

CITY OF BRIDGEPORT, CONNECTICUT



COMPREHENSIVE ANNUAL FINANCIAL REPORT

**For the Fiscal Year
July 1, 2011 to June 30, 2012**

Prepared By:
DEPARTMENT OF FINANCE

Anne Kelly-Lenz
Director of Finance

CITY OF BRIDGEPORT, CONNECTICUT

FINANCIAL REPORT

JUNE 30, 2012

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Introductory Section



BILL FINCH
Mayor

CITY OF BRIDGEPORT
DEPARTMENT OF FINANCE
MARGARET E. MORTON GOVERNMENT CENTER
999 Broad Street
Bridgeport, Connecticut 06604
Telephone 203-576-7251 Fax 203-576-7067

ANNE KELLY - LENZ
Finance Director

December 21, 2012

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, 2012.

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, 2012. 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 Harbor yard and The Arena at Harbor yard 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, 2011 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 21st 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 opened in the fall of 2012, created 65 rental apartments and 15,000 square feet of street-level commercial space in a building that had been vacant for more than a decade.

In the summer of 2012, a significant land swap occurred between Kuchma Corporation (developer of Bijou Square) and the City of Bridgeport that will result in nearly 100 residential units, a downtown gym with pool, a restaurant, and a new senior center for the city's residents. Ground was broken on the new senior center and the first of two new residential buildings in the fall of 2012 with the first 12 units coming on-line in early 2013.

Long vacant, the downtown north district has seen recent investment and is positioned to be the next development area in downtown. Two private building acquisitions occurred in 2012. One, three story mixed-use building has been refurbished into new office and retail space and three inter-connected buildings including an 8-story tower will be repurposed to add to the downtown residential housing stock. Just north of those buildings, the city is in negotiations with several development teams to redevelop five city blocks including both historic buildings and vacant land. One of those blocks, controlled by Urban Green Builders, received the largest grant from the state's CHAMP (Competitive Housing Assistance for Multi-Family Properties) program - \$5 million.

An additional project received a significant CHAMP grant - \$3.5 million: the restoration of the downtown Mechanics & Farmers Bank building into office space for Fletcher Thompson Architects and thirty residential units. With remediation and pre-construction activities underway in 2012, this project will be under construction in 2013.

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 2013.

DRS Vermont, 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.

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

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.

The anchor retail tenant for Steel Point was announced in July, 2012: Bass Pro Shops. They will be locating in an approximately 175,000 square foot facility on the north side of Stratford Avenue set to open in the first or second quarter of 2014. With this long-awaited announcement of activity in this redevelopment area, it is anticipated that additional retail, hotel, and office tenants will follow and the build-out of the Point will take place over the coming decade.

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

Bridgeport’s Major Financial Initiatives

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

Revenue Collection Initiatives

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

The City implemented various programs in order to achieve maximum collection of delinquent motor vehicle taxes. In 2005, the City implemented the Bootfinder Program, the latest technology available at that time to identify delinquent motor vehicle taxpayers. The publicity received from local media concerning this program has been significant. It is estimated that approximately \$5.2 million of delinquent motor vehicle taxes has been

collected since the implementation of this initiative. The City upgraded the Bootfinder Program by hiring Vioalert in 2008, bringing in approximately \$3.2 million since 2008. In addition, the City hired TaxServ LLC to serve as the City's tax collection agency. Since April 2009, approximately \$3.1 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 90.1% in Fiscal Year 2012.

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 two lien sales, generating more than \$101.7 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 2012, in which the city sold tax liens of approximately \$3.1 million and they were purchased at a premium. The City will be conducting its next tax lien sale in April 2013 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, 2012, the fund had a deficit of \$93,824,333. 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, 2011. 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 twelve 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, 2011.

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

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

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

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

Respectfully submitted,

A handwritten signature in blue ink that reads "Anne Kelly-Lenz". The signature is written in a cursive, flowing style.

Anne Kelly-Lenz
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, 2011

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.



