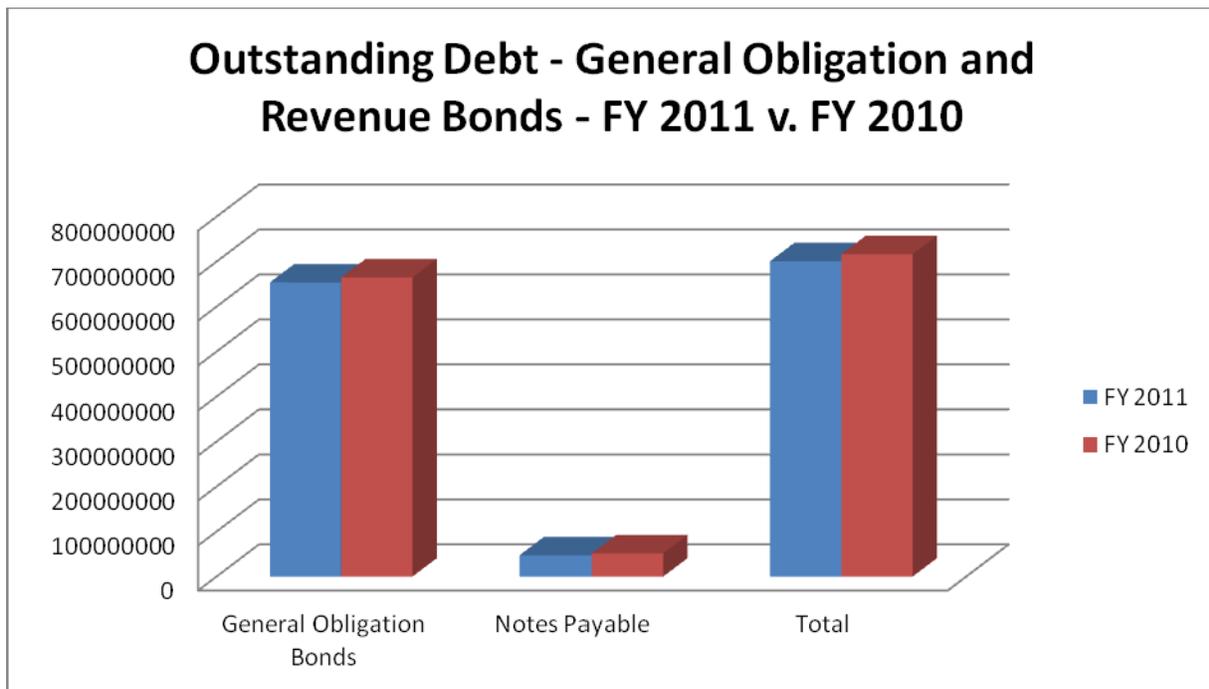
Major capital asset events during the current fiscal year included the following:

- ◆ 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	
	2011	2010	2011	2010	2011	2010
General obligation bonds	\$ 651,890,000	\$ 662,665,000	\$ 2,151,722	\$ 2,255,000	\$ 654,041,722	\$ 664,920,000
Notes payable	3,471,000	4,137,000	43,620,800	47,588,683	47,091,800	51,725,683
Totals	<u>\$ 655,361,000</u>	<u>\$ 666,802,000</u>	<u>\$ 45,772,522</u>	<u>\$ 49,843,683</u>	<u>\$ 701,133,522</u>	<u>\$ 716,645,683</u>



**Long-term debt.** At the end of the current fiscal year, the City had total bonded debt outstanding of \$701,133,522. 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 \$47,091,800 through user fee charges.

The City’s total long term debt decreased by \$15.5 million during fiscal 2011.

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 "A1", "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 times annual receipts from taxation or \$1.91 billion. As of June 30, 2011, the City recorded long-term debt of \$654 million related to Governmental Activities and \$47.1 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 9 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, 2011, the unemployment rate for the Bridgeport Labor Market Area was 13.98%, up from 12.9% in the prior year. Connecticut's overall unemployment rate increased to 9.1% from 8.9%, 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 45 Lyon Terrace, Bridgeport, CT 06604.

## **Basic Financial Statements**

## CITY OF BRIDGEPORT, CONNECTICUT

## STATEMENT OF NET ASSETS

JUNE 30, 2011

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Assets:			
Current assets:			
Cash and cash equivalents	\$ 115,478,099	\$ 3,220,957	\$ 118,699,056
Temporarily restricted cash and cash equivalents	2,500,000		2,500,000
Investments	2,057,344		2,057,344
Receivables, net of allowances for collection losses:			
Property taxes	31,489,930		31,489,930
Sewer user fees and liens		5,832,590	5,832,590
Federal and state governments	55,315,635		55,315,635
Other	5,789,757	1,441,075	7,230,832
Internal balances	1,375,218	(1,375,218)	-
Other assets	350,000		350,000
Total current assets	<u>214,355,983</u>	<u>9,119,404</u>	<u>223,475,387</u>
Noncurrent:			
Temporarily restricted cash and cash equivalents		923,098	923,098
Deferred charges, net of accumulated amortization	12,043,388		12,043,388
Capital assets not being depreciated	192,613,860	4,280,313	196,894,173
Capital assets being depreciated, net of depreciation	653,921,778	117,093,342	771,015,120
Net pension assets	66,588,444		66,588,444
Total noncurrent assets	<u>925,167,470</u>	<u>122,296,753</u>	<u>1,047,464,223</u>
Total assets	<u>1,139,523,453</u>	<u>131,416,157</u>	<u>1,270,939,610</u>
Liabilities:			
Current liabilities:			
Accounts payable and accrued expenses	53,288,584	2,127,416	55,416,000
Due to fiduciary funds	2,866,736		2,866,736
Unearned revenues	10,072,501		10,072,501
Notes payable	25,000,000		25,000,000
Accrued interest payable	15,728,386		15,728,386
Current maturities of long-term obligations	56,945,335	5,194,525	62,139,860
Total current liabilities	<u>163,901,542</u>	<u>7,321,941</u>	<u>171,223,483</u>
Noncurrent liabilities:			
Due in more than one year	<u>835,609,112</u>	<u>40,577,997</u>	<u>876,187,109</u>
Total liabilities	<u>999,510,654</u>	<u>47,899,938</u>	<u>1,047,410,592</u>
Net Assets:			
Investment in capital assets, net of related debt	480,649,847	75,601,133	556,250,980
Restricted for:			
Debt service and capital improvements		923,098	923,098
Permanent funds, expendable	108,705		108,705
Permanent funds, nonexpendable	552,531		552,531
Self-insured claims	2,500,000		2,500,000
Unrestricted	<u>(343,798,284)</u>	<u>6,991,988</u>	<u>(336,806,296)</u>
Total Net Assets	<u>\$ 140,012,799</u>	<u>\$ 83,516,219</u>	<u>\$ 223,529,018</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, 2011**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government	\$ (72,446,991)	\$ 5,681,830	\$ 975,269	\$	\$ (65,789,892)	\$	\$ (65,789,892)
Public safety	(123,045,441)	6,217,889	530,148		(116,297,404)		(116,297,404)
Public facilities, parks and recreation	(36,878,325)	5,225,479	1,560,017	324,725	(29,768,104)		(29,768,104)
Planning and economic development	(3,610,102)	2,292,655	7,291,614		5,974,167		5,974,167
Health and social services	(11,567,506)	1,502,929	8,662,148		(1,402,429)		(1,402,429)
Education	(343,046,242)	756,596	265,667,950	26,475,637	(50,146,059)		(50,146,059)
Special services	(20,432,503)	832,216	6,890,585		(12,709,702)		(12,709,702)
Interest on long-term debt	(41,407,157)		1,703,694		(39,703,463)		(39,703,463)
Total governmental activities	(652,434,267)	22,509,594	293,281,425	26,800,362	(309,842,886)		(309,842,886)
Business-type activities:							
Water Pollution Control Authority	(26,011,481)	28,076,908		775,944		2,841,371	2,841,371
Total	\$ (678,445,748)	\$ 50,586,502	\$ 293,281,425	\$ 27,576,306	(309,842,886)	2,841,371	(307,001,515)
General revenues:							
Property taxes					277,621,119		277,621,119
Grants and contributions not restricted to specific programs					21,546,933		21,546,933
Unrestricted investment earnings					468,605	22,836	491,441
Miscellaneous					14,211		14,211
Total general revenues					299,650,868	22,836	299,673,704
Change in net assets					(10,192,018)	2,864,207	(7,327,811)
Net assets, Beginning of Year					150,204,817	80,652,012	230,856,829
Net Assets, End of Year					\$ 140,012,799	\$ 83,516,219	\$ 223,529,018

The accompanying notes are an integral part of the financial statements

## CITY OF BRIDGEPORT, CONNECTICUT

## BALANCE SHEET - GOVERNMENTAL FUNDS

JUNE 30, 2011

	<u>General</u>	<u>Education Grants</u>	<u>Capital Bond Issue</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 38,947,692	\$	\$ 69,131,721	\$ 5,921,704	\$ 114,001,117
Investments				2,057,344	2,057,344
Receivables, net of allowances for collection losses:					
Property taxes	31,489,930				31,489,930
Intergovernmental	34,413,891	9,091,337	389,047	11,421,360	55,315,635
Other	2,060,433		97,573	3,631,751	5,789,757
Due from other funds	62,895,692	260,400	29,668,766	3,475,370	96,300,228
Other assets	350,000				350,000
Total Assets	<u>\$ 170,157,638</u>	<u>\$ 9,351,737</u>	<u>\$ 99,287,107</u>	<u>\$ 26,507,529</u>	<u>\$ 305,304,011</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts payable	\$ 22,021,742	\$ 2,407,058	\$ 7,095,143	\$ 3,111,004	\$ 34,634,947
Payroll and other accrued liabilities	14,306,484	3,032,832		747,850	18,087,166
Due to other funds	49,540,792	3,272,316	37,973,481	11,178,588	101,965,177
Deferred revenues	42,728,110	1,231,539	156,535	7,401,557	51,517,741
Notes payable	25,000,000				25,000,000
Total liabilities	<u>153,597,128</u>	<u>9,943,745</u>	<u>45,225,159</u>	<u>22,438,999</u>	<u>231,205,031</u>
Fund balances:					
Nonspendable	350,000				350,000
Restricted				1,398,998	1,398,998
Committed			54,061,948	6,293,734	60,355,682
Assigned	5,222,700				5,222,700
Unassigned	10,987,810	(592,008)		(3,624,202)	6,771,600
Total fund balances	<u>16,560,510</u>	<u>(592,008)</u>	<u>54,061,948</u>	<u>4,068,530</u>	<u>74,098,980</u>
Total Liabilities and Fund Balances	<u>\$ 170,157,638</u>	<u>\$ 9,351,737</u>	<u>\$ 99,287,107</u>	<u>\$ 26,507,529</u>	<u>\$ 305,304,011</u>

(Continued on next page)

## CITY OF BRIDGEPORT, CONNECTICUT

## BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)

JUNE 30, 2011

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

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

Fund balances - total governmental funds	\$ 74,098,980
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:	
Governmental capital assets	\$ 1,112,952,332
Less accumulated depreciation	<u>(266,416,694)</u>
Net capital assets	846,535,638
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	14,453,325
Interest receivable on property taxes	16,439,669
Receivable from the state for school construction projects	10,552,246
Bond issuance costs	12,043,388
Net pension asset	66,588,444
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 assets.	(102,403,324)
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	(655,361,000)
Deferred for issuance premiums	(8,899,791)
Compensated absences	(26,023,391)
Landfill closure	(154,170)
OPEB obligation	(90,365,866)
Net pension obligation	(1,762,963)
Interest payable on bonds and notes	<u>(15,728,386)</u>
Net Assets of Governmental Activities (Exhibit I)	<u>\$ 140,012,799</u>

The accompanying notes are an integral part of the financial statements

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

**FOR THE YEAR ENDED JUNE 30, 2011**

	<u>General</u>	<u>Education Grants</u>	<u>Capital Bond Issue</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues:</b>					
Property taxes	\$ 272,206,146	\$	\$	\$	\$ 272,206,146
Intergovernmental	207,535,677	87,840,060	26,899,907	18,084,348	340,359,992
Fees, permits and licenses	15,355,420				15,355,420
Interest	222,913		214,136	30,555	467,604
Other	4,898,553		427,774	4,085,819	9,412,146
Total revenues	<u>500,218,709</u>	<u>87,840,060</u>	<u>27,541,817</u>	<u>22,200,722</u>	<u>637,801,308</u>
<b>Expenditures:</b>					
Current:					
General government	38,316,161			347,515	38,663,676
Public safety	107,582,600				107,582,600
Public facilities	33,119,337				33,119,337
Planning and economic development	3,610,102				3,610,102
Health and social services	9,035,215			2,466,559	11,501,774
Libraries	5,168,669			224,099	5,392,768
Education	229,559,379	87,799,267		1,937	317,360,583
Special services	718,288			20,377,736	21,096,024
Debt service:					
Principal retirements	31,641,000				31,641,000
Interest and other charges	41,269,592				41,269,592
Capital outlay			45,222,006	958	45,222,964
Total expenditures	<u>500,020,343</u>	<u>87,799,267</u>	<u>45,222,006</u>	<u>23,418,804</u>	<u>656,460,420</u>
Excess (Deficiency) of Revenues over Expenditures	<u>198,366</u>	<u>40,793</u>	<u>(17,680,189)</u>	<u>(1,218,082)</u>	<u>(18,659,112)</u>
<b>Other Financing Sources (Uses):</b>					
Transfers in	500,000				500,000
Transfers out			(500,000)		(500,000)
Bonds issued			19,440,000		19,440,000
Bond refunding issue	10,010,000				10,010,000
Premium on bond refunding	84,783				84,783
Payment to escrow agent	(9,898,167)				(9,898,167)
Total other financing sources (uses)	<u>696,616</u>	<u>-</u>	<u>18,940,000</u>	<u>-</u>	<u>19,636,616</u>
Net Change in Fund Balances	894,982	40,793	1,259,811	(1,218,082)	977,504
Fund Balances at Beginning of Year	<u>15,665,528</u>	<u>(632,801)</u>	<u>52,802,137</u>	<u>5,286,612</u>	<u>73,121,476</u>
Fund Balances at End of Year	<u>\$ 16,560,510</u>	<u>\$ (592,008)</u>	<u>\$ 54,061,948</u>	<u>\$ 4,068,530</u>	<u>\$ 74,098,980</u>

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**CITY OF BRIDGEPORT, CONNECTICUT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - GOVERNMENTAL FUNDS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2011**

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)	\$ 977,504
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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	50,755,405
Depreciation expense	(20,737,796)

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	3,378,113
Property tax interest and lien revenue - accrual basis change	1,986,620
School building grant receipts	(923,792)
Net pension assets	(8,650,010)

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 assets. 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:

Issuance of general obligation bonds	(19,440,000)
Refunding bonds issued	(10,010,000)
Bond and note principal payments	30,992,833
Payments to refunding bond escrow agent	9,898,167

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:

Amortization of deferred amounts for issuance premiums	1,200,083
Compensated absences	315,110
Landfill post closure care	24,806
OPEB obligation	(28,705,066)
Net pension obligation	114,724
Amortization of bond issuance costs	(1,035,867)
Accrued interest	927,603

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.	(21,260,455)
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Change in Net Assets of Governmental Activities (Exhibit II)	\$ (10,192,018)
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The accompanying notes are an integral part of the financial statements

## CITY OF BRIDGEPORT, CONNECTICUT

## STATEMENT OF NET ASSETS - PROPRIETARY FUNDS

JUNE 30, 2011

	<u>Business-Type Activities Enterprise Fund</u>	<u>Governmental Activities Internal Service Fund</u>
Assets:		
Current:		
Cash and cash equivalents	\$ 3,220,957	\$ 1,476,982
Receivables, net of allowances for collection losses:		
Unbilled usage charges	5,832,590	
Other receivables	1,441,075	
Due from other funds		5,873,374
Other assets		
Total current assets	<u>10,494,622</u>	<u>7,350,356</u>
Noncurrent:		
Restricted cash and cash equivalents	923,098	2,500,000
Capital assets not being depreciated	4,280,313	
Capital assets being depreciated, net of accumulated depreciation	<u>117,093,342</u>	
Total noncurrent assets	<u>122,296,753</u>	<u>2,500,000</u>
Total assets	<u>132,791,375</u>	<u>9,850,356</u>
Liabilities:		
Current:		
Current portion of long-term debt	5,194,525	
Accounts payable and accrued expenses	1,422,252	566,471
Accrued interest payable	155,364	
Construction contracts payable	546,800	
Due to other funds	1,375,218	1,699,943
Deferred revenue	3,000	
Claims payable - current portion		19,231,266
Total current liabilities	<u>8,697,159</u>	<u>21,497,680</u>
Noncurrent:		
Claims payable - noncurrent portion		90,756,000
Long-term debt less current portion	<u>40,577,997</u>	
Total noncurrent liabilities	<u>40,577,997</u>	<u>90,756,000</u>
Total liabilities	<u>49,275,156</u>	<u>112,253,680</u>
Net Assets:		
Invested in capital assets, net of related debt	75,601,133	
Restricted for debt service and capital improvements	923,098	
Restricted for self-insured claims		2,500,000
Unrestricted	<u>6,991,988</u>	<u>(104,903,324)</u>
Total Net Assets	<u>\$ 83,516,219</u>	<u>\$ (102,403,324)</u>

The accompanying notes are an integral part of the financial statements

## CITY OF BRIDGEPORT, CONNECTICUT

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

FOR THE YEAR ENDED JUNE 30, 2011

	<u>Business-Type Activities</u> <u>Enterprise Fund</u>	<u>Governmental Activities</u> <u>Internal Service Fund</u>
Operating revenues:		
Sewer user fees	\$ 28,076,908	\$
Charges for services		103,099,991
Total operating revenues	<u>28,076,908</u>	<u>103,099,991</u>
Operating expenses:		
Operation and maintenance	18,586,147	
Depreciation	6,469,130	
Claims		124,360,446
Total operating expenses	<u>25,055,277</u>	<u>124,360,446</u>
Operating income (loss)	<u>3,021,631</u>	<u>(21,260,455)</u>
Nonoperating revenue (expense):		
Interest income	22,836	
Interest expense	<u>(956,204)</u>	
Total nonoperating revenue	<u>(933,368)</u>	<u>-</u>
Loss before capital contributions	2,088,263	(21,260,455)
Capital contributions	<u>775,944</u>	<u>-</u>
Change in Net Assets	2,864,207	(21,260,455)
Total Net Assets, Beginning of Year	<u>80,652,012</u>	<u>(81,142,869)</u>
Total Net Assets, End of Year	<u>\$ 83,516,219</u>	<u>\$ (102,403,324)</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, 2011**

	<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	\$ 29,055,015	\$
Payments to suppliers	(18,231,146)	
Payments to employees	(664,276)	
Cash received (paid) for interfund services used	(2,036,896)	(4,434,974)
Cash received from charges for services		103,099,991
Cash paid to vendors and beneficiaries		(98,365,169)
Net cash provided by operating activities	<u>8,122,697</u>	<u>299,848</u>
Cash flows from capital and related financing activities:		
Principal payments on debt	(5,381,366)	
Interest paid on debt	(946,065)	
Proceeds from notes payable	1,310,205	
Proceeds received on capital grants	775,944	
Purchase of capital assets	(4,030,555)	
Net cash used in capital and related financing activities	<u>(8,271,837)</u>	<u>-</u>
Cash flows from investing activities:		
Interest received on investments	22,836	
Net cash provided by investing activities	<u>22,836</u>	<u>-</u>
Net increase in cash and cash equivalents	(126,304)	299,848
Cash and cash equivalents at beginning of year	<u>4,270,359</u>	<u>3,677,134</u>
Cash and Cash Equivalents at End of Year	<u>\$ 4,144,055</u>	<u>\$ 3,976,982</u>
Reconciliation to Statement of Net Assets:		
Cash and cash equivalents	\$ 3,220,957	\$ 1,476,982
Restricted cash and cash equivalents	<u>923,098</u>	<u>2,500,000</u>
	<u>\$ 4,144,055</u>	<u>\$ 3,976,982</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:		
Operating income (loss)	\$ 3,021,631	\$ (21,260,455)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Depreciation	6,469,130	
Depreciation		
Decrease in accounts receivable and unbilled usage charges	376,976	
(Increase) decrease in other receivables	513,715	
Increase in other assets	57,909	
Increase in provision for uncollectible accounts	87,916	
Increase (decrease) in due to other funds	(2,036,896)	(4,434,974)
Increase (decrease) in accounts payable and accrued expenses	(367,184)	(290,515)
Decrease in deferred revenues	(500)	
Increase in claims payable		<u>26,285,792</u>
Net Cash Provided by Operating Activities	<u>\$ 8,122,697</u>	<u>\$ 299,848</u>

The accompanying notes are an integral part of the financial statements

## CITY OF BRIDGEPORT, CONNECTICUT

## STATEMENT OF FIDUCIARY NET ASSETS - FIDUCIARY FUNDS

JUNE 30, 2011

	<u>Pension Trust Funds</u>	<u>Agency Fund</u>
Assets:		
Cash and cash equivalents	\$ 19,508,945	\$ 344,745
Investments:		
U.S. Government Agency Bonds	32,983,391	
U.S. Government Security Bonds	9,340,422	
Corporate Bonds	25,926,444	
Common Stocks	178,040,082	
Private Hedge Fund	14,601,667	
Mutual Funds - Equities	75,451,392	
Total investments	<u>336,343,398</u>	<u>-</u>
Due from other funds	2,866,736	
Contributions receivable	<u>2,865,838</u>	<u>-</u>
Total assets	<u>361,584,917</u>	<u>344,745</u>
Liabilities:		
Other liabilities	186	
Due to student groups		344,745
Total liabilities	<u>186</u>	<u>344,745</u>
Net Assets	<u>\$ 361,584,731</u>	<u>\$ -</u>

The accompanying notes are an integral part of the financial statements

## CITY OF BRIDGEPORT, CONNECTICUT

## STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS - FIDUCIARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2011

	<u>Pension Trust Funds</u>
Additions:	
Contributions:	
Employer	\$ 16,274,494
Plan members	2,585,837
Annuity proceeds	2,719,063
Total contributions	<u>21,579,394</u>
Investment income:	
Net appreciation in fair value of investments	53,161,908
Interest and dividends	8,912,203
	<u>62,074,111</u>
Less investment expenses:	
Investment management fees	<u>(927,901)</u>
Net investment income	<u>61,146,210</u>
Total additions	82,725,604
Deductions:	
Benefits	<u>39,375,975</u>
Net increase	43,349,629
Net assets held in trust for pension benefits, beginning of year	<u>318,235,102</u>
Net Assets Held in Trust for Pension Benefits, End of Year	<u>\$ 361,584,731</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 assets 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. 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.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989 generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

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 approximately \$1,000,000. Of this amount, \$53,480 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.

#### 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 assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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 Assets

In the Government-Wide Financial Statements, net assets are classified in the following categories:

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

***Restricted Net Assets*** - 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 Assets*** - 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).

**Assigned Fund Balance** - For all governmental funds other than the General Fund, this represents any remaining positive amounts not classified as nonspendable, restricted or committed. For the General Fund, this includes 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 lever 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:

- ◆ The Mayor shall submit to the City Council, no later than 120 days before July 1, the proposed operating and capital budgets.
- ◆ The Mayor shall submit to the City Council, with the proposed budgets, a certificate that the budget is consistent with a three-year financial plan, and that operating within the budget is feasible.
- ◆ Expenditures may not legally exceed appropriations at the department level (legal level of control).
- ◆ Budgets must include appropriations which, among others, allow funding of expenditures required by law, those for debt service, and for elimination of prior deficits, as well as those properly attributable to the fiscal year.
- ◆ Budgeted revenues cannot exceed certain actual amounts of prior year's revenues unless justification for each item has been approved by the City Council.
- ◆ Budgets must include schedules of cash disbursements and cash receipts for the fiscal year on a monthly basis, with sufficient detail for City Council to determine estimated need for cash-flow borrowings during the year.
- ◆ The City Council shall approve the three year financial plan, with the budget forming the first year of the financial plan, once it determines that such plan is complete.
- ◆ Transfers and supplemental appropriations of budgeted amounts that change a department's total budgeted expenditures must be adopted by resolutions of the City Council. There were \$963,548 supplemental appropriations during the year ended June 30, 2011. In addition, per City Ordinance, all requests for transfers of \$10,000 or more in the aggregate in any one fiscal year between sub-line items must also be requested through the City Council with appropriate documentation. Also, any transfers between line item accounts (salary, overtime, fringe benefits and operating and special services) shall be submitted with appropriate documentation, for Council approval regardless of the dollar amount.

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	\$ 510,813,492	\$ 509,918,510
Bond refunding transactions:		
Bond refunding issue	(10,010,000)	
Premium on bond refunding	(84,783)	
Payment to escrow agent		(9,898,167)
Bond refunding cost		(196,616)
State Teachers' Retirement payments made by State Department of Education on behalf of the City, not recognized for budgetary purposes	(18,921,574)	(18,921,574)
On-behalf payments, paid directly by the Department of Public Health to WIC recipients, not recognized for budgetary purposes	(5,000,285)	(5,000,285)
Excess cost payments made by State Department of Education on behalf of the City, not recognized for budgetary purposes	(5,714,487)	(5,714,487)
Encumbrances:		
June 30, 2010		(54,177)
Prior year encumbrances cancelled	<u>3,253</u>	<u>3,253</u>
Balance, Budgetary Basis	<u>\$ 471,085,616</u>	<u>\$ 470,136,457</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, 2011, the following line items overexpended their appropriations:

	<u>Final Appropriations</u>	<u>Expenditures, Encumbrances and Other Financing Uses</u>	<u>Balance Overexpended</u>
Registrar of voters	\$ 551,466	\$ 580,717	\$ 29,251
Archives and records	71,154	80,621	9,467
Office of policy and management	582,559	585,253	2,694
Police department	81,778,674	82,063,979	285,305
Harbor master	76,562	78,858	2,296
Municipal garage	2,147,814	2,197,066	49,252
Public facilities administration	11,958,174	12,095,595	137,421
Sanitation	5,179,518	5,429,931	250,413
Parks	2,330,142	2,397,813	67,671
OPED Administration	12,085,434	12,243,257	157,823
Environmental health	587,179	605,357	18,178
Human service administration	99,569	99,823	254
Miscellaneous expenses	(3,296,962)	199,999	3,496,691
Schools	192,418,968	192,590,672	171,704
Food services	12,278,680	12,309,815	31,135
Board of education debt service	19,437,442	19,867,246	429,804

### Special Revenue Funds

The City does not have legally adopted annual budgets for its special revenue funds. Budgets for the various special revenue funds which are utilized to account for specific grant programs are established in accordance with the requirements of the grantor agencies. Such budgets are non-lapsing 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*, \$72,531,690 of the City’s bank balance of \$74,404,389 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 65,103,521
Uninsured and collateral held by the pledging bank’s trust department, not in the City’s name	<u>7,428,169</u>
Total Amount Subject to Custodial Credit Risk	<u><u>\$ 72,531,690</u></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, 2011 the City's cash equivalents amounted to \$72,152,186. 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.

	<b>Standard &amp; Poor's</b>
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

Cash and cash equivalents are restricted for the following uses at June 30, 2011:

Proprietary Fund:	
Self Insurance Programs	\$ 2,500,000
Enterprise Fund:	
Debt Service and Capital Improvements	<u>923,098</u>
Total	<u>\$ 3,423,098</u>

## **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 as follows:

Equities	64.0%
Fixed Income	23.5%
Hedge Fund Investments	10.0%
Cash	2.5%

*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 over concentration 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) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The 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, 2011:

Investments:

Permanent Trust Fund:

U.S. Government Securities \$ 506,263 \*

Special Revenue Fund:

U.S. Government Securities 1,551,081 \*

Pension Trust Funds:

U.S. Government Agencies 32,983,391 \*

Corporate Bonds 25,926,444 \*

U.S. Government Securities 9,340,422 \*

Common and Preferred Stocks 178,040,082 \*

Mutual Funds 75,451,392

Private Hedge Fund 14,601,667

336,343,398

Total Investments \$ 338,400,742

\* 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 assets:

Cash and cash equivalents \$ 118,699,056

Restricted cash and cash equivalents 3,423,098

Investments 2,057,344

124,179,498

Fiduciary funds:

Cash and cash equivalents 19,853,690

Investments 336,343,398

356,197,088

Total Cash, Cash Equivalents and Investments \$ 480,376,586

***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:				
U.S. Government agencies	\$ 32,983,391	\$ 1,891,437	\$ 19,259,420	\$ 11,832,534
U.S. Government securities	9,340,422	2,573,082	6,204,279	563,061
Corporate Bonds	<u>25,926,444</u>	<u>2,381,189</u>	<u>21,409,917</u>	<u>2,135,338</u>
Total	\$ <u><u>68,250,257</u></u>	\$ <u><u>6,845,708</u></u>	\$ <u><u>46,873,616</u></u>	\$ <u><u>14,530,933</u></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>
AAA	\$ 350,466	\$ 42,323,813
AA+	746,279	
AA	642,733	
AA-	731,100	
A+	2,698,314	
A	4,218,454	
A-	2,372,034	
BBB+	2,229,985	
BB+	644,260	
BB	436,012	
BBB	1,870,612	
BB-	726,545	
BBB-	1,258,321	
B+	1,048,683	
B	2,166,374	
B-	1,406,488	
CCC+	408,200	
CCC	757,557	
Unrated	1,214,027	
	\$ 25,926,444	\$ 42,323,813
	\$ 25,926,444	\$ 42,323,813

#### 4. RECEIVABLES - FUND BASIS

Receivables at June 30, 2011 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	\$ 38,248,585	\$	\$	\$	\$	\$ 38,248,585
Interest on property taxes	16,439,669					16,439,669
Contributions					2,865,838	2,865,838
Sewer user fees				10,303,935		10,303,935
Intergovernmental	34,413,891	9,091,337	389,047		11,421,360	55,315,635
Other	2,060,433		97,573	1,441,075	3,631,751	7,230,832
Gross receivables	<u>91,162,578</u>	<u>9,091,337</u>	<u>486,620</u>	<u>11,745,010</u>	<u>17,918,949</u>	<u>130,404,494</u>
Less allowance for collection losses	<u>23,198,324</u>			<u>4,471,345</u>		<u>27,669,669</u>
Net Receivables	<u>\$ 67,964,254</u>	<u>\$ 9,091,337</u>	<u>\$ 486,620</u>	<u>\$ 7,273,665</u>	<u>\$ 17,918,949</u>	<u>\$ 102,734,825</u>

## 5. INTERFUND ACCOUNTS

As of June 30, 2011, amounts due from and to other funds were as follows:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$ 62,895,692	\$ 49,540,792
Education grants	<u>260,400</u>	<u>3,272,316</u>
Capital Bond Issue Fund	<u>29,668,766</u>	<u>37,973,481</u>
Special revenue funds:		
Health and sanitation	12,572	
Public safety	203,635	
Facility and miscellaneous	202,315	1,528,714
Social services	126,901	202,315
Community Development Block Grant		731,816
Housing Opportunities AIDS	30,530	773,092
HOME Program	25,246	499,180
Section 108 Loan Guarantee		982,820
Development administration state grant		7,292,395
Parks and recreation	<u>55,570</u>	
Total special revenue funds	<u>656,769</u>	<u>12,010,332</u>
Capital projects funds:		
Conversion capital projects	<u>3,698,459</u>	<u>48,882</u>
Total capital projects funds	<u>3,698,459</u>	<u>48,882</u>
Permanent trust funds:		
Education	<u>768</u>	
Enterprise funds:		
WPCA		<u>1,375,218</u>
Pension trust funds:		
Public Safety Plan A	<u>2,866,736</u>	
Internal service fund:		
City health insurance	<u>5,873,374</u>	<u>1,699,943</u>
Nonmajor governmental fund elimination	<u>(880,626)</u>	<u>(880,626)</u>
Total	<u>\$ 105,040,338</u>	<u>\$ 105,040,338</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, 2011 were as follows:

<u>Transfer In</u>	<u>Transfer Out</u>	<u>Amount</u>
General Fund	Capital Bond Issue	\$ 500,000