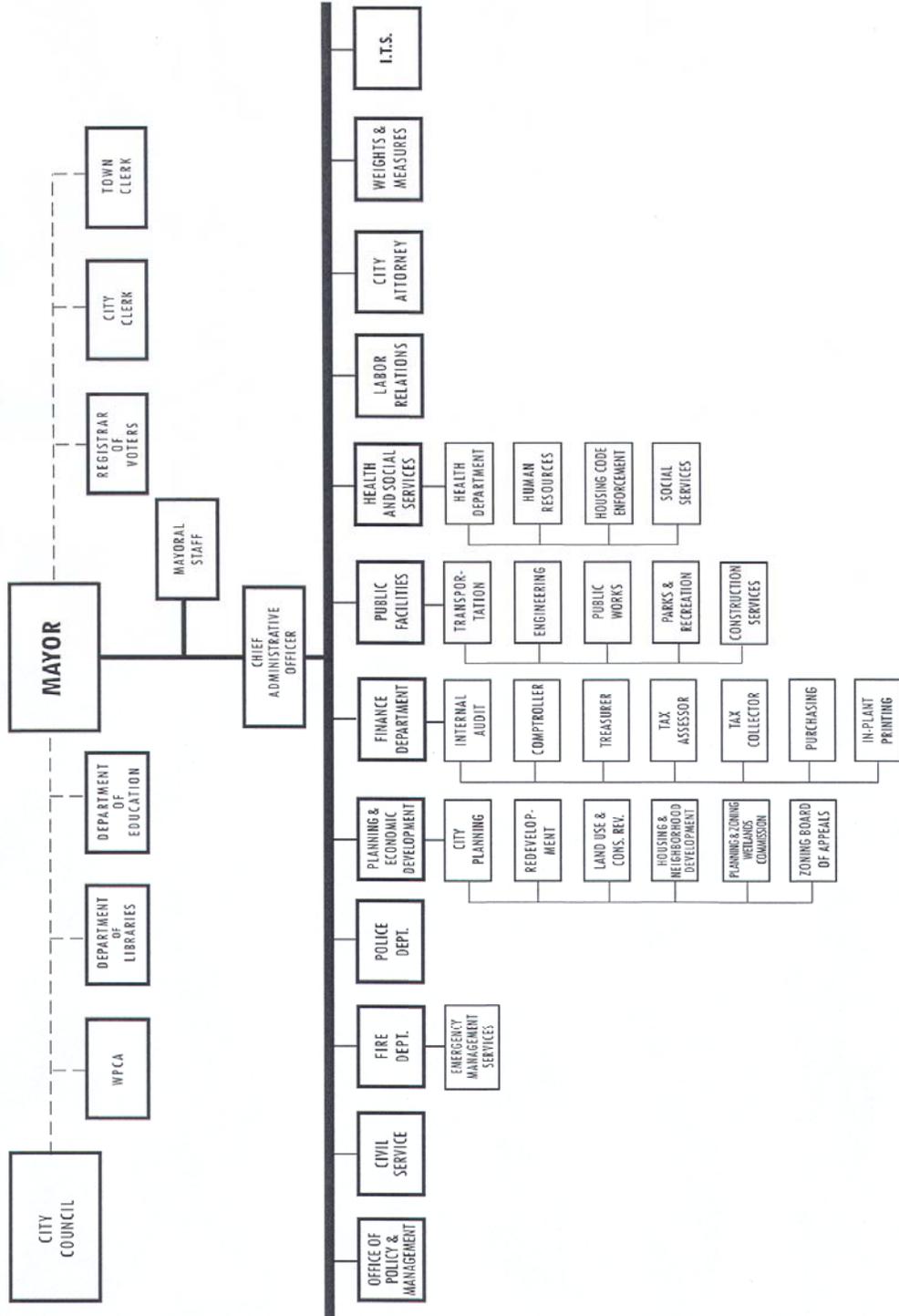
Christopher P. Morinell

President

Jeffrey R. Emer

Executive Director

CITY OF BRIDGEPORT TABLE OF ORGANIZATION



CITY OF BRIDGEPORT, CONNECTICUT

LIST OF PRINCIPAL OFFICERS

As of June 30, 2012

Office	Name	Manner of Selection and Term
Mayor	Bill Finch	Elected - 4 Year Term
City Clerk	Fleeta C. Hudson	Elected - 4 Year Term
Town Clerk	Alma Maya	Elected - 4 Year Term
Chief Administrative Officer	Andrew Nunn	Appointed by Mayor
Director of Finance	Anne Kelly-Lenz	Appointed by Mayor
Acting Deputy Director of Finance/Comptroller	Terri Coward	Appointed by Director of Finance
Treasurer	Ronald Preston	Appointed by Mayor
City Attorney	Mark Anastasi	Appointed by Mayor
Director of Office of Policy and Management	Thomas Sherwood	Appointed by Mayor
School Superintendent	Paul G. Vallas	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, 2012, 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 of Bridgeport, Connecticut'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 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 of Bridgeport, Connecticut'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, 2012 and the respective changes in financial position and, where applicable, cash flows 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 21, 2012 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, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 16 and the budgetary comparison information on pages 68 through 72 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Bridgeport, Connecticut's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion or provide any assurance on them.

Blum, Shapiro & Company, P.C.

December 21, 2012

City of Bridgeport, Connecticut
Management's Discussion and Analysis
June 30, 2012

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, 2012. 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 \$244,252,747. Total net assets for Governmental Activities at fiscal year-end were \$154,745,023 and total net assets for Business-Type Activities were \$89,507,724. The total unrestricted net deficit at June 30, 2012 was \$(391,889,161).
- ◆ On a government-wide basis, during the year, the City's net assets increased by \$20,723,729 from \$223,529,018 to \$244,252,747. Net assets increased by \$14,732,224 for Governmental Activities and increased by \$5,991,505 for Business-Type Activities. Government-wide expenses for governmental activities were \$627.3 million, while revenues were \$642 million.
- ◆ At the close of the year, the City's governmental funds reported, on a current financial resource basis, combined ending fund balances of \$108.9 million, an increase of \$34.8 from the prior fiscal year. Of the total fund balance as of June 30, 2012, \$1.9 million represents the restricted fund balance, \$100.4 million committed or assigned and \$6.2 million unassigned in the general fund, special revenue funds, capital projects fund and permanent trust fund. The unassigned fund balance represents the positive fund balance that is available for spending at the City's discretion.
- ◆ At the end of the current fiscal year, the total fund balance for the General Fund alone was \$12.7 million: \$3.2 million is assigned for potential future claims/uses; \$9.1 million is unassigned. Available general fund fund balance at year-end represents 2% of total general fund expenditures (\$500 million).
- ◆ The City's total long term debt decreased by \$37.8 million during fiscal 2012.

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 28-67 of this report.