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, 2011, the City executed a bulk sale of property tax liens and collected proceeds of approximately \$10,475,972. 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, 2011 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	\$	\$	\$ 139,235,293
Construction in progress	103,024,756	11,407,559	(61,053,748)	53,378,567
Total capital assets not being depreciated	<u>242,260,049</u>	<u>11,407,559</u>	<u>(61,053,748)</u>	<u>192,613,860</u>
Capital assets being depreciated:				
Buildings and improvements	606,109,474	82,872,393		688,981,867
Machinery and equipment	42,238,847	7,828,133		50,066,980
Infrastructure	133,802,301	7,824,835		141,627,136
Vehicles	37,786,256	1,876,233		39,662,489
Total capital assets being depreciated	<u>819,936,878</u>	<u>100,401,594</u>	<u>-</u>	<u>920,338,472</u>
Less accumulated depreciation for:				
Buildings and improvements	125,453,437	12,275,174		137,728,611
Machinery and equipment	15,078,134	2,387,400		17,465,534
Vehicles	29,346,311	4,117,528		33,463,839
Infrastructure	75,801,016	1,957,694		77,758,710
Total accumulated depreciation	<u>245,678,898</u>	<u>20,737,796</u>	<u>-</u>	<u>266,416,694</u>
Total capital assets being depreciated, net	<u>574,257,980</u>	<u>79,663,798</u>		<u>653,921,778</u>
Governmental Activities Capital Assets, Net	<u>\$ 816,518,029</u>	<u>\$ 91,071,357</u>	<u>\$ (61,053,748)</u>	<u>\$ 846,535,638</u>
	<u>Beginning Balance</u>	<u>Additions/ Transfers</u>	<u>Disposals/ Transfers</u>	<u>Ending Balance</u>
Business-type activities:				
Capital assets not being depreciated:				
Construction in progress	\$ 4,882,395	\$ 2,317,700	\$ (2,919,782)	\$ 4,280,313
Capital assets being depreciated:				
Buildings and improvements	102,818,579			102,818,579
Machinery and equipment	14,573,498	515,681	1,217,220	16,306,399
Distribution and collection systems	69,682,660	1,337,473	1,702,562	72,722,695
Vehicles	2,409,117	76,738		2,485,855
Total capital assets being depreciated	<u>189,483,854</u>	<u>1,929,892</u>	<u>2,919,782</u>	<u>194,333,528</u>
Less accumulated depreciation for:				
Buildings and improvements	45,193,676	4,111,532		49,305,208
Machinery and equipment	9,144,360	717,685		9,862,045
Distribution and collection systems	14,294,655	1,528,202		15,822,857
Vehicles	2,138,365	111,711		2,250,076
Total accumulated depreciation	<u>70,771,056</u>	<u>6,469,130</u>	<u>-</u>	<u>77,240,186</u>
Total capital assets being depreciated, net	<u>118,712,798</u>	<u>(4,539,238)</u>	<u>2,919,782</u>	<u>117,093,342</u>
Business-Type Activities Capital Assets, Net	<u>\$ 123,595,193</u>	<u>\$ (2,221,538)</u>	<u>\$ -</u>	<u>\$ 121,373,655</u>

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

Governmental Activities:	
General government	\$ 4,266,905
Public safety	2,029,676
Public facilities, parks and recreation	5,340,165
Health and social services	195,894
Education	<u>8,905,156</u>
 Total Depreciation Expense - Governmental Activities	 \$ <u><u>20,737,796</u></u>
 Business-Type Activities:	
WPCA	\$ <u><u>6,469,130</u></u>

## 8. UNEARNED REVENUE/DEFERRED REVENUE

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

	<u>Deferred Revenue</u>	<u>Unearned Revenue</u>
General Fund:		
Taxes and accrued interest on delinquent property taxes	\$ 30,892,994	\$
School construction receivable	10,552,246	
Other		1,282,870
 Education Grants Fund		 1,231,539
 Capital Bond Issue Fund		 156,535
 Nonmajor Funds:		
Grants		<u>7,401,557</u>
 Total Unavailable/Unearned Revenue for Governmental Funds	 \$ <u><u>41,445,240</u></u>	 \$ <u><u>10,072,501</u></u>

## 9. LONG-TERM DEBT AND SUBSEQUENT EVENT

### Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2011 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	\$ 662,665,000	\$ 29,450,000	\$ 40,225,000	\$ 651,890,000	\$ 28,070,000
Notes payable	4,137,000		666,000	3,471,000	628,000
Deferred amounts:					
For issuance premium	10,099,874	84,783	1,284,866	8,899,791	1,285,652
Total bonds and notes payable	<u>676,901,874</u>	<u>29,534,783</u>	<u>42,175,866</u>	<u>664,260,791</u>	<u>29,983,652</u>
Claims and judgments	83,701,474	41,237,266	14,951,474	109,987,266	19,231,266
Compensated absences	26,338,501	4,872,234	5,187,344	26,023,391	7,705,611
Landfill closure costs	178,976		24,806	154,170	24,806
OPEB obligation	61,660,800	28,705,066		90,365,866	
Net pension obligation	<u>1,877,687</u>		<u>114,724</u>	<u>1,762,963</u>	
Governmental Activity Long-Term Liabilities	<u>\$ 850,659,312</u>	<u>\$ 104,349,349</u>	<u>\$ 62,454,214</u>	<u>\$ 892,554,447</u>	<u>\$ 56,945,335</u>
Business-type activities:					
Bonds and notes payable:					
General obligation bonds	\$ 2,255,000		\$ 103,278	\$ 2,151,722	\$ 115,249
Notes payable	<u>47,588,683</u>	<u>1,310,205</u>	<u>5,278,088</u>	<u>43,620,800</u>	<u>5,079,276</u>
Business-Type Activity Long-Term Liabilities	<u>\$ 49,843,683</u>	<u>\$ 1,310,205</u>	<u>\$ 5,381,366</u>	<u>\$ 45,772,522</u>	<u>\$ 5,194,525</u>

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

### Notes Payable

Notes payable as of June 30, 2011 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 \$ 3,471,000

#### Business-Type Activities:

Clean Water Program, due in varying installments,  
plus interest at 2% through 2021 43,620,800

Total \$ 47,091,800

## General Obligation Bonds

As of June 30, 2011, the City had the following general obligation bonds outstanding:

Governmental Activities:	
General purpose, 4.0% to 8.6%	\$ 228,802,671
School, 4.0% to 9.5%	124,712,329
Pension, 6.9% to 7.6%	<u>298,375,000</u>
	\$ <u>651,890,000</u>
Business-Type Activities:	
General purpose, 2.0% to 6.0%	\$ <u>2,151,722</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.

## Prior Year's In-Substance Defeasance

In prior years, the City defeased various bond issues. As of June 30, 2011, the amount of defeased debt outstanding but removed from the governmental activities column of the statement of net assets amounted to \$84,020,000.

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
2012	\$ 28,698,000	\$ 37,425,072	\$ 66,123,072	\$ 5,194,525	\$ 900,949	\$ 6,095,474
2013	32,187,000	38,119,444	70,306,444	5,078,505	796,663	5,875,168
2014	34,012,000	36,387,930	70,399,930	4,911,636	694,734	5,606,370
2015	36,083,000	34,509,477	70,592,477	5,239,972	617,495	5,857,467
2016	36,803,000	32,528,253	69,331,253	4,960,985	526,464	5,487,449
2017	38,493,000	30,459,664	68,952,664	3,323,617	437,441	3,761,058
2018	38,395,000	28,324,240	66,719,240	3,063,031	370,828	3,433,859
2019	40,520,000	26,360,394	66,880,394	2,850,914	307,655	3,158,569
2020	40,765,000	24,003,464	64,768,464	2,699,022	250,084	2,949,106
2021	34,370,000	21,544,023	55,914,023	1,165,112	205,435	1,370,547
2022	36,375,000	19,474,615	55,849,615	1,103,695	179,734	1,283,429
2023	32,765,000	17,392,510	50,157,510	1,097,459	152,697	1,250,156
2024	34,765,000	15,318,347	50,083,347	925,196	129,942	1,055,138
2025	33,035,000	13,190,080	46,225,080	914,642	105,232	1,019,874
2026	32,575,000	11,062,931	43,637,931	844,017	82,542	926,559
2027	34,700,000	8,848,494	43,548,494	742,699	61,417	804,116
2028	28,205,000	6,681,697	34,886,697	707,212	41,311	748,523
2029	30,225,000	4,564,464	34,789,464	552,777	22,563	575,340
2030	32,390,000	2,290,998	34,680,998	360,343	6,941	367,284
2031				36,475	216	36,691
2032				636	8	644
2033				52		52
Total	\$ <u>655,361,000</u>	\$ <u>408,486,097</u>	\$ <u>1,063,847,097</u>	\$ <u>45,772,522</u>	\$ <u>5,890,351</u>	\$ <u>51,662,873</u>

The State of Connecticut reimburses the City for eligible school bond principal and interest costs. The amount of such reimbursement for the year ended June 30, 2011 was approximately \$1,569,269. Additional principal and interest reimbursements approximating \$12,873,001 are expected to be received through the bonds' maturity dates.

#### General Obligation Bonds Refunding

On July 15, 2010, the City issued \$10,010,000 in general obligation bonds with an interest rate of 2.5-3.0% to advance refund \$9,250,000 of outstanding 2001, 2006, and 2007 bonds with interest rates of 4.25-5.5%. This advance refunding will increase the overall debt payments by \$1,582,261 which was undertaken to reduce total debt service payments for fiscal years ending June 30, 2011, 2012 and 2013 by \$8,724,589. As a result, the net present value savings is \$(364,844). The net proceeds (after payment of underwriting fees, insurance and other issuance costs) were used to purchase U.S. Government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded bonds. As a result, the bonds are considered to be defeased.

## 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	\$ 613,860,104	\$ 299,001,571	\$ 314,858,533
Schools	1,227,720,209	194,326,383	1,033,393,826
Sewers	1,023,100,174	45,773,000	977,327,174
Urban renewal	886,686,817	3,471,000	883,215,817
Unfunded pension benefit obligation	818,480,139	388,375,000	430,105,139

The total overall statutory debt limit for the City is equal to seven times annual receipts from taxation, or \$1,909,786,991. 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	\$ 45,198,900
Unfunded Pension Benefit Obligation	90,000,000
Schools	<u>80,166,300</u>
	<u>\$ 215,365,200</u>

## Tax Anticipation Notes Payable

On April 5, 2011, the City issued a tax anticipation note in the amount of \$25,000,000 to fund cash flows for operating expenses. The notes matured and were paid in full on August 5, 2011 with an interest rate of 1.25%.

On October 13, 2011, the City issued a tax anticipation note in the amount of \$71,500,000 to fund cash flows for operating expenses. The notes mature on February 10, 2012 with an interest rate of 2.00%.

## 10. FUND BALANCE

The components of fund balance for the governmental funds at June 30, 2011 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				737,762	737,762
Library trust fund				552,531	552,531
Education trust fund				108,705	108,705
Committed to:					
Various capital projects			54,061,948	4,299,039	58,360,987
Library				1,747,931	1,747,931
Education				246,764	246,764
Assigned to:					
Pension Contributions	2,000,000				2,000,000
Legal	3,222,700				3,222,700
Unassigned	<u>10,987,810</u>	<u>(592,008)</u>		<u>(3,624,202)</u>	<u>6,771,600</u>
Total Fund Balances	<u>\$ 16,560,510</u>	<u>\$ (592,008)</u>	<u>\$ 54,061,948</u>	<u>\$ 4,068,530</u>	<u>\$ 74,098,980</u>

Significant encumbrances at June 30, 2011 are contained in the above table in both the assigned and committed categories.

## 11. 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 which 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 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 \$5 and \$10 million dollars in the aggregate. Any recovery under such actions will be paid by the City, which is self-insured for such risks.

## Steel Point Peninsula Suit - Bridgeport Harbour Place I, LLC

In the summer of 2001, the City and several elected and appointed officials were named in a suit filed in U.S. District Court by the former preferred developer of the Steel Pointe Project, Alexius Conroy dba Bridgeport Harbour Place I, LLC (“Conroy”) seeking damages of approximately \$105 million. Conroy’s action is based upon the City’s decision to terminate its memorandum of understanding with the developer, as well as claims linked to the 2001 federal investigation of City officials and business entities. Defendants filed a motion to dismiss which was granted by the court on or about September 23, 2003. Conroy did not file an amended complaint within the time permitted by the Federal court to do so.

On or about January 14, 2004, Conroy filed a related complaint against the City and various other parties, including the former Bridgeport Mayor, in Connecticut State court. The City and various co-defendants filed motions to dismiss, which were granted in part and denied in part. Trial has concluded with jury verdicts for the Defendant City as to all counts. Conroy appealed the judgment entered in favor of the City, as well as those judgments entered for and against co-defendants (who cross-appealed), and the trial court’s (Judge B. Stevens) Motion to Strike rulings barring Conroy’s anti-trust claims and the court’s granting of the City’s Motion in Limine precluding plaintiffs from introducing speculative evidence of alleged lost profits.

On or about August 22, 2011 the CT Appellate Court issued a decision upholding the jury verdict in this case and denying Plaintiff’s appeals and defendants’ cross appeals. Conroy’s Petition for Certification is pending before the CT Supreme Court, with briefing and argument expected to occur as soon as the Spring of 2012. On or about December 13, 2011, the CT Supreme Court denied Conroy’s anti-trust appeal to which the City was a party defendant. Note, Defendant Ganim alleges the City is responsible for payment of the \$393,000 plus interest Judgment outstanding against him. The City rejects this contention on the basis of CT state statutes, and outside counsel will defend against all such claims by Defendant Ganim for indemnification.

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

Wheelabrator Bridgeport L.P. (Wheelabrator), as owner of a solid waste to energy facility and currently the City’s largest taxpayer, has filed tax valuation appeals for the second half of 2007, all of 2008 and 2009 Tax Grand Lists. These appeals are presently pending in Bridgeport Superior Court. It is anticipated that, until the valuation of the Wheelabrator real and personal property is judicially determined, Wheelabrator will continue to add subsequent tax years to its pending court action.

The City has assessed the property at the following assessed values (70% of FMV): for 2007 - \$256 million for real property, and \$12 million for personal property; for 2008 - \$281 million for real property, and \$7.5 million for personal property. These assessed valuations formed the basis for tax bills as follows: 2007 - \$5,704,847 for real property, and \$538,415 for personal property; 2008 - \$10,891,256 for real property, and \$286,353 for personal property. In prior years, Wheelabrator paid a fixed escalating contractual payment in lieu of taxes, most recently in an amount of approximately \$3 million per annum.

To date, Wheelabrator has been paying the statutorily mandated 90% of tax bills as required by state law to avoid arrears collection activity. It is likely that Wheelabrator will continue such payments during the pendency of the tax appeal. In the pending court case, Wheelabrator has neither made a demand for a specified dollar amount of reduction in valuation/tax billings, nor has it supplied any documentation to justify such a reduction. Therefore, it is premature to determine

what, if any, reduction is ascertainable and warranted. If Wheelabrator is successful in its appeals, the City would be required to refund to Wheelabrator any amount above the court ordered reduction in taxes previously paid to the City by Wheelabrator. The City has filed a Motion to dismiss the tax appeal alleging lack of standing and raising other procedural issues, which if granted could have resulted in no reduction in assessed value. However, the Motion to Dismiss was denied, and the case is pending in New Britain Superior Court.

### 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 \$1,289,785 during the year ended June 30, 2010, 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 \$355,000 was received for the year ended June 30, 2010. The Society retains any revenues from admissions, vending, concessions, other grants or bequests.

### WPCA Privatization Agreement

On April 11, 2003, the WPCA entered into a ten-year agreement with an independent contractor (the Contractor) to provide operations, maintenance and management services to its two wastewater treatment facilities and systems. There has been an assignment of contractual rights and obligations from the original Contractor (“PSG”) to the current operating Contractor (“KGI”).

The WPCA may terminate the agreement in its sole discretion, for its convenience and without cause at any time commencing on the third year anniversary of the commencement date upon one hundred twenty days prior written notice to the Contractor. If the WPCA exercises its convenience termination, the WPCA shall not be liable to the Contractor for any demobilization costs, termination fees or any other costs or expenses except for the portion of the service fee due to the Contractor pursuant to the terms of the agreement through the date of termination, the unamortized capital costs and certain other costs.

The WPCA is examining its future operations option, including retention of a successor operator, as well as exploring the possibility of entering into a plan with neighboring communities to create a regional WPCA.

### 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 \$203,000,000. As of June 30, 2011, approximately \$164,000,000 relating to these projects, including capitalized interest, have 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, 2011, the State is committed to providing the WPCA additional funding in the form of loans and grants of approximately \$9,400,000 and \$9,000,000, respectively.

### Municipal Solid Waste Service Agreement

The City executed a Municipal Service Agreement dated as of August 30, 1985 (the 1985 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 Bridgeport Resco Company, L.P. (the Company). The Facility began commercial operation in July 1988 and is designed to process up to 2,250 tons of solid waste per day. The 1985 MSA expired at the end of December 2008.

Bridgeport is one of twelve municipalities that has entered into a 2009 Successor Municipal Service Agreement (the 2009 MSA) with the Authority for the disposal of solid waste through the System. 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.

For fiscal year ending June 30, 2012, the Authority is billing each Participating Municipality a fixed charge of approximately \$65.11 per ton of Acceptable Waste actually delivered by or on behalf of each Participating Municipality. Each Participating Municipality has agreed to pay Municipal Disposal Fees to the Authority for the acceptance and processing and/or disposing of Acceptable Waste. The Municipal Disposal Fees, which are payable on a monthly basis, include (i) disposal fees of the Authority to the Company under a Solid Waste Disposal Agreement, and (ii) an Authority Administrative Fee.

The obligation of the Participating Municipalities to pay Municipal Disposal Fees, so long as the Authority meets its obligation to accept and dispose of Acceptable Waste, is absolute and unconditional and shall not be subject to any abatement, reduction, set-off, counterclaim, recoupment, defense (other than payment itself) or other right which the Participating Municipality may have against the Authority or any other person for any reason whatsoever. If any Participating Municipality shall default in the payment of any amounts for which it is responsible and such default continues for more than 60 days, the other Participating Municipalities shall pay their share of the amounts unpaid by the non-paying Participating Municipality and shall be entitled to full reimbursement upon the Authority collecting such delinquent amounts.

The 2009 MSA contains Minimum Tonnage Guarantees for each Participating Municipality. The City of Bridgeport's Minimum Tonnage Guarantee is 60,808 tons, which it directly delivers to the Facility. The aggregate Minimum Tonnage Guarantee by all the Participating Municipalities is 265,000 tons.

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 was 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. The City is now party to a single-stream recycling project with the Authority to deliver its recyclable to the Stratford IPC for haul to the Authority's recycling facility in Hartford, having entered into a three year contract along with approximately a dozen other former SWEROC participating communities.

## 12. PENSION PLANS

### 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 which 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 9.50% of covered payroll for the current year. The City's contributions for the years ended June 30, 2011, 2010, and 2009 were \$7,199,397, \$5,559,696 and \$5,243,868, respectively, equal to the required contributions for each year.

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

### 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 sixty and has accumulated twenty years of credited service in the public schools of Connecticut or has attained any age and has accumulated thirty-five years of credited service, at least twenty-five of which are service in the public schools of

Connecticut. The 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 \$18,921,574 for the year ended June 30, 2011.

### Single Employer Defined Benefit Plans

The City maintains and administers four single employer defined benefit pension plans which 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

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, 2011, \$2,719,063 of benefits were 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 (\$339,215,770 based on the July 1, 2010 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 as defined by GASB Statement No. 25. 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%).

<u>Provisions of Pension Plans</u>	<u>Public Safety Plan A</u>	<u>Police Plan B</u>	<u>Firefighters’ Plan B</u>	<u>Janitors’ and Engineers’ Retirement Fund</u>
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
Number of retirees receiving benefits	866	95	48	40
Terminated employees entitled to future benefits		4	16	
Current employees:				
Fully vested	33	351	227	
Nonvested	<u>          </u>	<u>    41    </u>	<u>    46    </u>	<u>          </u>
Total number of participants	<u>    899    </u>	<u>    491    </u>	<u>    337    </u>	<u>    40    </u>
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 retirement	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	\$13,556,622 (Normal Cost)	\$5,351, 197	\$3,936,546	“Pay as you go”
Authority under which benefit provisions established	Contract negotiation	Contract negotiation	Contract negotiation	Contract negotiation

<b>Provisions of Pension Plans</b>	<b>Public Safety Plan A</b>	<b>Police Plan B</b>	<b>Firefighters' Plan B</b>	<b>Janitors' and Engineers' Retirement Fund</b>
<u>Funding Status and Progress</u>				
Date of actuarial valuation	July 1, 2010	July 1, 2010	July 1, 2010	July 1, 2010
Significant actuarial assumptions				
• Investment rate of return	8.0%	8.0%	8.0%	8.00%
• Projected annual salary increases	N/A	3.5%	3.5%	N/A
• Inflation	3.0%	3.0%	3.0%	3.0%
• Disability Rate:				
Age 20	.05%	.05%	.05%	None
30	.05%	.05%	.05%	
40	.09%	.09%	.09%	
50	.40%	.40%	.40%	
60	1.74%	1.74%	1.74%	
Actuarial asset valuation method	Asset smoothing plus/minus 30% of the difference between expected actuarial value and market value	Asset smoothing plus/minus 30% of the difference between expected actuarial value and market value	Asset smoothing plus/minus 30% of the difference between expected actuarial value and market value	Market value
Funding Policy	Actuarial, Normal Cost	Actuarial, based on valuation when available	Actuarial, based on valuation when available	"Pay as you go"
Actuarial cost method	Entry age normal	Entry age Normal	Entry age normal	Projected unit credit cost
Amortization method	Level dollar, closed	Level percent of payroll, closed period	Level percent of payroll, closed period	Level Dollar Amount Closed
Period for amortizing any unfunded actuarial liability	26 years remaining	11 years remaining	11 years remaining	10 years remaining
Authority under which contributions are established	City Council	City Council	City Council	City Council

	<b>Public Safety Plan A</b>	<b>Janitors' and Engineers' Retirement Fund</b>
	<u>                    </u>	<u>                    </u>
Annual required contribution	\$ 13,556,622	\$ 906,091
Interest on net pension obligation	(5,601,923)	150,215
Adjustment to annual required contribution	<u>6,477,709</u>	<u>(279,834)</u>
Annual pension cost	14,432,408	776,472
Contributions made	<u>5,000,000</u>	<u>891,196</u>
(Increase) decrease in net pension obligation (asset)	9,432,408	(114,724)
Net pension obligation (asset), July 1, 2010	<u>(70,024,034)</u>	<u>1,877,687</u>
Net Pension Obligation (Asset), June 30, 2011	\$ <u><u>(60,591,626)</u></u>	\$ <u><u>1,762,963</u></u>
	<b>Police Plan B</b>	<b>Firefighters' Plan B</b>
	<u>                    </u>	<u>                    </u>
Annual required contribution	\$ 5,351,197	\$ 3,936,546
Interest on net pension obligation	(274,157)	(142,997)
Adjustment to annual required contribution	<u>479,967</u>	<u>250,344</u>
Annual pension cost	5,557,007	4,043,893
Contributions made	<u>6,176,243</u>	<u>4,207,055</u>
(Increase) decrease in net pension asset	(619,236)	(163,162)
Net pension obligation (asset), July 1, 2010	<u>(3,426,962)</u>	<u>(1,787,458)</u>
Net Pension Obligation (Asset), June 30, 2011	\$ <u><u>(4,046,198)</u></u>	\$ <u><u>(1,950,620)</u></u>

## TREND INFORMATION

Fiscal Year	Annual Pension Cost (APC) (\$000)	Percentage of APC Contributed	Net Pension Obligation (Asset) (\$000)
Public Safety			
Plan A:			
2011	\$ 14,432	34.6%	\$ (60,591)
2010	13,248	35.7%	(70,024)
2009	10,436	78.8%	(78,546)
Police Retirement			
Plan B:			
2011	\$ 5,557	111.1%	\$ (4,046)
2010	4,683	92.7%	(3,427)
2009	3,881	87.5%	(3,770)
Firefighters' Retirement			
Plan B:			
2011	\$ 4,043	104.0%	\$ (1,951)
2010	3,453	95.6%	(1,787)
2009	2,678	90.9%	(1,939)
Janitors' and Engineers' Retirement Plan:			
2011	\$ 776	114.8%	\$ 1,763
2010	855	115.2%	1,877
2009	855	120.7%	2,008

**SCHEDULES OF EMPLOYER CONTRIBUTIONS  
(DOLLARS IN THOUSANDS)**

<b>Year Ended June 30,</b>	<b>Public Safety Plan A</b>		<b>Janitors' and Engineers' Retirement Plan</b>	
	<b>Annual Required Contribution</b>	<b>Percentage Contributed</b>	<b>Annual Required Contribution</b>	<b>Percentage Contributed</b>
2011	\$ 13,557	36.9%	\$ 906	98.4%
2010	12,352	38.3%	877	112.3%
2009	9,621	85.4%	877	117.7%
2008	8,876	51.3%	897	112.9%
2007	8,115	38.5%	897	113.7%
2006	6,473	1.1%	939	113.6%

<b>Year Ended June 30,</b>	<b>Police Retirement Plan B</b>		<b>Firefighters' Retirement Plan B</b>	
	<b>Annual Required Contribution</b>	<b>Percentage Contributed</b>	<b>Annual Required Contribution</b>	<b>Percentage Contributed</b>
2011	\$ 5,351	115.4%	\$ 3,936	106.9%
2010	4,481	96.8%	3,351	98.5%
2009	3,544	95.8%	2,505	106.9%
2008	3,617	126.9%	2,157	115.2%
2007	3,212	99.2%	1,885	94.0%
2006	3,047	98.0%	1,644	93.1%

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

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	(Under)/ Over Funded AAL (UAAL)/ OAAL	Funded Ratio %	Covered Payroll	(UAAL)/ OAAL as a Percentage of Covered Payroll
<b>Public Safety Plan A</b>						
July 1, 2010	\$ 192,669	\$ 339,216	\$ (146,547)	56.8	\$ 2,556	5,733.2
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
July 1, 2007	263,902	360,619	(96,717)	73.2	3,617	2,674.1
July 1, 2006	269,319	358,287	(88,968)	75.2	4,326	2,056.7
July 1, 2005	281,397	353,022	(71,625)	80.0	4,569	1,567.5
<b>Police Retirement Plan B</b>						
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
July 1, 2007	94,546	105,973	(11,427)	89.2	22,511	50.8
July 1, 2006	84,683	93,711	(9,028)	90.3	22,296	40.5
July 1, 2005	76,148	84,596	(8,448)	90.0	21,825	38.7
<b>Firefighters' Retirement Plan B</b>						
July 1, 2010	\$ 65,956	\$ 84,768	\$ (18,812)	77.8	\$ 16,163	116.4
July 1, 2009	62,013	77,496	(15,483)	80.0	15,815	97.9
July 1, 2008	62,016	69,277	(7,261)	89.5	16,017	45.3
July 1, 2007	56,504	62,960	(6,456)	89.7	14,364	45.0
July 1, 2006	51,132	56,146	(5,014)	91.1	13,727	36.5
July 1, 2005	46,820	50,187	(3,367)	93.0	13,674	24.6
<b>Janitors' and Engineers' Retirement Plan</b>						
July 1, 2010	\$ 3	\$ 8,021	\$ (8,018)	.04	\$ -	-
July 1, 2008	3	9,478	(9,475)	.04	-	-
July 1, 2006	3	9,870	(9,867)	.03	-	-
July 1, 2004	3	10,448	(10,445)	.03	29	36,418.7
July 1, 2002	3	10,575	(10,572)	.03	156	6,783.3
July 1, 2000	3	9,895	(9,892)	.03	160	6,165.6

\* Information not available.

**SCHEDULE OF PLAN NET ASSETS**  
**JUNE 30, 2011**

	<b>Public Safety Investment and Pension Trust Plan A</b>	<b>Police Retirement Plan B</b>	<b>Firefighters' Retirement Plan B</b>	<b>Janitors' and Engineers' Retirement Plan</b>	<b>Total</b>
<b>Assets</b>					
Cash and cash equivalents	\$ 11,378,523	\$ 5,204,089	\$ 2,922,900	\$ 3,433	\$ 19,508,945
<b>Investments, at fair value</b>					
U.S. Government Agency Bonds		28,799,110	4,184,281		32,983,391
U.S. Government Security Bonds	9,340,422				9,340,422
Corporate bonds	7,669,472	13,438,882	4,818,090		25,926,444
Common stocks	82,312,072	44,457,320	51,270,690		178,040,082
Private hedge fund	14,601,667				14,601,667
Mutual funds - equities	38,003,542	26,164,286	11,283,564		75,451,392
Total investments	<u>151,927,175</u>	<u>112,859,598</u>	<u>71,556,625</u>	<u>-</u>	<u>336,343,398</u>
Due from other funds of the City of Bridgeport	<u>2,866,736</u>				<u>2,866,736</u>
Contributions receivable	<u>217,123</u>	<u>2,035,011</u>	<u>613,704</u>	<u>-</u>	<u>2,865,838</u>
Total assets	<u>166,389,557</u>	<u>120,098,698</u>	<u>75,093,229</u>	<u>3,433</u>	<u>361,584,917</u>
<b>Liabilities</b>					
Other liabilities	<u>186</u>				<u>186</u>
Net Assets Held in Trust for Pension Benefits	<u>\$ 166,389,371</u>	<u>\$ 120,098,698</u>	<u>\$ 75,093,229</u>	<u>\$ 3,433</u>	<u>\$ 361,584,731</u>

**SCHEDULE OF CHANGES IN  
PLAN NET ASSETS  
FOR THE YEAR ENDED JUNE 30, 2011**

	<b>Public Safety Investment and Pension Trust Plan A</b>	<b>Police Retirement Plan B</b>	<b>Firefighters' Retirement Plan B</b>	<b>Janitors' and Engineers' Retirement Plan</b>	<b>Total</b>
Additions:					
Contributions:					
Employer	\$ 5,000,000	\$ 6,176,243	\$ 4,207,055	\$ 891,196	\$ 16,274,494
Plan members	196,937	1,462,670	926,230		2,585,837
Annuity proceeds	2,719,063				2,719,063
Total contributions	<u>7,916,000</u>	<u>7,638,913</u>	<u>5,133,285</u>	<u>891,196</u>	<u>21,579,394</u>
Investment income:					
Net appreciation in fair value of investments	24,942,292	15,383,572	12,836,044		53,161,908
Interest and dividends	4,930,192	2,199,841	1,782,170		8,912,203
	<u>29,872,484</u>	<u>17,583,413</u>	<u>14,618,214</u>	-	<u>62,074,111</u>
Less investment management fees	(927,901)				(927,901)
Net investment income	<u>28,944,583</u>	<u>17,583,413</u>	<u>14,618,214</u>	-	<u>61,146,210</u>
Total additions	36,860,583	25,222,326	19,751,499	891,196	82,725,604
Deductions:					
Benefits	<u>32,979,330</u>	<u>3,379,900</u>	<u>2,125,549</u>	891,196	<u>39,375,975</u>
Change in net assets	3,881,253	21,842,426	17,625,950	-	43,349,629
Net assets held in trust for pension benefits, beginning of year	<u>162,508,118</u>	<u>98,256,272</u>	<u>57,467,279</u>	3,433	<u>318,235,102</u>
Net Assets Held in Trust for Pension Benefits, End of Year	<u>\$ 166,389,371</u>	<u>\$ 120,098,698</u>	<u>\$ 75,093,229</u>	<u>\$ 3,433</u>	<u>\$ 361,584,731</u>

### 13. 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, 2010 plan membership consisted of the following:

Number of members:	
Active	4,067
Retired members	<u>3,636</u>
Total Participants	<u><u>7,703</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, 2011 the City has not established a trust fund to irrevocably segregate assets to fund the liability associated with the post employment benefits, which would require the reporting of a trust fund in accordance with GASB guidelines. The contribution requirements of plan members and the Town 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 of Bridgeport's annual other post employment 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 thirty 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)	\$ 57,100,111
Interest on net OPEB obligation	3,391,344
Adjustment to annual required contribution	<u>(2,168,405)</u>
Annual OPEB cost (expense)	58,323,050
Contributions made	<u>29,617,984</u>
Increase in net OPEB obligation	28,705,066
Net OPEB obligation, beginning of year	<u>61,660,800</u>
Net OPEB Obligation, End of Year	<u>\$ 90,365,866</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.

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost (AOC)</u>	<u>Actual Contribution</u>	<u>Percentage of AOC Contributed</u>	<u>Net OPEB Obligation (Asset)</u>
6/30/2009	\$ 51,096,000	\$ 30,099,100	\$ 58.9%	\$ 38,705,900
6/30/2010	54,897,400	31,942,500	58.2	61,660,800
6/30/2011	58,323,050	29,617,984	50.8	90,365,866

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

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Underfunded AAL (OAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	OAAL as a Percentage of Covered Payroll ((b-a)/c)
7/1/2007	\$ -	\$ 874,661,900	\$ 874,661,900	0.0%	\$ 239,783,000	364.8%
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
	-					

## Schedule of Employer Contributions

Year Ended	Annual Required Contribution	Percentage Contributed
2008	\$ 47,314,000	65.5%
2009	50,744,800	59.3
2010	54,129,700	59.0
2011	57,100,111	51.9

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, 2010 actuarial valuation, the entry age normal cost method was used. The annual required contribution (ARC) effects a closed 30-year, level percent amount amortization of the unfunded actuarial accrued liability (AAL). The actuarial assumptions include 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 eleven 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. Additionally, the Medicare part B assumption is a long-term rate of 5%.

## 14. 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 which 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, post-closure 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 thirty years after closure. The estimated total current cost of the postclosure care of \$154,170 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, 2011. 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.

## **15. 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 3,852 employees and 3,726 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 contract requires the City to maintain a \$2,500,000 certificate of deposit which is recorded as restricted cash in the accompanying balance sheet.

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:

A reconciliation of changes in the aggregate liabilities for claims for the current year and the prior fiscal year is as follows:

	<b>Beginning of Fiscal Year Liability</b>	<b>Current Year Claims and Changes in Estimates</b>	<b>Claim Payments</b>	<b>End of Fiscal Year Liability</b>
2010	\$ 72,277,783	\$ 119,677,303	\$ 108,253,612	\$ 83,701,474
2011	83,701,474	124,650,961	98,365,169	109,987,266

The current portion of claims incurred but not reported as of June 30, 2011 is \$19,231,266, which relates to Group Health Insurance Claims of \$9,146,266 and \$10,085,000 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 \$90,756,000 is recorded as long-term obligations.

**16. FUND DEFICITS**

The following funds have fund deficits as of June 30, 2011:

Education Grants	\$ 592,008
Nonmajor Governmental Funds:	
Special Revenue:	
Health and Sanitation	84,137
Public Safety	191,334
Social Services	162,676
Community Development Block Grant	1,699,302
Home program	403,387
Development Administration	1,083,366
Proprietary:	
Internal service	102,403,324

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.