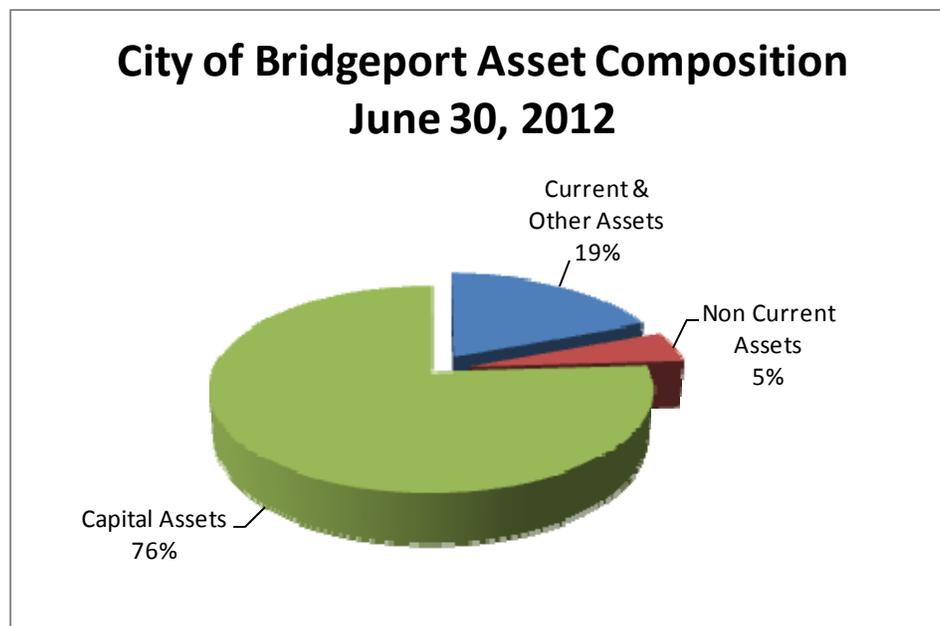
The notes to this report also contain certain information concerning the City's progress in funding its obligation to provide pension benefits to its employees.

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 \$244,252,747 at June 30, 2012. This is an increase of \$20,723,729 from last year's net assets of \$223,529,018.

CITY OF BRIDGEPORT, CONNECTICUT NET ASSETS (In Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Current and other assets	\$ 240,920	\$ 214,356	\$ 11,998	\$ 9,119	\$ 252,918	\$ 223,475
Noncurrent	72,930	78,632	-	923	72,930	79,555
Capital assets	897,034	846,536	127,462	121,374	1,024,496	967,910
Total assets	<u>1,210,884</u>	<u>1,139,524</u>	<u>139,460</u>	<u>131,416</u>	<u>1,350,344</u>	<u>1,270,940</u>
Other liabilities	151,459	163,902	8,382	7,322	159,841	171,224
Long-term debt outstanding	904,680	835,609	41,570	40,578	946,250	876,187
Total liabilities	<u>1,056,139</u>	<u>999,511</u>	<u>49,952</u>	<u>47,900</u>	<u>1,106,091</u>	<u>1,047,411</u>
Net assets:						
Invested in capital assets net of related debt	552,339	480,650	80,642	75,601	632,981	556,251
Restricted	3,161	3,161	-	923	3,161	4,084
Unrestricted	<u>(400,755)</u>	<u>(343,798)</u>	<u>8,866</u>	<u>6,992</u>	<u>(391,889)</u>	<u>(336,806)</u>
Total net assets	<u>\$ 154,745</u>	<u>\$ 140,013</u>	<u>\$ 89,508</u>	<u>\$ 83,516</u>	<u>\$ 244,253</u>	<u>\$ 223,529</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.

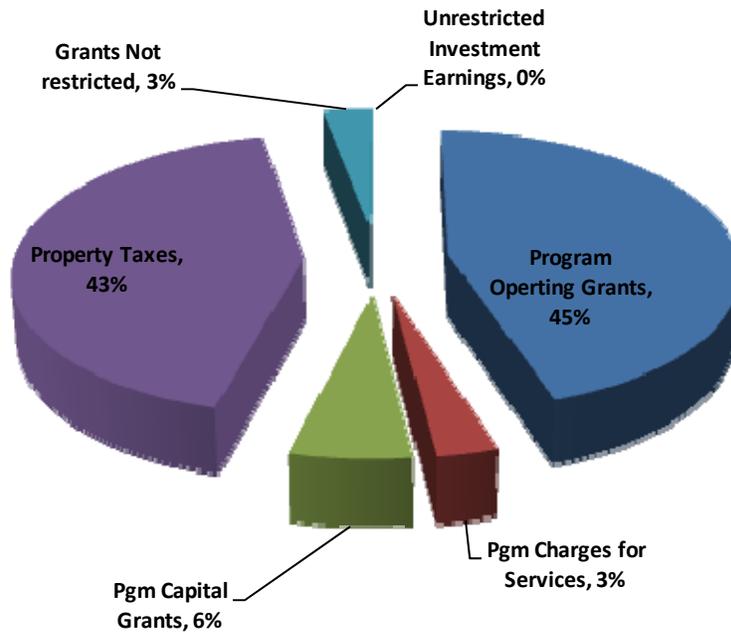
The portion of the City's net assets \$632,980,644 reflects its investment in capital assets (e.g., land, buildings, infrastructure, machinery and equipment), net of any outstanding debt related to these assets. The City uses these capital assets to provide services to citizens; consequently, these assets 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, \$3,161,000 represents resources that are subject to external restrictions on how they may be used. Unrestricted net deficit of \$(391,889,161) 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 \$290,895,000. On a government-wide basis, during the year, the City's net assets increased by \$20,723,729 from \$223,529,018 to \$244,252,747. Net assets increased by \$14,732,224 for Governmental Activities and net assets increased by \$5,991,505 for Business-Type Activities. Government-wide expenses were \$653.7 million, while revenues were \$674.4 million. The increase in net assets can primarily be explained by the decrease in noncurrent liabilities which are due in more than one year.