# **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, 2011**

	Budgeted Amounts		Actual	Variance With
	Original	Final		Final Budget
				Positive (Negative)
Revenues and Other Financing Sources:				
Property taxes:				
Current taxes	\$ 266,550,627	\$ 266,550,627	\$ 266,901,000	\$ 350,373
Interest - current	1,930,965	1,930,965	2,088,524	157,559
Arrears - principal	3,661,746	3,661,746	2,129,676	(1,532,070)
Arrears - interest	1,300,000	1,300,000	907,258	(392,742)
Lien fees	175,000	175,000	179,688	4,688
Total property taxes	<u>273,618,338</u>	<u>273,618,338</u>	<u>272,206,146</u>	<u>(1,412,192)</u>
Intergovernmental:				
Elderly exemption refund	700,000	700,000	755,982	55,982
Elderly freeze program	19,000	19,000	18,000	(1,000)
DCA tax abatement				
Distressed municipalities	325,000	325,000	352,824	27,824
Education cost sharing	137,229,726	137,229,726	139,393,720	2,163,994
School construction refunds	2,377,776	2,377,776	1,569,274	(808,502)
Transportation	2,482,672	2,482,672	1,896,149	(586,523)
Aid to non-public schools	193,642	193,642	165,211	(28,431)
Town aid roads	491,669	491,669	664,395	172,726
Legally blind	358,599	358,599	143,550	(215,049)
PILOT			227,479	227,479
Miscellaneous PILOTs	1,319,556	1,319,556	1,128,655	(190,901)
Tax exempt colleges and hospitals	8,909,623	8,909,623	8,700,529	(209,094)
Breakfast program:				
State	175,129	175,129	154,340	(20,789)
Federal	2,116,066	3,079,614	3,079,613	(1)
Nutrition Center:				
Federal	145,389	145,389	153,311	7,922
State	8,095,062	8,095,062	8,205,935	110,873
Mashantucket Pequot funds	6,109,924	6,109,924	6,119,615	9,691
Manufacturing Machinery & Equipment	608,000	608,000	839,881	231,881
Beardsley Zoo subsidy			354,348	354,348
Build America Bonds subsidy			1,058,212	1,058,212
State-owned property	2,901,662	2,901,662	2,918,308	16,646
Total intergovernmental	<u>174,558,495</u>	<u>175,522,043</u>	<u>177,899,331</u>	<u>2,377,288</u>
Fees, permits and licenses:				
Finance:				
Comptroller Copies/Books/Miscellaneous	25,100	25,100	22,440	(2,660)
Comptroller Court Fine/CARC	20,000	20,000		(20,000)
Information Technology Services	250	250	16	(234)
Total finance	<u>45,350</u>	<u>45,350</u>	<u>22,456</u>	<u>(22,894)</u>
Town Clerk:				
Licenses and Town Fund	15,700	15,700	18,303	2,603
Notaries/late fees	2,500	2,500	2,846	346
Farm fund	18,000	18,000	23,444	5,444
Assignments	1,100,000	1,100,000	910,366	(189,634)
Certification	400,000	400,000	504,909	104,909
Other licenses	6,100	6,100	41,105	35,005
Total town clerk	<u>1,542,300</u>	<u>1,542,300</u>	<u>1,500,973</u>	<u>(41,327)</u>

(Continued on next page)

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

**FOR THE YEAR ENDED JUNE 30, 2011**

	Budgeted Amounts		Actual	Variance With
	Original	Final		Final Budget
				Positive (Negative)
<b>Building Department:</b>				
Building permits	\$ 1,840,500	\$ 1,840,500	\$ 1,687,347	\$ (153,153)
Sign permits	13,000	13,000	15,150	2,150
Certificate of occupancy fees	50,000	50,000	60,410	10,410
Copies	500	500	356	(144)
Total building department	<u>1,904,000</u>	<u>1,904,000</u>	<u>1,763,263</u>	<u>(140,737)</u>
<b>Police Department:</b>				
Traffic violations	1,350,000	1,350,000	1,034,883	(315,117)
Photocopy fees	35,000	35,000	13,590	(21,410)
Outside overtime	4,000,000	4,000,000	4,522,278	522,278
Overtime surcharge	950,000	950,000	90,390	(859,610)
Reclaimed dog fees	35,415	35,415	1,315	(34,100)
Vendor annual registration fees	20,000	20,000	30,990	10,990
Towing fines	257,000	257,000	168,233	(88,767)
Alarms	25,600	25,600	22,479	(3,121)
Ordinance violations	21,000	21,000		(21,000)
Other	55,250	55,250	57,726	2,476
Total police department	<u>6,749,265</u>	<u>6,749,265</u>	<u>5,941,884</u>	<u>(807,381)</u>
<b>Public facilities:</b>				
Dump license fees	18,000	18,000	15,600	(2,400)
Commercial dump fees	57,000	57,000	115,400	58,400
Street excavation license	3,300	3,300	1,000	(2,300)
Public facility enforcement	20,000	20,000	6,683	(13,317)
Sewer permits	3,000	3,000	4,100	1,100
CRRA host revenue				
Congress Plaza			(1,711)	(1,711)
Annual rent	367,500	367,500	329,813	(37,687)
Parking meters	440,000	440,000	412,644	(27,356)
Engineering map sales	5,600	5,600	4,059	(1,541)
Contractors license	101,400	101,400	111,450	10,050
Zoning appeals fees	36,100	36,100	34,875	(1,225)
Tavern zoning permits	159,400	159,400	166,481	7,081
Other revenues	175,500	175,500	187,505	12,005
Total public facilities	<u>1,386,800</u>	<u>1,386,800</u>	<u>1,387,899</u>	<u>1,099</u>
<b>Parks and recreation:</b>				
Golf course revenues	1,750,000	1,750,000	1,657,645	(92,355)
Wonderland of Ice	137,106	137,106	110,000	(27,106)
90 Acre	2,250	2,250		(2,250)
Kennedy Stadium	1,000	1,000	11,475	(1,000)
Leases/W.I.C.C.	10,500	10,500	10,500	-
Flea market/ballfield	62,000	62,000	55,542	(6,458)
Miscellaneous	353,649	353,649	244,387	(109,262)
Parking stickers	110,000	110,000	35,935	(74,065)
Apartment rental	1,500	1,500	6,175	4,675
City concessions	8,000	8,000	6,000	(2,000)
Total parks and recreation	<u>2,436,005</u>	<u>2,436,005</u>	<u>2,137,659</u>	<u>(298,346)</u>
<b>Civil service:</b>				
Label/Admin fees	88,500	88,500	71,980	(16,520)

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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, 2011**

	Budgeted Amounts		Actual	Variance With
	Original	Final		Final Budget
				Positive (Negative)
Health Department:				
Vital statistics	\$ 441,500	\$ 441,500	\$ 451,465	\$ 9,965
Clinic programs			(11,550)	(11,550)
Business license	328,850	328,850	330,356	1,506
Housing code	42,000	42,000	20,740	(21,260)
Total health department	<u>812,350</u>	<u>812,350</u>	<u>791,011</u>	<u>(21,339)</u>
Education and Nutrition Center:				
Cafeteria	783,500	783,500	685,494	(98,006)
High school ticket sales	15,000	15,000	10,283	(4,717)
Summer school tuition	110,000	110,000	55,835	(54,165)
Total Education and Nutrition Center	<u>908,500</u>	<u>908,500</u>	<u>751,612</u>	<u>(156,888)</u>
Sikorsky Airport:				
Airport fees	54,015	54,015	38,775	(15,240)
Shared revenue	90,400	90,400	73,394	(17,006)
Airport leases	777,700	777,700	672,032	(105,668)
Total Sikorsky Airport	<u>922,115</u>	<u>922,115</u>	<u>784,201</u>	<u>(137,914)</u>
Fire Department:				
Firewatch reimbursement	103,140	103,140	123,032	19,892
Copies	1,500	1,500	1,556	56
Permit	86,375	86,375	76,769	(9,606)
Tank installation	3,500	3,500	1,125	(2,375)
Total fire department	<u>194,515</u>	<u>194,515</u>	<u>202,482</u>	<u>7,967</u>
Total fees, permits and licenses	<u>16,989,700</u>	<u>16,989,700</u>	<u>15,355,420</u>	<u>(1,634,280)</u>
Interest	<u>275,000</u>	<u>275,000</u>	<u>222,913</u>	<u>(52,087)</u>
Other:				
Property rental	778,000	778,000	(736)	(778,736)
O.T.B. income	480,000	480,000	449,790	(30,210)
State Bingo	200	200	41	(159)
Weights and measures	76,000	76,000	73,665	(2,335)
Sale of City-owned property	1,100,000	1,100,000	60,682	(1,039,318)
Miscellaneous	20,000	20,000	1,102,855	1,082,855
Foreclosure cost recovery	15,000	15,000	6,854	(8,146)
Restitution	5,000	5,000	331,927	326,927
Comptroller miscellaneous revenue	955,582	955,582	2,876,728	1,921,146
Total other	<u>3,429,782</u>	<u>3,429,782</u>	<u>4,901,806</u>	<u>1,472,024</u>
Total revenues	<u>468,871,315</u>	<u>469,834,863</u>	<u>470,585,616</u>	<u>750,753</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>\$ 469,371,315</u>	<u>\$ 470,334,863</u>	<u>\$ 471,085,616</u>	<u>\$ 750,753</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, 2011**

	Budgeted Amounts		Actual	Variance With
	Original	Final		Final Budget Positive (Negative)
General government:				
Mayor's office	\$ 730,620	\$ 730,620	\$ 727,474	\$ 3,146
Central grants	402,678	402,679	294,853	107,826
Finance divisions	6,025,934	6,026,131	5,150,871	875,260
Registrar of voters	551,466	551,466	580,717	(29,251)
City clerk	399,569	399,569	328,199	71,370
City attorney	3,738,546	3,738,546	3,305,968	432,578
Archives and records	71,155	71,154	80,621	(9,467)
Civil service	1,077,069	1,077,069	857,409	219,660
Labor relations/benefits/pensions	21,928,988	21,928,797	21,649,111	279,686
Town Clerk	676,173	676,173	622,442	53,731
Legislative department	355,547	355,547	178,644	176,903
Office of policy and management	582,559	582,559	585,253	(2,694)
Ethics commission	3,344	3,344	1,420	1,924
Chief administrative officer	926,174	926,168	892,510	33,658
Information technology service	3,141,930	3,141,930	2,902,229	239,701
Minority business enterprise office	179,760	179,760	158,041	21,719
Total general government	<u>40,791,512</u>	<u>40,791,512</u>	<u>38,315,762</u>	<u>2,475,750</u>
Public Safety:				
Police department	81,778,673	81,778,674	82,063,979	(285,305)
Fire department	53,273,268	53,273,267	53,154,961	118,306
Emergency Operation Center	126,546	126,546	112,487	14,059
Weights and measures	4,418,433	4,418,433	4,392,232	26,201
Total public safety	<u>139,596,920</u>	<u>139,596,920</u>	<u>139,723,659</u>	<u>(126,739)</u>
Public facilities:				
Airport	1,087,274	1,087,275	972,779	114,496
Engineering	529,412	529,412	337,658	191,754
Harbor master	76,562	76,562	78,858	(2,296)
Maintenance	10,379,206	10,205,281	9,927,532	277,749
Municipal garage	1,973,814	2,147,814	2,197,066	(49,252)
Public facilities administration	11,958,174	11,958,174	12,095,595	(137,421)
Roadway	3,292,386	3,292,386	3,185,817	106,569
Sanitation	5,179,518	5,179,518	5,429,931	(250,413)
Transfer station	1,796,079	1,796,079	1,723,353	72,726
Recreation	875,256	875,256	799,719	75,537
Parks administration	376,805	376,805	254,231	122,574
Parks	2,330,172	2,330,142	2,397,813	(67,671)
Zoo	1,407,851	1,407,853	1,360,105	47,748
Golf course	1,323,048	1,323,000	1,285,922	37,078
Total public facilities	<u>42,585,557</u>	<u>42,585,557</u>	<u>42,046,379</u>	<u>539,178</u>

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## 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, 2011**

	Budgeted Amounts		Actual	Variance With
	Original	Final		Final Budget
				Positive (Negative)
Planning and Economic Development:				
OPED administration	\$ 12,085,434	\$ 12,085,434	\$ 12,243,257	\$ (157,823)
Building department	1,263,119	1,263,119	1,041,507	221,612
Zoning board of appeals	88,960	88,960	68,027	20,933
Zoning commission	440,920	440,920	383,784	57,136
Total planning and economic development	<u>13,878,433</u>	<u>13,878,433</u>	<u>13,736,575</u>	<u>141,858</u>
Health and social services:				
Health and social services administration	365,177	365,178	355,090	10,088
Vital statistics	277,850	277,850	258,201	19,649
Communicable disease clinic	417,572	417,571	411,412	6,159
Environmental health	587,179	587,179	605,357	(18,178)
Housing code enforcement	418,425	418,425	411,111	7,314
Lead prevention program	7,199	7,199	3,213	3,986
Human services administration	99,570	99,569	99,823	(254)
Persons with disabilities	5,855	5,855	5,671	184
Department on aging	359,415	359,415	354,747	4,668
Veterans' affairs	72,560	72,560	58,993	13,567
Lighthouse/Youth services	1,359,719	1,359,720	1,351,690	8,030
Social services	137,049	137,049	119,622	17,427
Total health and social services	<u>4,107,570</u>	<u>4,107,570</u>	<u>4,034,930</u>	<u>72,640</u>
Libraries	<u>6,723,003</u>	<u>6,723,003</u>	<u>5,500,303</u>	<u>1,222,700</u>
Special services:				
Miscellaneous expenses	(3,296,692)	(3,296,692)	199,999	(3,496,691)
Supportive contributions	495,275	495,275	495,197	78
Citywide memberships	24,000	24,000	23,092	908
Debt service	1,294,195	1,294,195	1,292,828	1,367
Total special services	<u>(1,483,222)</u>	<u>(1,483,222)</u>	<u>2,011,116</u>	<u>(3,494,338)</u>
Education:				
Schools	192,418,968	192,418,968	192,590,672	(171,704)
Food services	11,315,132	12,278,680	12,309,815	(31,135)
Board of education debt service	19,437,442	19,437,442	19,867,246	(429,804)
Total education	<u>223,171,542</u>	<u>224,135,090</u>	<u>224,767,733</u>	<u>(632,643)</u>
Total Expenditures and Other Financing Uses	<u>\$ 469,371,315</u>	<u>\$ 470,334,863</u>	<u>\$ 470,136,457</u>	<u>\$ 198,406</u>

**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, 2011 AND 2010

(In Thousands)

	<u>2011</u>	<u>2010</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 38,947,692	\$ 41,734,068
Receivables:		
Property taxes, net of allowance for uncollectible amounts of \$23,198,324 in 2011 and \$22,248,247 in 2010	31,489,930	26,180,234
Intergovernmental	34,413,891	34,958,581
Other	2,060,433	2,605,737
Due from other funds	62,895,692	43,150,803
Other assets	<u>350,000</u>	<u>350,000</u>
Total assets	<u>\$ 170,157,638</u>	<u>\$ 148,979,423</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts and other payables	\$ 22,021,742	\$ 28,077,212
Accrued liabilities	14,306,484	18,675,582
Due to other funds	49,540,792	24,293,755
Deferred revenue	42,728,110	38,790,647
Notes payable	<u>25,000,000</u>	<u>23,500,000</u>
Total liabilities	<u>153,597,128</u>	<u>133,337,196</u>
Fund balance:		
Nonspendable	350,000	350,000
Assigned	5,222,700	4,030,876
Unassigned	<u>10,987,810</u>	<u>11,261,351</u>
Total fund balance	<u>16,560,510</u>	<u>15,642,227</u>
Total Liabilities and Fund Balance	<u>\$ 170,157,638</u>	<u>\$ 148,979,423</u>

## CITY OF BRIDGEPORT, CONNECTICUT

## SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED AND OUTSTANDING

FOR THE YEAR ENDED JUNE 30, 2011

Grand List Year	Balance Uncollected July 1, 2010	Current Levy	Net Adjustments	Transfers to Suspense	Adjusted Taxes Collectible	Collections				Balance Uncollected June 30, 2010
						Taxes	Interest	Lien Fees	Total	
1995	\$ 1,579,538	\$	\$ (1,569,306)	\$ (1,090)	\$ 9,142	\$ 9,142	\$ 24,463	\$ 292	\$ 33,897	\$
1996	1,728,546		(32,992)	(3,037)	1,692,517	8,750	21,274	298	30,322	1,683,767
1997	1,712,194		(39,120)	(2,768)	1,670,306	8,190	19,958	394	28,542	1,662,116
1998	1,759,084		(65,824)	(2,288)	1,690,972	12,681	24,155	474	37,310	1,678,291
Proper 1999	2,146,038		(68,941)	(1,860)	2,075,237	18,564	32,063	528	51,155	2,056,673
2000	2,050,167		(56,740)	(3,344)	1,990,083	23,701	37,281	700	61,682	1,966,382
2001	2,369,313		(50,640)	(13,393)	2,305,280	40,928	59,945	745	101,618	2,264,352
76 2002	2,244,037		(52,595)	(10,487)	2,180,955	57,245	65,394	1,929	124,568	2,123,710
2003	1,528,029		(82,144)	(4,305)	1,441,580	27,579	44,987	2,001	74,567	1,414,001
2004	1,930,903		(81,854)	(4,650)	1,844,399	(255)	44,399	2,734	46,878	1,844,654
2005	2,340,511		(107,925)	(9,041)	2,223,545	49,379	54,384	3,860	107,623	2,174,166
2006	2,740,659		(219,109)	(19,744)	2,501,806	(166,282)	90,703	4,939	(70,640)	2,668,088
2007	3,422,385		1,861,702	(121,185)	5,162,902	598,600	223,959	9,719	832,278	4,564,302
2008	6,424,028		314,593	(99,100)	6,639,521	1,281,363	442,233	42,574	1,766,170	5,358,158
2009		284,243,600	(10,311,961)	(108,139)	273,823,500	267,033,575	2,088,542	101,120	269,223,237	6,789,925
	\$ 33,975,432	\$ 284,243,600	\$ (10,562,856)	\$ (404,431)	\$ 307,251,745	\$ 269,003,160	\$ 3,273,740	\$ 172,307	\$ 272,449,207	\$ 38,248,585

**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.

***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, 2011

Special Revenue Funds

	<u>Health and Sanitation</u>	<u>Public Safety</u>	<u>Facility and Miscellaneous</u>	<u>Social Services</u>	<u>Community Development Block Grant</u>	<u>Housing Opportunities AIDS</u>	<u>HOME Program</u>	<u>Section 108 Loan Guarantee</u>	<u>Development Administration State Grant</u>
<b>ASSETS</b>									
Cash and cash equivalents	\$	\$ 163,381	\$ 279,622	\$	\$ 145,136	\$ 51,682	\$ 32,628	\$ 184,506	\$ 2,737,860
Investments									
Receivables:									
Intergovernmental		925,927	2,992,436	491,085		856,875		1,039,237	4,831,334
Other		2,569,263			133,091		706,534		
Due from other funds		12,572	202,315	126,901		30,530	25,246		
Total Assets	\$	<u>938,499</u>	<u>3,474,373</u>	<u>617,986</u>	<u>278,227</u>	<u>939,087</u>	<u>764,408</u>	<u>1,223,743</u>	<u>7,569,194</u>
<b>LIABILITIES AND FUND BALANCE</b>									
Liabilities:									
Accounts payable	\$	150,200	\$ 22,621	\$ 98,831	\$ 906,280	\$	\$ 87,300	\$ 32,178	\$ 1,047,909
Accrued liabilities		252,123			339,433	152,501	3,793		
Due to other funds			1,528,714	202,315	731,816	773,092	499,180	982,820	7,292,395
Unearned revenues		872,436	1,470,980	479,516			577,522		312,256
Total liabilities		<u>1,022,636</u>	<u>3,022,315</u>	<u>780,662</u>	<u>1,977,529</u>	<u>925,593</u>	<u>1,167,795</u>	<u>1,014,998</u>	<u>8,652,560</u>
Fund balance:									
Restricted			452,058			13,494		208,745	
Committed									
Unassigned		(84,137)		(162,676)	(1,699,302)		(403,387)		(1,083,366)
Total fund balance		<u>(84,137)</u>	<u>452,058</u>	<u>(162,676)</u>	<u>(1,699,302)</u>	<u>13,494</u>	<u>(403,387)</u>	<u>208,745</u>	<u>(1,083,366)</u>
Total Liabilities and Fund Balance	\$	<u>938,499</u>	<u>3,474,373</u>	<u>617,986</u>	<u>278,227</u>	<u>939,087</u>	<u>764,408</u>	<u>1,223,743</u>	<u>7,569,194</u>

(Continued on next page)

**CITY OF BRIDGEPORT, CONNECTICUT**  
**COMBINING BALANCE SHEET (CONTINUED)**  
**NONMAJOR GOVERNMENTAL FUNDS**

JUNE 30, 2011

	<u>Special Revenue Funds</u>				<u>Capital Projects</u>	<u>Permanent Trusts</u>		<u>Interfund Eliminations</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>Library</u>	<u>Education</u>	<u>Miscellaneous Grants</u>	<u>General Government</u>	<u>Conversion Capital Projects</u>	<u>Library</u>	<u>Education</u>		
<b>ASSETS</b>									
Cash and cash equivalents	\$ 145,904	\$ 246,764	\$ 659,992	\$	\$ 1,069,078	\$ 97,214	\$ 107,937	\$	\$ 5,921,704
Investments	1,551,081					506,263			2,057,344
Receivables:									
Intergovernmental					284,466				11,421,360
Other				222,863					3,631,751
Due from other funds			55,570		3,698,459		768	(880,626)	3,475,370
Total Assets	<u>\$ 1,696,985</u>	<u>\$ 246,764</u>	<u>\$ 715,562</u>	<u>\$ 222,863</u>	<u>\$ 5,052,003</u>	<u>\$ 603,477</u>	<u>\$ 108,705</u>	<u>\$ (880,626)</u>	<u>\$ 26,507,529</u>
<b>LIABILITIES AND FUND BALANCE</b>									
Liabilities:									
Accounts payable	\$	\$	\$ 652,098	\$ 111,904	\$ 1,549	\$	\$	\$	\$ 3,111,004
Accrued liabilities									747,850
Due to other funds				48,882				(880,626)	11,178,588
Unearned revenues				62,076	751,415				7,401,557
Total liabilities	<u>-</u>	<u>-</u>	<u>652,098</u>	<u>222,862</u>	<u>752,964</u>	<u>-</u>	<u>-</u>	<u>(880,626)</u>	<u>22,438,999</u>
Fund balance:									
Restricted			63,464	1		552,531	108,705		1,398,998
Committed	1,696,985	246,764			4,299,039	50,946			6,293,734
Unassigned									(3,624,202)
Total fund balance	<u>1,696,985</u>	<u>246,764</u>	<u>63,464</u>	<u>1</u>	<u>4,299,039</u>	<u>603,477</u>	<u>108,705</u>	<u>-</u>	<u>4,068,530</u>
Total Liabilities and Fund Balance	<u>\$ 1,696,985</u>	<u>\$ 246,764</u>	<u>\$ 715,562</u>	<u>\$ 222,863</u>	<u>\$ 5,052,003</u>	<u>\$ 603,477</u>	<u>\$ 108,705</u>	<u>\$ (880,626)</u>	<u>\$ 26,507,529</u>

**CITY OF BRIDGEPORT, CONNECTICUT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2011**

	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	\$ 1,273,562	\$ 5,784,127	\$ 1,880,583	\$ 1,813,008	\$ 3,537,633	\$ 841,945	\$ 1,503,725	\$	\$ 1,449,765
Interest		28							771
Other	150,240	406,530	1,404,628	21,569			8,683	65,430	72,000
Total revenues	<u>1,423,802</u>	<u>6,190,685</u>	<u>3,285,211</u>	<u>1,834,577</u>	<u>3,537,633</u>	<u>841,945</u>	<u>1,512,408</u>	<u>65,430</u>	<u>1,522,536</u>
Expenditures:									
General government									
Health and social services	1,638,108					828,451			
Libraries									
Education									
Special services		4,802,090	2,580,749	1,760,586	4,122,451		2,148,570		3,560,503
Capital outlay									
Total expenditures	<u>1,638,108</u>	<u>4,802,090</u>	<u>2,580,749</u>	<u>1,760,586</u>	<u>4,122,451</u>	<u>828,451</u>	<u>2,148,570</u>	<u>-</u>	<u>3,560,503</u>
Net Change in Fund Balance	(214,306)	1,388,595	704,462	73,991	(584,818)	13,494	(636,162)	65,430	(2,037,967)
Fund Balance at Beginning of Year	<u>130,169</u>	<u>(1,579,929)</u>	<u>(252,404)</u>	<u>(236,667)</u>	<u>(1,114,484)</u>	<u>-</u>	<u>232,775</u>	<u>143,315</u>	<u>954,601</u>
Fund Balance at End of Year	<u>\$ (84,137)</u>	<u>\$ (191,334)</u>	<u>\$ 452,058</u>	<u>\$ (162,676)</u>	<u>\$ (1,699,302)</u>	<u>\$ 13,494</u>	<u>\$ (403,387)</u>	<u>\$ 208,745</u>	<u>\$ (1,083,366)</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, 2011**

	Special Revenue				Capital Projects	Permanent Trusts		Interfund Eliminations	Total Nonmajor Governmental Funds
	Library	Education	Miscellaneous Grants	General Government	Conversion Capital Projects	Library	Education		
Revenues:									
Intergovernmental	\$	\$	\$	\$	\$	\$	\$	\$	\$ 18,084,348
Interest	325	248				29,075	108		30,555
Other	210,655		1,402,796	342,809	479				4,085,819
Total revenues	<u>210,980</u>	<u>248</u>	<u>1,402,796</u>	<u>342,809</u>	<u>479</u>	<u>29,075</u>	<u>108</u>	<u>-</u>	<u>22,200,722</u>
Expenditures:									
General government				347,515					347,515
Health and social services									2,466,559
Libraries	186,200					37,899			224,099
Education		1,889					48		1,937
Special services			1,402,787						20,377,736
Capital outlay					958				958
Total expenditures	<u>186,200</u>	<u>1,889</u>	<u>1,402,787</u>	<u>347,515</u>	<u>958</u>	<u>37,899</u>	<u>48</u>	<u>-</u>	<u>23,418,804</u>
Net Change in Fund Balance	24,780	(1,641)	9	(4,706)	(479)	(8,824)	60	-	(1,218,082)
Fund Balance at Beginning of Year	<u>1,672,205</u>	<u>248,405</u>	<u>63,455</u>	<u>4,707</u>	<u>4,299,518</u>	<u>612,301</u>	<u>108,645</u>	<u>-</u>	<u>5,286,612</u>
Fund Balance at End of Year	<u>\$ 1,696,985</u>	<u>\$ 246,764</u>	<u>\$ 63,464</u>	<u>\$ 1</u>	<u>\$ 4,299,039</u>	<u>\$ 603,477</u>	<u>\$ 108,705</u>	<u>\$ -</u>	<u>\$ 4,068,530</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, 2011

	<u>Balance</u> <u>June 30, 2010</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2011</u>
<b>Student Activities Fund</b>				
Assets:				
Cash and cash equivalents	\$ <u>365,173</u>	\$ <u>1,184,257</u>	\$ <u>1,204,685</u>	\$ <u>344,745</u>
Liabilities:				
Due to student groups	\$ <u>365,173</u>	\$ <u>1,184,257</u>	\$ <u>1,204,685</u>	\$ <u>344,745</u>

**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 ASSETS BY COMPONENT

## LAST TEN YEARS

(Accrual Basis of Accounting)

	FISCAL YEAR									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Governmental Activities:										
Invested in capital assets, net of related debt	\$ 480,649,847	\$ 444,946,155	\$ 444,537,656	\$ 344,230,733	\$ 209,090,671	\$ 127,514,772	\$ 108,362,879	\$ 65,794,648	\$ 153,863,281	\$ 107,062,330
Restricted	3,161,236	3,161,176	3,161,212	3,161,212	3,161,212	3,161,212	3,207,234	3,155,609	49,347,524	59,043,555
Unrestricted	(343,798,284)	(297,902,514)	(302,776,953)	(226,824,933)	(168,193,991)	(151,356,989)	(175,841,584)	(143,011,902)	(262,854,254)	(230,487,265)
Total Governmental Activities Net Assets	<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>	<u>(74,061,645)</u>	<u>(59,643,449)</u>	<u>(64,381,380)</u>
Business-type activities:										
Invested in capital assets, net of related debt	75,601,133	73,751,510	74,449,447	73,809,271	71,647,808	70,239,858	69,306,606	66,678,436	66,006,733	63,259,238
Restricted	923,098	820,556	1,433,775	1,290,387	582,299	1,005,237	2,513,522	4,842,442	1,841,023	1,841,023
Unrestricted	6,991,988	6,079,946	4,424,261	566,363	196,996	(531,792)	(2,669,623)	(7,977,022)	(7,435,957)	(1,300,676)
Total Business-Type Activities Net Assets	<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>	<u>58,701,414</u>	<u>63,413,218</u>	<u>63,799,585</u>
Primary Government:										
Invested in capital assets, net of related debt	556,250,980	518,697,665	518,987,103	418,040,004	280,738,479	197,754,630	177,669,485	132,473,084	219,870,014	170,321,568
Restricted	4,084,334	3,981,732	4,594,987	4,451,599	3,743,511	4,166,449	5,720,756	3,155,609	54,189,966	60,884,578
Unrestricted	(336,806,296)	(291,822,568)	(298,352,692)	(226,258,570)	(167,996,995)	(151,888,781)	(178,511,207)	(150,988,924)	(270,290,211)	(231,787,941)
Total Primary Government Net Assets	<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>	<u>\$ (15,360,231)</u>	<u>\$ 3,769,769</u>	<u>\$ (581,795)</u>

**CITY OF BRIDGEPORT, CONNECTICUT**  
**CHANGES IN NET ASSETS**  
**LAST TEN FISCAL YEARS**  
**(Accrual Basis of Accounting)**

	FISCAL YEAR									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Expenses:										
Governmental activities:										
General government	\$ 72,446,991	\$ 59,866,015	\$ 91,804,266	\$ 86,823,753	\$ 40,345,741	\$ 41,722,180	\$ 38,157,661	\$ 35,479,327	\$ 30,641,636	\$ 27,512,566
Public safety	123,045,441	113,047,552	74,990,792	83,787,624	84,118,885	84,409,628	94,461,547	91,839,086	85,261,728	88,264,899
Public facilities	36,878,325	35,788,530	31,183,603	23,239,850	33,603,711	23,565,756	28,882,305	35,646,905	22,352,835	26,229,738
Parks and recreation	3,610,102		5,898,866	6,024,774	6,716,385	6,583,851	6,521,261	6,616,402	7,090,252	8,719,146
Planning and economic development	11,567,506	3,441,668								
Health and social services	343,046,242	12,951,797	12,656,636	18,589,707	20,437,426	18,690,534	19,301,232	11,974,813	12,168,828	13,744,109
Education	20,432,503	331,514,612	319,481,793	364,900,855	316,003,326	275,174,924	271,053,265	280,498,182	262,749,224	254,740,628
Special services	41,407,157	26,640,656	19,319,483	30,381,114	41,536,847	23,419,505	20,221,443	18,290,399	22,939,155	22,332,660
Interest on long-term debt	-	38,620,545	46,224,302	40,053,878	40,704,065	41,900,200	40,832,426	41,527,846	42,750,722	45,717,491
Total governmental activities expenses	652,434,267	621,871,375	601,559,741	653,801,555	583,466,386	515,466,578	519,431,140	521,872,960	485,954,380	487,261,237
Business-type activities:										
Water Pollution Control Authority	26,011,481	27,836,743	24,894,883	25,457,947	23,879,708	22,869,459	22,115,101	20,959,181	22,069,606	20,971,961
Total primary government expenses	678,445,748	649,708,118	626,454,624	679,259,502	607,346,094	538,336,037	541,546,241	542,832,141	508,023,986	508,233,198
Program revenue:										
Governmental activities:										
Charges for services:										
General government	5,681,830	3,728,748	3,330,184	8,914,116	11,067,469	23,874,846	20,788,251	32,370,459	5,534,014	5,116,886
Public safety	6,217,889	5,281,305	7,713,796	9,856,899	4,905,692	4,476,760	4,533,724	5,163,250	4,891,789	5,416,334
Public facilities	5,225,479	4,350,689	2,792,042	2,985,124	10,182,342	6,647,338	6,697,358	6,266,939	1,635,128	1,202,511
Parks and recreation	2,292,655		2,514,238	2,318,393	1,518,799	1,726,183	1,902,781	1,945,085	2,211,008	1,265,191
Planning and economic development	1,502,929	2,749,419								
Health and social services	756,596	924,169	570,541	817,350	1,991,980	2,155,194	1,529,848	1,570,304	352,820	390,527
Education	832,216	817,448	900,591	1,018,406	1,276,551	1,423,341	654,426	1,297,255	9,005,655	8,652,594
Special services	-				1,061,769	178,938	1,012,749	1,918,834		
Operating grants and contributions:										
General government	975,269	773,282	3,152	11,467		14,992	5,093	2,525,000		2,515
Public safety	530,148	4,148,209			5,698,748	4,380,797	4,302,286	2,679,253		358,333
Public facilities	1,560,017	738,415	816,659	1,528,445						
Parks and recreation									35,340	30,000
Planning and economic development	7,291,614	20,985,448								
Health and social services	8,662,148	9,402,270	11,890,493	14,951,983					5,628,931	6,053,843
Education	265,667,950	255,015,046	251,852,265	309,252,770	215,343,447	210,955,679	217,758,757	212,719,622	196,715,334	188,222,213
Special services	6,890,585	1,627,623	25,798,114	25,282,869	41,522,707	20,301,961	12,504,646	12,584,405	20,091,274	17,723,462
Interest on long-term debt	1,703,694	798,503	1,350,146							
Capital grants and contributions:										
General government	-	849,366							12,447,083	23,178,878
Conservation of health	0									15,721
Education	26,475,637	24,941,420	35,296,564	87,193,304	64,067,911	36,550,562	20,973,871	13,108,097	216,414	1,774,295
Public facilities	324,725			8,343,237	16,809,428					
Public safety	-				2,500,000					
Total governmental activities program revenue	342,591,381	337,131,360	344,828,785	472,474,363	377,946,843	312,686,591	292,663,790	294,148,503	258,764,790	259,403,303