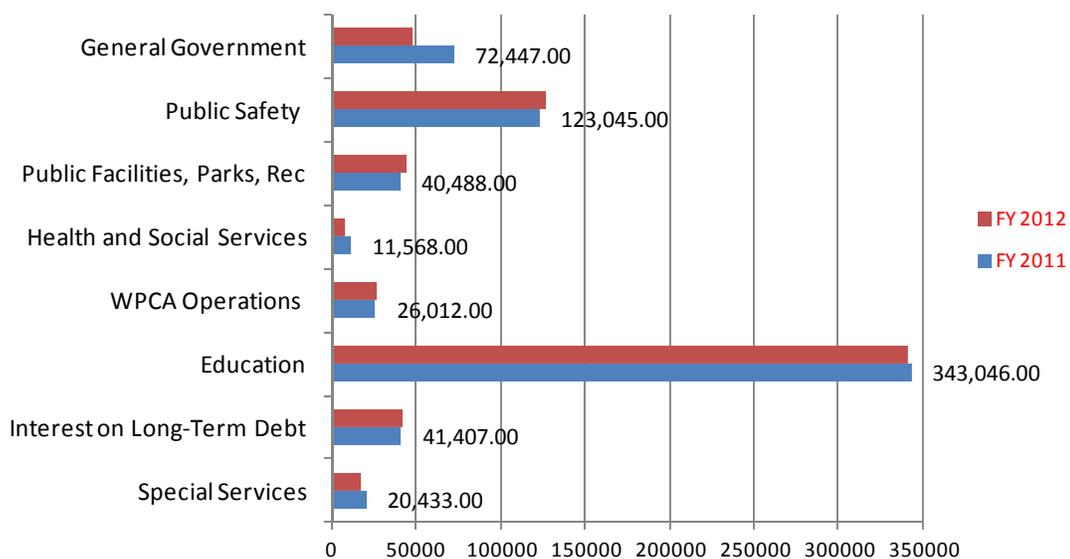
CITY OF BRIDGEPORT, CONNECTICUT
CHANGES IN NET ASSETS
(In Thousands)

	Governmental Activities		Proprietary Activities		Total Government-Wide	
	2012	2011	2012	2011	2012	2011
Revenues:						
Program revenues:						
Charges for services	\$ 19,576	\$ 22,510	\$ 28,083	\$ 28,077	\$ 47,659	\$ 50,587
Operating grants and contributions	285,924	293,281			285,924	293,281
Capital grants and contributions	36,939	26,800	4,284	776	41,223	27,576
General revenues:						
Property taxes	278,056	277,621			278,056	277,621
Grants not restricted to specific programs	21,237	21,547			21,237	21,547
Unrestricted investment earnings	306	469	12	23	318	492
Miscellaneous	-	14			-	
Total revenues	<u>642,038</u>	<u>642,242</u>	<u>32,379</u>	<u>28,876</u>	<u>674,417</u>	<u>671,104</u>
Expenses:						
General government	47,585	72,447			47,585	72,447
Public safety	127,416	123,045			127,416	123,045
Public facilities, parks and recreation, planning and development	44,443	40,488			44,443	40,488
Health and social services	7,515	11,568			7,515	11,568
Operations			26,387	26,012	26,387	26,012
Education	341,739	343,046			341,739	343,046
Interest on long-term debt	41,870	41,407			41,870	41,407
Special services	16,738	20,433			16,738	20,433
Total expenses	<u>627,306</u>	<u>652,434</u>	<u>26,387</u>	<u>26,012</u>	<u>653,693</u>	<u>678,446</u>
Change in net assets	14,732	(10,192)	5,992	2,864	20,724	(7,328)
Net Assets, beginning	<u>140,013</u>	<u>150,205</u>	<u>83,516</u>	<u>80,652</u>	<u>223,529</u>	<u>196,233</u>
Net Assets, Ending	<u>\$ 154,745</u>	<u>\$ 140,013</u>	<u>\$ 89,508</u>	<u>\$ 83,516</u>	<u>\$ 244,253</u>	<u>\$ 223,529</u>

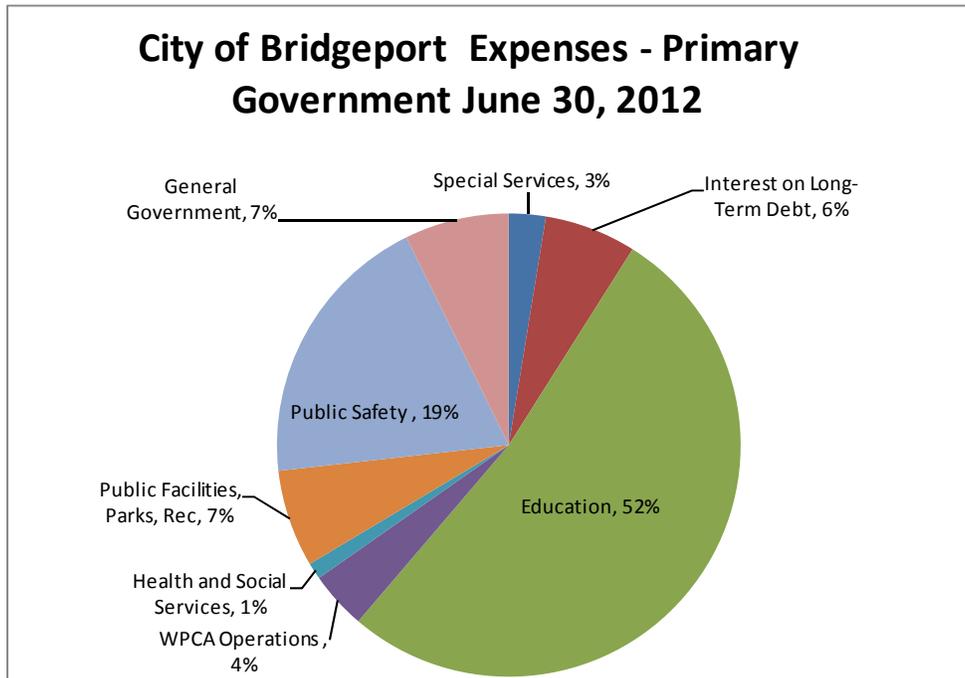
City of Bridgeport FY12 Revenues



City of Bridgeport Primary Government Expenditures FY2011 v FY2012 (in Millions)



City of Bridgeport Expenses - Primary Government June 30, 2012



Bridgeport's net assets increased by \$20,723,729 during the fiscal year, with the net assets of Governmental Activities increasing by \$14,732,224 million, and net assets of Business-Type Activities increasing by \$5,992. The increase in net assets represents the degree in decreases for claims and worker's compensation in the Internal Service Fund.

Governmental Activities

Program revenues represented 47% of total revenues, followed by property taxes at 42%, and program capital other unrestricted grants at 4% and program charges for service at 3 0%.

Major revenue factors included:

- ◆ Property tax revenues recorded for fiscal year 2012 represents an increase of \$435,000 from the prior fiscal year ended June 30, 2011.
- ◆ Program Revenue increased \$1,751,619 from \$342,591,381 in the prior fiscal year to \$344,342,000 for the fiscal year ended June 30, 2012.

For Governmental Activities, 50% of the City's expenses relate to education; 18% relate to public safety; 4% relate to special services; 6% relate to interest payments on long-term debt; 6% relate to public facilities, parks and recreation; 4% related to Water Pollution Control Authority operations; 11% relate to general government; and 2% relate to health and welfare.

Major expense factors include:

- ◆ During the 2011-2012 budget process, discretionary expenses held stable.
- ◆ Police, Fire and Public Facility overtime increased due to major storms which hit the City.
- ◆ BOE funding of an additional 2m in order to receive a 3.5m forgivable loan from the state.

Business-Type Activities

Water Pollution Control Authority (WPCA) revenue for charges for services remain constant for 2012 from prior year at \$28 million while their expenses increased slightly from \$25 million to \$25.4 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 \$108.9 million, an increase of \$34,815,362 from the prior year, due mainly to an increase in assets. Total General Fund balance decreased \$3,839,996 from \$16.6 million to \$12.7 million. Of this total General Fund balance \$3.2 million is assigned to cover legal for potential future claims/uses. \$9.1 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 \$12.7 million. As a measure of the General Fund's liquidity, it may be useful to compare the total fund balance to total fund expenditures. Total General Fund balance represents 2.4% of total General Fund expenditures.

The Capital Bond Issue Fund has a total fund balance of \$90 million up from \$54 million in the prior year. The change in fund balance can be explained by the timing of resources into and out of this fund for ongoing capital projects.

The Other Governmental Funds have a total fund balance of \$6.1 million, up from \$4.1 million in the prior year, mainly due to lower expenses in these funds.

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

Net assets of the proprietary fund consisting of the Water Pollution Control Authority were \$89.5 million, as compared to \$83.5 million in the prior year.

The unrestricted net assets of the Water Pollution Control Authority were \$8 million. The Water Pollution Control Authority experienced operating revenues of \$28.1 million from user fees. There was a total operating income for the WPCA of \$1.7 million before capital contributions of \$4. The change in net assets for the fiscal year ended June 30, 2012 was \$5.9 million.

Net assets of the Internal Service Fund were \$(93.8) million, as compared to \$(102.4) million in the prior year. This decrease is due to the lower accrued liability of Claims and judgments.

General Fund Budgetary Highlights

The City's fiscal 2012 budget was a balanced budget which kept the 1 mill rate increase for the library funding which was a voter-approved millage increase. Total expenditures and other financing use budget was \$493,801,760 of which actual was \$497,630,374 showing total expenditures and other financing uses actual higher than budget by 3,826,614. There were two significant factors affecting expenses that occurred after the passing of the FY 2011-2012 budget in April 2011. If these items were not a factor, the City of Bridgeport would have had ended the FY 2011-2012 with a modest surplus of nearly \$185,000. The legislation called for accelerated payments beginning in FY2011-2012 with an increased payment of \$7 million to be recalculated thereafter using actuarial methods and assumptions based on Actuarial Standards of Practice, and a level percent amortization of the unfunded actuarial accrued liability using a 5% growth rate. The City had budgeted for \$5 million prior to the passing of this legislation.

This plan was developed in collaboration with the City and Gov. Dannel P. Malloy, State Treasurer Denise L. Nappier, OPM Secretary Ben Barnes, OPM and Treasury staff offers a fiscally responsible and comprehensive approach to addressing the challenges of fully funding Pension Plan A.

On June 12, 2012, the State Legislature agreed to give the Bridgeport Board of Education a \$3.5 million forgivable loan, necessary to seal a FY 2011-12 budget deficit. In an agreement with the State Department of Education, to receive these funds, the City was required to contribute an additional \$2,014,274. That sum was taken from the City budget, not the Board of Education budget and was not previously contained in the FY 2011-12 budget.