(Continued on next page)

**CITY OF BRIDGEPORT, CONNECTICUT**  
**CHANGES IN NET ASSETS (CONTINUED)**

**LAST TEN FISCAL YEARS**  
**(Accrual Basis of Accounting)**

	FISCAL YEAR									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Business-type activities:										
Charges for services:										
Water Pollution Control Authority	\$ 28,076,908	\$ 26,813,200	\$ 28,099,203	\$ 27,538,494	\$ 24,437,184	\$ 22,715,548	\$ 27,855,870	\$ 19,272,070	\$ 19,746,578	\$ 14,445,410
Capital grants and contributions:										
Water Pollution Control Authority	775,944	1,342,985	1,404,430	1,158,371	1,156,324	1,557,806	937,936	544,524	1,853,300	1,232,373
Total business-type activities program revenues	<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>	<u>19,816,594</u>	<u>21,599,878</u>	<u>15,677,783</u>
Total primary government program revenues	<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>	<u>313,965,097</u>	<u>280,364,668</u>	<u>275,081,086</u>
Net (expense) revenue:										
Governmental activities	(309,842,886)	(284,740,015)	(256,730,956)	(181,327,192)	(205,519,543)	(202,779,987)	(226,767,350)	(227,724,457)	(227,189,590)	(227,857,934)
Business-type activities	2,841,371	319,442	4,608,750	3,238,918	1,713,800	1,403,895	6,678,705	(1,142,587)	(469,728)	(5,294,178)
Total primary government net expense	<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>	<u>(228,867,044)</u>	<u>(227,659,318)</u>	<u>(233,152,112)</u>
General Revenues and Other Changes in Net Assets:										
Governmental activities:										
Property taxes	277,621,119	267,026,434	247,817,417	220,435,186	226,471,874	210,007,626	197,001,706	182,701,969	187,968,255	176,438,519
Grants and contributions not restricted to specific programs	-	-	-	-	-	-	-	-	-	-
Proceeds from sale of City-owned property	21,546,933	22,625,844	32,403,834	32,440,856	35,588,659	32,127,837	35,361,300	31,099,591	41,457,415	49,285,043
Unrestricted investment earnings	468,605	-	-	-	-	-	1,231,298	(800,638)	(308,932)	1,931,506
Transfers	-	370,639	864,608	4,115,785	8,197,907	4,234,990	2,963,220	491,343	2,810,783	4,355,964
Total governmental activities	<u>14,211</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>	<u>213,492,265</u>	<u>231,927,521</u>
Business-type activities:										
Investment earnings	22,836	25,087	32,712	-	-	158,903	108,940	92,229	83,361	143,637
Total primary government	<u>22,836</u>	<u>25,087</u>	<u>32,712</u>	<u>256,991,827</u>	<u>270,258,440</u>	<u>246,529,356</u>	<u>236,666,464</u>	<u>213,584,494</u>	<u>83,361</u>	<u>5,660,348</u>
Changes in Net Assets:										
Governmental activities	(10,192,018)	5,282,902	24,354,903	75,664,635	64,738,897	43,590,466	9,790,174	(14,232,192)	4,737,931	(1,363,613)
Business-type activities	2,864,207	344,529	4,641,462	3,238,918	1,713,800	1,562,798	6,787,645	(1,050,358)	(386,367)	366,170
Total Primary Government	<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>	<u>\$ (15,282,550)</u>	<u>\$ 4,351,564</u>	<u>\$ (997,443)</u>

**CITY OF BRIDGEPORT, CONNECTICUT**  
**PROGRAM REVENUES BY FUNCTION/PROGRAM**

**LAST TEN FISCAL YEARS**

(Accrual Basis of Accounting)

Function/Program	FISCAL YEAR									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Governmental activities:										
General government	\$ 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	\$ 28,298,279
Public safety	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	5,774,667
Public facilities	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	1,202,511
Parks and recreation			2,514,238	2,318,393	1,518,799	1,726,183	1,902,781	1,945,085	2,246,348	1,295,191
Planning and economic development	9,584,269	23,734,867								
Health and social services	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	6,460,091
Education	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	198,649,102
Special services	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	17,723,462
Interest on long-term debt	1,703,694	798,503	1,350,146							
Total governmental activities	<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>	<u>259,403,303</u>
Business-type activities:										
⊗ Water Pollution Control Authority	<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>27,855,870</u>	<u>19,272,070</u>	<u>19,746,578</u>	<u>14,445,410</u>
Total Government	<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>	<u>\$ 273,848,713</u>

**CITY OF BRIDGEPORT, CONNECTICUT**  
**FUND BALANCES, GOVERNMENTAL FUNDS**

**LAST TEN FISCAL YEARS**

**(Modified Accrual Basis of Accounting)**

	FISCAL YEAR									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Fund:										
Reserved	\$ 2,584,394	\$ 2,645,439	\$ 2,727,423	\$ 2,500,000	\$ 4,127,588	\$	\$	\$	\$ 30,876	\$
Unreserved	38,571,118	35,304,505	33,004,687	29,800,885	24,686,939	29,241,106	10,605,102	10,752,753	15,611,351	
Nonspendable										350,000
Restricted										-
Committed										-
Assigned										5,222,700
Unassigned										10,987,810
<b>Total General Fund</b>	<b>\$ 41,155,512</b>	<b>\$ 37,949,944</b>	<b>\$ 35,732,110</b>	<b>\$ 32,300,885</b>	<b>\$ 28,814,527</b>	<b>\$ 29,241,106</b>	<b>\$ 10,605,102</b>	<b>\$ 10,752,753</b>	<b>\$ 15,642,227</b>	<b>\$ 16,560,510</b>
All Other Governmental Funds:										
Reserved	\$ 26,261,000	\$ 23,112,383	\$ 27,148,738	\$ 142,385,942	\$ 132,000,973	\$ 101,323,449	\$ 114,188,749	\$ 5,068,118	\$ 10,068,125	\$
Unreserved, reported in:										
Special revenue funds	3,621,856	(2,830,148)	1,173,237	(8,817,211)	(19,480,868)	(8,379,055)	(14,537,239)	(1,854,831)	(5,968,762)	
Capital projects funds	34,915,787	21,154,461	43,316,930	(60,633,269)	(13,936,725)	14,104,079	(12,518,325)	29,831,588	53,320,116	
Permanent fund	1,543,518	651,434	655,609	707,234	661,212	3,126	35,573	47,182	59,770	
Restricted										1,398,998
Committed										60,355,682
Unassigned										(4,216,210)
<b>Total All Other Governmental Funds</b>	<b>\$ 66,342,161</b>	<b>\$ 42,088,130</b>	<b>\$ 72,294,514</b>	<b>\$ 73,642,696</b>	<b>\$ 99,244,592</b>	<b>\$ 107,051,599</b>	<b>\$ 87,168,758</b>	<b>\$ 33,092,057</b>	<b>\$ 57,479,249</b>	<b>\$ 57,538,470</b>

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

**LAST TEN FISCAL YEARS**

(Modified Accrual Basis of Accounting)

	FISCAL YEAR									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Revenues:</b>										
Property taxes	\$ 176,476,368	\$ 187,291,950	\$ 181,841,069	\$ 203,587,418	\$ 218,013,347	\$ 228,593,633	\$ 227,028,207	\$ 248,743,175	\$ 268,637,066	\$ 272,206,146
Intergovernmental	285,687,143	281,913,116	279,402,599	294,084,874	306,711,917	383,345,871	475,240,256	355,431,137	340,863,435	340,359,992
Fees, permits and licenses	11,464,973	12,648,745	16,598,258	19,037,466	20,727,139	20,844,855	19,942,980	16,100,329	15,454,092	15,355,420
Interest	4,347,622	2,810,783	520,946	2,972,578	4,169,012	8,184,000	4,115,785	864,608	370,639	467,604
Other	18,566,662	8,225,325	35,420,447	23,517,173	20,826,665	12,340,020	11,122,689	7,183,515	5,023,480	9,412,146
Total revenues	<u>496,542,768</u>	<u>492,889,919</u>	<u>513,783,319</u>	<u>543,199,509</u>	<u>570,448,080</u>	<u>653,308,379</u>	<u>737,449,917</u>	<u>628,322,764</u>	<u>630,348,712</u>	<u>637,801,308</u>
<b>Expenditures:</b>										
<b>Governmental and community services:</b>										
General government	93,363,879	88,209,395	99,660,481	104,564,452	108,862,558	78,130,009	77,150,939	84,165,283	39,461,942	38,663,676
Public safety	61,494,439	61,706,357	62,224,435	63,846,820	63,669,135	63,938,653	72,907,644	65,494,093	99,874,176	107,582,600
Excess Pension Contribution										
Public facilities	16,580,433	15,821,862	23,096,673	24,662,002	24,479,831	26,303,916	27,997,221	26,706,098	32,932,515	33,119,337
Parks and recreation	5,730,908	5,576,989	5,044,139	5,655,220	5,818,319	5,969,788	5,675,667	5,368,932		
Planning and economic development									3,441,668	3,610,102
Health and social services	11,613,075	10,475,853	16,324,964	16,627,932	16,087,863	18,206,936	18,483,802	13,378,869	12,954,954	11,501,774
Charities and hospitals	221,764	14,880	53,021	70,462	90,833		184,968	123,835		
Libraries									4,660,185	5,392,768
Education	212,886,352	222,785,775	225,514,687	233,091,242	232,779,256	279,762,589	357,577,107	302,812,667	306,601,910	317,360,583
Special services	20,277,255	22,737,145	18,040,700	19,660,655	22,892,503	40,966,303	30,945,946	27,925,851	27,006,901	21,096,024
Debt service:										
Principal retirements	19,157,839	20,603,428	20,965,572	23,526,717	26,435,988	23,579,000	26,232,000	30,961,925	32,375,000	31,641,000
Interest and other charges	45,061,979	42,633,563	41,109,530	43,567,518	46,276,800	41,852,539	41,521,922	41,594,667	40,933,701	41,269,592
Capital outlay	42,884,420	30,284,271	23,040,567	42,681,632	63,239,695	114,737,164	118,136,031	83,719,594	41,669,094	45,222,964
Total expenditures	<u>529,272,343</u>	<u>520,849,518</u>	<u>535,074,769</u>	<u>577,954,652</u>	<u>610,632,781</u>	<u>693,446,897</u>	<u>776,813,247</u>	<u>682,251,814</u>	<u>641,912,046</u>	<u>656,460,420</u>
Excess of revenues over (under) expenditures	<u>(32,729,575)</u>	<u>(27,959,599)</u>	<u>(21,291,450)</u>	<u>(34,755,143)</u>	<u>(40,184,701)</u>	<u>(40,138,518)</u>	<u>(39,363,330)</u>	<u>(53,929,050)</u>	<u>(11,563,334)</u>	<u>(18,659,112)</u>
<b>Other financing sources (uses):</b>										
Transfers in	168,024,318	169,405,906	175,814,614	179,817,106	175,331,870	212,264,417	219,222,813	224,867,074	205,649,402	500,000
Transfers out	(173,541,029)	(169,405,906)	(175,814,614)	(179,817,106)	(175,331,870)	(212,264,417)	(219,222,813)	(224,867,074)	(205,649,402)	(500,000)
Bonds issued	121,195,435		77,265,000	88,505,000	95,735,000	47,890,000			40,840,000	19,440,000
Premium (discount) on long-term debt	6,614,810		1,600,083	8,186,165	895,239	482,104				
Payments to escrow agent	(79,331,679)		(29,585,083)	(64,019,065)	(34,330,000)					
Proceeds from notes payable	1,000,000	500,000								
Capital lease	314,471									
Total other financing sources (uses)	<u>44,276,326</u>	<u>500,000</u>	<u>49,280,000</u>	<u>32,672,100</u>	<u>62,300,239</u>	<u>48,372,104</u>	<u>-</u>	<u>-</u>	<u>40,840,000</u>	<u>19,440,000</u>
<b>Net Changes in Fund Balance</b>	<u>\$ 11,546,751</u>	<u>\$ (27,459,599)</u>	<u>\$ 27,988,550</u>	<u>\$ (2,083,043)</u>	<u>\$ 22,115,538</u>	<u>\$ 8,233,586</u>	<u>\$ (39,363,330)</u>	<u>\$ (53,929,050)</u>	<u>\$ 29,276,666</u>	<u>\$ 780,888</u>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	<u>13.2%</u>	<u>12.9%</u>	<u>12.1%</u>	<u>12.5%</u>	<u>13.3%</u>	<u>11.5%</u>	<u>10.5%</u>	<u>12.3%</u>	<u>12.4%</u>	<u>12.0%</u>

**CITY OF BRIDGEPORT, CONNECTICUT**  
**TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified Accrual Basis of Accounting)**

**(Unaudited)**

<b>Fiscal Year</b>	<b>Real Estate</b>		<b>Personal Property</b>		<b>Motor Vehicle</b>		<b>Total</b>	
2002	\$	126,088,859	\$	26,969,960	\$	18,724,367	\$	171,783,186
2003		137,294,734		25,856,568		18,937,205		182,088,507
2004		132,425,203		24,949,676		17,098,379		174,473,258
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
Change 2002-2011		98.70%		18.55%		(23.12)%		71.79%

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

**CITY OF BRIDGEPORT, CONNECTICUT**  
**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**  
**(In Thousands)**  
**(Unaudited)**

<b>Fiscal Year</b>	<b>Residential Property</b>	<b>Commercial Property</b>	<b>Industrial Property</b>	<b>Miscellaneous Land</b>	<b>Personal Property</b>	<b>Motor Vehicle</b>	<b>Total Taxable Assessed Value</b>	<b>Percent Growth</b>	<b>Total Direct Tax Rate</b>	<b>Estimated Actual Taxable Value</b>	<b>Value as a Percentage of Actual Value</b>
2002	\$ 1,376,877	\$ 527,328	\$ 126,404	\$ 22,873	\$ 513,383	\$ 310,875	\$ 2,877,740	7.76%	65.00	\$ 4,111,057	70.00%
2003	1,577,935	591,635	137,263	30,266	508,476	330,502	3,176,077	10.37%	62.40	4,537,253	70.00%
2004	1,795,669	663,605	146,558	34,857	497,521	340,958	3,479,168	9.54%	55.20	4,970,240	70.00%
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%

Source: City of Bridgeport Tax Assessor's Office

## CITY OF BRIDGEPORT, CONNECTICUT

## PRINCIPAL PROPERTY TAXPAYERS

2011 and 2001

(Unaudited)

Taxpayer	2011			2001		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Wheelabrator BPT LP	\$ 320,948,352	1	3.16%	\$		
United Illuminating Co. Inc.	211,997,036	2	2.09%	41,485,892	4	1.10%
PSEG Power Connecticut LLC	152,689,120	3	1.50%			
People's United Bank	59,729,464	4	0.59%	73,061,343	2	1.93%
Connecticut Light & Power	55,423,829	5	0.55%			
Bridgeport Energy LLC	36,166,277	6	0.36%	88,561,694	1	2.35%
Southern CT Gas Co.-Energy EA	34,364,683	7	0.34%	18,706,196	7	0.50%
Watermark 3030 Park LLC*	30,809,473	8	0.30%			
AT&T Mobility LLC	29,750,520	9	0.29%			
Success Village Apts Inc.	24,276,970	10	0.24%			
Aquarian Water Co. of CT				25,627,761	6	0.68%
Bridgeport Jai Alai				56,589,781	3	1.50%
United Technologies (Sikorsky)				16,974,429	8	0.45%
Emson Research, Inc.				16,019,885	9	0.42%
American Telephone & Telegraph				31,637,973	5	0.84%
General Electric Co.				14,956,858	10	0.40%
TOTAL	\$ <u>956,155,724</u>		<u>9.42%</u>	\$ <u>383,621,812</u>		<u>10.17%</u>

\* Note: Name change occurred during period.