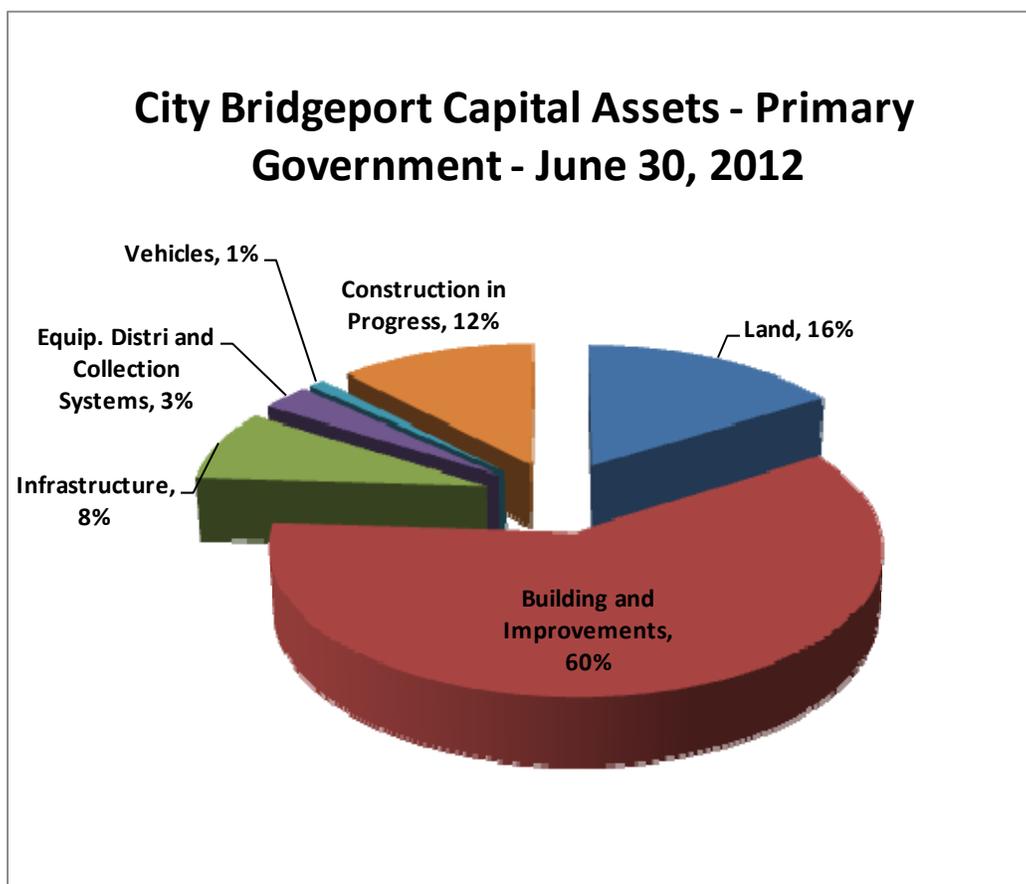
Over all total property taxes were over the budgetary results for fiscal year 2012 by \$.5 million, while current tax collection rates remained strong at a 97.25%. The collection for the arrears fell short of expectations by \$.8 million. Total revenues and other financing sources with a budgetary base of \$493,801,760 showed actual of \$493,790,378 resulting in actual below budgetary revenues of \$(11,382).

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, 2012, amounted to \$897 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 56.5 million.

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

	Governmental Activities		Proprietary Activities		Total Primary Government	
	2012	2011	2012	2011	2012	2011
Land	\$ 139,235	\$ 139,235	\$	\$	\$ 139,235	\$ 139,235
Buildings and improvements	538,027	551,254	50,280	53,513	588,307	604,767
Infrastructure	69,394	63,868			69,394	63,868
Equipment, distribution and collection systems	30,666	32,601	63,965	63,344	94,631	95,945
Vehicles	6,011	6,199	291	236	6,302	6,435
Construction in progress	113,701	53,379	12,926	4,280	126,627	57,659
Total	\$ 897,034	\$ 846,536	\$ 127,462	\$ 121,373	\$ 1,024,496	\$ 967,909



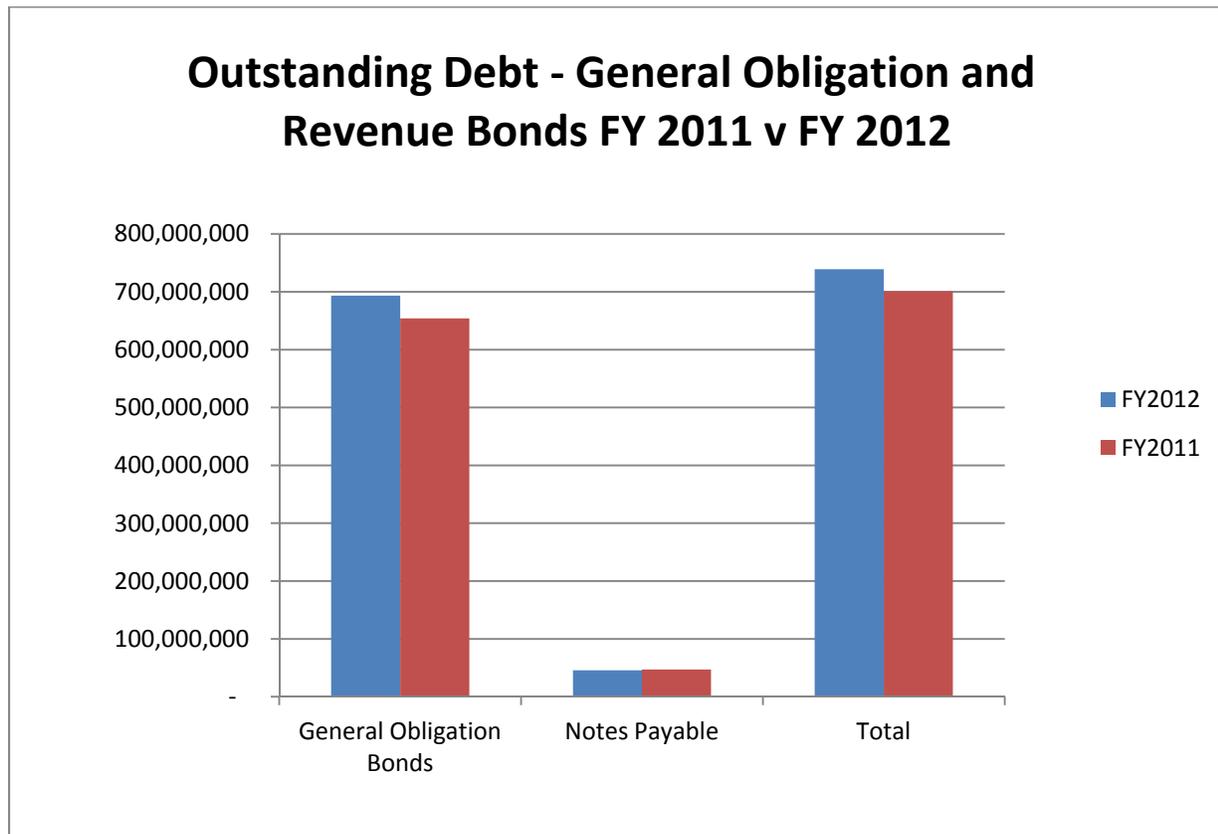
Major capital asset events during the current fiscal year included the following:

- ◆ 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	
	2012	2011	2012	2011	2012	2011
General obligation bonds	\$ 689,265,000	\$ 651,890,000	\$ 4,008,491	\$ 2,151,722	\$ 693,273,491	\$ 654,041,722
Notes payable	2,843,000	3,471,000	42,811,617	43,620,800	45,654,617	47,091,800
Totals	<u>\$ 692,108,000</u>	<u>\$ 655,361,000</u>	<u>\$ 46,820,108</u>	<u>\$ 45,772,522</u>	<u>\$ 738,928,108</u>	<u>\$ 701,133,522</u>



Long-term debt. At the end of the current fiscal year, the City had total bonded debt outstanding of \$738,928,108. 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 \$45,654,617 through user fee charges.

The City's total long term debt increased by \$36.7 million during fiscal 2012.

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 time annual receipts from taxation or \$1.91 billion. As of June 30, 2012, the City recorded long-term debt of \$693 million related to Governmental Activities and \$45.6 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, 2012, the unemployment rate for the Bridgeport Labor Market Area was 12.6%, down from 13.98% in the prior year. Connecticut's overall unemployment rate decreased to 8.1% from 9.1%, compared with the same period for the previous year.

Requests for Information

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

Basic Financial Statements

CITY OF BRIDGEPORT, CONNECTICUT

STATEMENT OF NET ASSETS

JUNE 30, 2012

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Assets:			
Current assets:			
Cash and cash equivalents	\$ 143,253,247	\$ 3,971,151	\$ 147,224,398
Temporarily restricted cash and cash equivalents	2,500,000		2,500,000
Investments	1,889,725		1,889,725
Receivables, net of allowances for collection losses:			
Property taxes	35,437,723		35,437,723
Sewer user fees and liens		5,872,351	5,872,351
Federal and state governments	47,086,762		47,086,762
Other	10,060,321	2,497,102	12,557,423
Internal balances	342,383	(342,383)	-
Other assets	350,000		350,000
Total current assets	<u>240,920,161</u>	<u>11,998,221</u>	<u>252,918,382</u>
Noncurrent:			
Deferred charges, net of accumulated amortization	10,058,810		10,058,810
Capital assets not being depreciated	252,936,340	12,926,142	265,862,482
Capital assets being depreciated, net of depreciation	644,097,421	114,536,044	758,633,465
Net pension assets	62,870,890		62,870,890
Total noncurrent assets	<u>969,963,461</u>	<u>127,462,186</u>	<u>1,097,425,647</u>
Total assets	<u>1,210,883,622</u>	<u>139,460,407</u>	<u>1,350,344,029</u>
Liabilities:			
Current liabilities:			
Accounts payable and accrued expenses	41,051,751	3,132,575	44,184,326
Due to fiduciary funds	2,792,211		2,792,211
Unearned revenues	10,191,068		10,191,068
Notes payable	25,000,000		25,000,000
Accrued interest payable	16,479,982		16,479,982
Current maturities of long-term obligations	55,943,244	5,249,634	61,192,878
Total current liabilities	<u>151,458,256</u>	<u>8,382,209</u>	<u>159,840,465</u>
Noncurrent liabilities:			
Due in more than one year	904,680,343	41,570,474	946,250,817
Total liabilities	<u>1,056,138,599</u>	<u>49,952,683</u>	<u>1,106,091,282</u>
Net Assets:			
Investment in capital assets, net of related debt	552,338,566	80,642,078	632,980,644
Restricted for:			
Debt service and capital improvements			
Permanent funds, expendable	108,733		108,733
Permanent funds, nonexpendable	552,531		552,531
Self-insured claims	2,500,000		2,500,000
Unrestricted	(400,754,807)	8,865,646	(391,889,161)
Total Net Assets	<u>\$ 154,745,023</u>	<u>\$ 89,507,724</u>	<u>\$ 244,252,747</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, 2012

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Assets</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Governmental activities:							
General government	\$ (47,585,310)	\$ 3,632,801	\$ 425,724	\$	\$ (43,526,785)	\$	\$ (43,526,785)
Public safety	(127,416,487)	6,263,832	77,404	\$	(121,075,251)	\$	(121,075,251)
Public facilities, parks and recreation	(40,813,295)	4,008,679	4,279,642	1,188,554	(31,336,420)		(31,336,420)
Planning and economic development	(3,630,343)	4,102,402	12,320,951		12,793,010		12,793,010
Health and social services	(7,514,927)	865,318	5,916,291		(733,318)		(733,318)
Education	(341,738,042)	702,587	257,452,149	35,750,724	(47,832,582)		(47,832,582)
Special services	(16,736,988)		3,880,602		(12,856,386)		(12,856,386)
Interest on long-term debt	(41,869,525)		1,570,900		(40,298,625)		(40,298,625)
Total governmental activities	<u>(627,304,917)</u>	<u>19,575,619</u>	<u>285,923,663</u>	<u>36,939,278</u>	<u>(284,866,357)</u>		<u>(284,866,357)</u>
Business-type activities:							
Water Pollution Control Authority	<u>(26,387,727)</u>	<u>28,083,135</u>		<u>4,284,004</u>		<u>5,979,412</u>	<u>5,979,412</u>
Total	<u>\$ (653,692,644)</u>	<u>\$ 47,658,754</u>	<u>\$ 285,923,663</u>	<u>\$ 41,223,282</u>	<u>(284,866,357)</u>	<u>5,979,412</u>	<u>(278,886,945)</u>
		General revenues:					
					278,055,567		278,055,567
					21,237,067		21,237,067
					305,947	12,093	318,040
					<u>299,598,581</u>	<u>12,093</u>	<u>299,610,674</u>
					14,732,224	5,991,505	20,723,729
					<u>140,012,799</u>	<u>83,516,219</u>	<u>223,529,018</u>
					<u>\$ 154,745,023</u>	<u>\$ 89,507,724</u>	<u>\$ 244,252,747</u>