Source: City of Bridgeport - Assessor's Office

**CITY OF BRIDGEPORT, CONNECTICUT  
PROPERTY TAX LEVIES AND COLLECTIONS**

**LAST TEN FISCAL YEARS**

**(Unaudited)**

<b>Fiscal Year Ended June 30:</b>	<b>Grand List Year</b>	<b>Taxes Levied for the Tax Year</b>	<b>Collected Within the Fiscal Year of the Levy</b>		<b>Collections in Subsequent Years</b>	<b>Total Collections to Date</b>	
			<b>Amount</b>	<b>Percentage of Levy</b>		<b>Amount</b>	<b>Percentage of Levy</b>
2002	2000	\$ 173,831,595	\$ 161,502,431	92.91%	\$ 9,566,798	\$ 171,069,229	98.41%
2003	2001	185,623,997	173,420,270	93.43%	8,873,657	182,293,927	98.21%
2004	2002	181,481,765	169,411,397	93.35%	8,659,510	178,070,907	98.12%
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%

Source: City of Bridgeport - Tax Collector's Office

**CITY OF BRIDGEPORT, CONNECTICUT**  
**RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING 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	Notes Payable	Less Amount Available in Debt Services	Net General Bonded Debt			Loan Payable	General Obligation Bonds	Revenue Bonds			
2001	* \$ 603,355	\$ 6,563	\$ -	\$ 606,220	16.37%	\$ 4,345	\$ 71,094	\$ 2,865	\$ -	\$ 680,179	21.80%	\$ 4,425
2002	635,295	6,819	-	635,295	15.91%	4,553	67,091	2,364	-	704,750	23.30%	4,730
2003	615,254	6,757	-	633,270	14.28%	4,539	65,797	1,831	-	700,898	28.13%	4,587
2004	643,609	7,997	-	644,870	13.23%	4,622	62,168	1,261	-	708,299	28.63%	4,668
2005	649,033	7,402	-	649,685	8.80%	4,656	59,144	652	-	709,481	28.88%	4,709
2006	685,480	6,668	-	719,810	9.50%	5,159	51,778	-	-	771,588	33.92%	5,530
2007	684,228	6,335	-	772,389	10.01%	5,536	49,552	490	-	822,431	29.03%	5,894
2008	684,228	5,649	-	684,228	8.54%	4,904	51,713	490	-	736,431	26.00%	5,278
2009	654,200	4,500	-	658,700	6.74%	4,689	49,486	450	-	708,636	24.86%	5,046
2010	662,665	4,137	-	666,802	6.86%	4,796	44,509	2,255	-	713,566	29.23%	5,131
2011	651,890	3,471	-	655,361	6.42%	4,520	43,621	2,152	-	701,134	29.81%	4,861

\* Note: Includes \$350,000,000 Taxable Pension Bond Issue of August 28, 2000, Series B

**CITY OF BRIDGEPORT, CONNECTICUT**  
**DIRECT GOVERNMENTAL ACTIVITIES DEBT**  
**FOR THE YEAR ENDED JUNE 30, 2011**

(Unaudited)

<b>Governmental Unit</b>	<b>Debt Outstanding</b>
General obligation debt	\$ 651,890,000
Less school construction grants receivable - principal portion only	<u>(10,552,246)</u>
Total Direct Debt	<u>\$ 641,337,754</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)**

	<b>FISCAL YEAR</b>									
	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Debt limit	\$ 1,221,948	\$ 1,310,722	\$ 1,277,556	\$ 1,421,441	\$ 1,514,400	\$ 1,575,702	\$ 1,595,640	\$ 1,741,261	\$ 1,867,139	\$ 1,909,787
Total net debt applicable to limit	835,663	820,848	825,160	892,013	945,365	934,990	957,601	925,639	920,535	930,947
Legal debt margin	\$ 386,285	\$ 489,874	\$ 452,396	\$ 529,428	\$ 569,035	\$ 640,712	\$ 638,039	\$ 815,622	\$ 946,604	\$ 638,039
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	68.39%	62.63%	64.59%	62.75%	62.43%	59.34%	60.01%	53.16%	49.30%	48.75%

**CITY OF BRIDGEPORT, CONNECTICUT**  
**COMPUTATION OF LEGAL DEBT LIMITATION**  
**JUNE 30, 2011**

Total tax collections (including interest and lien fees) for the year ended June 30, 2011		\$ 272,449,207			
Reimbursement for revenue loss:					
Tax relief for the elderly		<u>377,506</u>			
Base		<u><u>\$ 272,826,713</u></u>			
Debt Limit		<u><u>\$ 1,909,786,991</u></u>			
		<b>Unfunded Pension Benefit Obligation</b>			
	<b>General Purpose</b>	<b>Schools</b>	<b>Sewer</b>	<b>Urban Renewal</b>	<b>Unfunded Pension Benefit Obligation</b>
Debt Limitation					
2-1/4 times base	\$ 613,860,104	\$	\$	\$	
4-1/2 times base		1,227,720,209			
3-3/4 times base			1,023,100,174		
3-1/4 times base				886,686,817	
3 times base					818,480,139
Total debt limitation	<u>613,860,104</u>	<u>1,227,720,209</u>	<u>1,023,100,174</u>	<u>886,686,817</u>	<u>818,480,139</u>
Debt as Defined by Statute:					
Bonds and notes payable	228,802,671	124,712,329	45,773,000	3,471,000	298,375,000
Tax Anticipation Notes	25,000,000				
Bonds authorized but unissued	45,198,900	80,166,300			90,000,000
Less school construction grants		<u>(10,552,246)</u>			
Total indebtedness	<u>299,001,571</u>	<u>194,326,383</u>	<u>45,773,000</u>	<u>3,471,000</u>	<u>388,375,000</u>
Debt Limitation in Excess of Indebtedness	<u><u>\$ 314,858,533</u></u>	<u><u>\$ 1,033,393,826</u></u>	<u><u>\$ 977,327,174</u></u>	<u><u>\$ 883,215,817</u></u>	<u><u>\$ 430,105,139</u></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>
2002	139,529	\$ 54,313	\$ 20,302	31.4	22,796	6.5%
2003	139,529	54,313	20,302	31.4	22,757	9.1%
2004	139,529	54,313	20,302	31.4	22,713	8.9%
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%

## CITY OF BRIDGEPORT, CONNECTICUT

## PRINCIPAL EMPLOYERS

2011 AND 1999

(Unaudited)

Employer	2011		1999	
	Employees	Rank	Employees*	Rank
People's United Bank	1,116*	3	1,400	3
Bridgeport Hospital, Inc.	2,567	2	2,029	1
St. Vincent's Medical Center	3,130	1	1,875	2
University of Bridgeport	367 FT / 543 PT	6		
Prime Line Resources	310	7		
Lacey Manufacturing Company	258 FT / 46 PT	9	360	9
Bridgeport Health Care Center	500 (approx.)	5	375	7
Watermark	86 FT / 213 PT	10		
Housatonic Community College	287 FT / 317 PT	8		
Derecktor Shipyards	Relocated			
Sikorsky Aircraft (United Technologies)	550	4	500	4
Bridgeport Machines, Inc.	Relocated		425	5
Casco Products	Relocated		420	6
Southern New England Telephone	Relocated		375	7
Remington Products Inc.	Relocated		275	10

Sources: City of Bridgeport - Office of Planning and Economic Development and the Bridgeport Chamber of Commerce

\* = 2010 Data

Note: Rankings are based on Full Time Employees Only

TABLE 16

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

Function/Program	FISCAL YEAR									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
General government:										
Central grants office	6	6	6	6	6	6	6	4	4	4
Office of The Mayor	8	8	9	9	8	8	8	6	5	5
Constituent Services	-	-	-	-	-	-	-	-	2	4
Civil service	9	8	8	9	8	7	8	8	8	9
Grants personnel/Benefits	11	9	7	7	7	7	10	10	9	12
City attorney	21	21	21	22	21	22	24	23	21	22
City clerk	6	6	6	6	6	7	6	6	6	6
Registrar of voters/Elections	5	5	6	6	6	6	6	6	6	6
Legislative department	1	2	2	2	2	1	2	1	1	1
Libraries	52	52	60	69	69	68	68	68	79	79
Office of policy and management	6.5	5.5	5.5	5.5	5.5	6	7	8	8	8
Archives and records	0.5	0.5	0.5	1	1	1	1	1	1	1
Town Clerk	7	7	8	8	8	8	8	8	8	8
CitiStat	4	4	5	-	-	-	-	-	-	-
Chief administrative officer	3	3	3	3	3	3	3	1	-	4
Minority Business Resource CTR.	2	2	-	-	-	-	-	-	-	-
Finance department	4	4	4	5	4	5	5	4	4	7
Comptroller's office	14.5	14.5	15	15	15	15	17	17	17	19
Treasurer's office	2	2	2	3	3	3	3	3	3	4
Tax assessor	13	13	14	15	15	15	15	14	14	19
Information technology services	15	15	19	21	20	21	24	25	25	27
Tax collector	18	18	18	19	18	16	15	15	15	16
Purchasing	6	6	7	8	8	8	8	7	7	7
Print shop	7.5	7.5	7.5	7.5	7	7	7	6	6	6
Labor relations	6	6	6	7	8	8	8	8	8	7
Barnum Institute	-	-	-	-	-	-	-	-	-	-
Employee org. & development	-	-	-	-	-	-	2	2	2	2
Protection of person and property:										
Police department / Animal Shelter	473	486	532	538	554	544	574	548	571	579
Fire department	299	310	329	330	326	326	370	375	407	399
Weights and measures	2	2	2	2	2	2	2	2	2	2
Emergency Operations Center	60	60	48	42	43	-	-	-	-	-
Conservation of health:										
Health administrative	2	2	3	3	3	4	5	4	4	7
Vital statistics	5	5	5	4	4	4	4	4	4	6
Communicable diseases	5	5	4	5	4	4	5	5	5	6
Public health nursing	-	-	-	37	37	37	39	39	41	36
Dental hygiene	-	-	7	7	7	7	8	8	8	8
Environmental health	7	7	7	7	7	8	9	9	8	8
Dental Clinic	-	-	-	-	-	-	-	-	-	3
Housing code enforcement	5	1	3	3	3	3	4	3	3	4
Laboratory	-	-	-	-	-	-	-	1	1	4
Lead Program (CDBG)	-	-	-	-	-	-	3	3	3	3
Clinics	-	-	1	6	6	6	4	2	2	8
School based health clinics	-	-	19	26	26	26	26	26	25	25

(Continued on next page)

TABLE 16

## CITY OF BRIDGEPORT, CONNECTICUT

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

## LAST TEN FISCAL YEARS

(Unaudited)

Function/Program	FISCAL YEAR									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Public facilities:										
City Engineer	6	6	5	6	6	6	6	6	7	9
Zoning commission	5	4	7	7	6	6	6	5	5	5
Zoning Board of Appeals	1	1	1	1	1	1	1	1	1	1
Building Department	13	13	14	14	10	-	10	10	10	10
Harbor Master	1	1	1	1	1	1	1	1	2	3
Transfer station	1	1	1	1	1	1	1	1	1	1
Public Facilities Administration	15.5	15.5	17	15	15	15	16	13	12	13
Sanitation/Recycling	34	34	36	36	36	36	36	36	26	26
Landfill operation	-	-	-	-	-	-	-	-	-	-
Recycling	-	-	-	-	-	-	-	-	10	10
Roadway maintenance	45	45	43	43	43	46	48	48	48	51
Clean & Green	-	-	-	-	-	-	-	-	-	-
Planning & Economic Development	18.5	20	22	18	16	16	20	19	19	22
Sikorsky Airport	14	14	15	15	15	15	15	15	15	21
Municipal garage	10	10	10	10	10	10	11	8	8	8
Maintenance	31	31	37	34	34	34	37	38	39	41
Construction Division	-	-	-	-	-	-	-	-	-	9
66 Charities and hospitals:										
Social Services	2	2	2	2	2	2	1	1	-	5
Parks and recreation:										
Recreation	3	3	3	3	3	3	3	3	4	4
Parks & Rec. Administration	4	4	5	6	6	Included in Parks Dept. Figure	↓	↓	↓	↓
Parks department	17	17	17	23	23	31	30	28	29	32
Park Mounted Unit / Stable	-	-	-	-	-	-	-	2	2	2
Beardsley Zoological Gardens	13	13	13	13	13	13	13	13	13	13
Fairchild Wheeler G.C.	3	3	3	3	2	-	-	-	-	-
Special services:										
Lighthouse/Youth services	4	4	4	4	4	3	2	2	2	3
Human Services Administration	2	2	2	2	2	2	3	4	4	4
Department on aging	6	6	6	6	6	6	6	6	5	6
Office for disabilities	-	-	1	1	1	-	1	1	1	2
Veterans Affairs	1	1	1	1	1	-	-	-	-	-
Parent Aide Program	-	-	1	1	-	-	-	-	-	-
Affirmative Action	-	-	-	-	-	-	-	-	-	4
Total	3,347	3,363.5	3,475.5	3,538	3,534.5	1,465	1,580	1,539	1,605	1,686

**CITY OF BRIDGEPORT, CONNECTICUT**  
**OPERATING INDICATORS BY FUNCTION/PROGRAM**

**LAST TEN FISCAL YEARS**

(Unaudited)

Function/Program	FISCAL YEAR									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Police:										
Calls for service	120,822	129,649	127,347	118,047	123,901	120,655	116,640	111,765	109,523	109,919
Adult arrest	7,245	7,057	6,959	5,927	5,295	7,751	6,505	5,317	4,397	4,237
Juvenile arrest	1,017	1,179	1,353	1,413	1,114	1,406	1,081	1,013	740	553
Fire:										
Total fire runs	11,399	11,005	10,619	10,507	10,094	10,064	9,239	10,263	11,260	14,136
Total rescue runs	n/a	1,484	918	1,049	931	831	868	868	1,217	1,135
Property loss	\$ n/a	\$ 4,647,647	\$ 3,092,865	\$ 6,509,323	\$ 6,963,375	\$ 5,936,590	\$ 3,302,875	\$ 3,724,050	\$ 4,506,600	\$ 3,415,473
Building safety:										
Total building permits	2,293	2,359	2,466	2,381	2,724	2,386	2,454	2,683	2,522	2,425
Total value all permits	\$ 59,184,661	\$ 67,212,183	\$ 75,542,022	\$ 108,551,386	\$ 183,273,790	\$ 195,631,366	\$ 131,211,499	\$ 173,761,110	\$ 80,959,002.82	\$ 48,862,471.60
Library, volumes in collection	525,000	525,000	525,000	525,000	525,000	499,662	395,561	530,000	550,851	537,580
Public service:										
Garbage collected (ton)	64,614	63,197	66,841	69,171	65,055	67,093	59,533	58,543	59,756	60,436
Recycle collected (ton)	4,571	4,124	4,110	3,864	3,496	2,992	3,055	3,128	3,194	3,217
Parks and recreation:										
Recreation program attendance	n/a	1,235	1,897	2,100	2,375	2,575	2,550	1,500	1,850	1,950
Aquatics program attendance	n/a	706	750	900	600	600	800	900	600	700
Golf rounds played	n/a	n/a	60,249	53,375	23,436***	45,007***	49,708	53,706	60,059	54,776
Street trees maintained	694	666	675	405	490	615	1,430	1,430	1,430	1,800

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)**

	<b>FISCAL YEAR</b>									
	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
<b>Function/Program</b>										
Police:										
Stations	3	3	3	3	3	3	3	2	2	1
Police Officer Sector Terminals (POST)	5	5	5	5	5	5	3	3	3	4
Number of personnel and officers	574	574	574	574	574	574	574	574	557	469
Number of Divisions	11	11	11	11	11	11	11	11	11	11
Fire:										
Stations	8	8	8	8	8	8	8	8	8	8
Number of personnel and officers	399	399	399	399	399	315	337	366	366	366
Equipment (pieces)	21	21	23	24	25	28	28	28	28	28
Refuse collection:										
Collection Trucks	15	15	15	15	15	15	15	15	15	15
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	1,552	1,552	1,552	1,552	1,552
Parks and recreation:										
Playgrounds	19	19	19	19	19	19	19	19	19	19
Parks	47	47	47	47	47	47	44	45	45	45
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	3	3	3	-	2	2	3
Tennis Courts	24	24	24	24	24	24	22	24	23	25
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	25	25	25	31	31
Ice Skating Rinks	1	1	1	1	2	2	2	1	1	1
Soccer/Football Fields	24	18	18	17	17	17	17	17	19	21
Library:										
Facilities	5	5	5	5	5	4	4	5	5	5
Volumes	525,000	525,000	525,000	525,000	525,000	499,662	395,561	530,000	550,851	537,580
Water:										
Average Daily Consumption (MGPD)	14,323	14,306	13,446	13,382	13,286	12,821	12,800	12,359	12,021	12,318
Wastewater:										
Sanitary Sewers (miles)	151	152	152	154	154	157	160	160	160	160
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)	132	131	131	129	129	126	123	123	123	123
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

**Source:** City Records

**Note:** n/a - Indicator not available