The accompanying notes are an integral part of the financial statements

CITY OF BRIDGEPORT, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2012

	<u>General</u>	<u>Education Grants</u>	<u>Capital Bond Issue</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and cash equivalents	\$ 21,911,422	\$ 608,614	\$ 115,208,446	\$ 4,449,150	\$ 142,177,632
Investments				1,889,725	1,889,725
Receivables, net of allowances for collection losses:					
Property taxes	35,437,723				35,437,723
Intergovernmental	33,695,808	3,307,669	389,047	9,694,238	47,086,762
Other	4,922,068		97,352	5,040,901	10,060,321
Due from other funds	44,365,641	260,400	6,355,545	4,010,254	54,991,840
Other assets	350,000				350,000
Total Assets	<u>\$ 140,682,662</u>	<u>\$ 4,176,683</u>	<u>\$ 122,050,390</u>	<u>\$ 25,084,268</u>	<u>\$ 291,994,003</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 12,008,155	\$ 988,393	\$ 9,114,986	\$ 1,533,565	\$ 23,645,099
Payroll and other accrued liabilities	16,830,835	257,844		317,973	17,406,652
Due to other funds	28,531,180	981,431	22,154,007	10,560,898	62,227,516
Deferred revenues	45,591,978	2,552,676		6,655,740	54,800,394
Notes payable	25,000,000				25,000,000
Total liabilities	<u>127,962,148</u>	<u>4,780,344</u>	<u>31,268,993</u>	<u>19,068,176</u>	<u>183,079,661</u>
Fund balances:					
Nonspendable	350,000				350,000
Restricted				1,910,141	1,910,141
Committed			90,781,397	6,435,893	97,217,290
Assigned	3,222,700				3,222,700
Unassigned	9,147,814	(603,661)		(2,329,942)	6,214,211
Total fund balances	<u>12,720,514</u>	<u>(603,661)</u>	<u>90,781,397</u>	<u>6,016,092</u>	<u>108,914,342</u>
Total Liabilities and Fund Balances	<u>\$ 140,682,662</u>	<u>\$ 4,176,683</u>	<u>\$ 122,050,390</u>	<u>\$ 25,084,268</u>	<u>\$ 291,994,003</u>

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CITY OF BRIDGEPORT, CONNECTICUT

BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)

JUNE 30, 2012

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		\$ 108,914,342
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:		
Governmental capital assets	\$ 1,186,149,002	
Less accumulated depreciation	<u>(289,115,241)</u>	
Net capital assets		897,033,761
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		17,612,847
Interest receivable on property taxes		17,145,718
Receivable from the state for school construction projects		9,850,761
Bond issuance costs		10,058,810
Net pension asset		62,870,890
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.		(93,824,333)
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		(692,108,000)
Deferred for issuance premiums		(14,255,195)
Compensated absences		(26,638,190)
Landfill closure		(129,364)
State Department of Education loan		(3,500,000)
OPEB obligation		(120,183,849)
Net pension obligation		(1,623,193)
Interest payable on bonds and notes		<u>(16,479,982)</u>
Net Assets of Governmental Activities (Exhibit I)		<u>\$ 154,745,023</u>

The accompanying notes are an integral part of the financial statements

CITY OF BRIDGEPORT, CONNECTICUT

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

FOR THE YEAR ENDED JUNE 30, 2012

	<u>General</u>	<u>Education Grants</u>	<u>Capital Bond Issue</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:					
Property taxes	\$ 274,118,745	\$	\$	\$	\$ 274,118,745
Intergovernmental	231,508,096	53,665,821	41,946,401	19,816,406	346,936,724
Fees, permits and licenses	16,664,394				16,664,394
Interest	72,643		96,279	136,751	305,673
Other	2,677,295		316,110	1,354,115	4,347,520
Total revenues	<u>525,041,173</u>	<u>53,665,821</u>	<u>42,358,790</u>	<u>21,307,272</u>	<u>642,373,056</u>
Expenditures:					
Current:					
General government	39,847,410			88,407	39,935,817
Public safety	115,629,783				115,629,783
Public facilities	34,490,427				34,490,427
Planning and economic development	3,630,343				3,630,343
Health and social services	4,270,155			2,266,693	6,536,848
Libraries	5,720,129			313,916	6,034,045
Education	259,297,544	53,677,474		1,917	312,976,935
Special services	680,217			16,688,777	17,368,994
Debt service:					
Principal retirements	31,183,000				31,183,000
Interest and other charges	34,632,161		5,158,841		39,791,002
Capital outlay			74,551,555		74,551,555
Total expenditures	<u>529,381,169</u>	<u>53,677,474</u>	<u>79,710,396</u>	<u>19,359,710</u>	<u>682,128,749</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(4,339,996)</u>	<u>(11,653)</u>	<u>(37,351,606)</u>	<u>1,947,562</u>	<u>(39,755,693)</u>
Other Financing Sources (Uses):					
Transfers in	500,000				500,000
Transfers out			(500,000)		(500,000)
Bonds issued			67,930,000		67,930,000
Premium on bonds issued			6,641,055		6,641,055
Total other financing sources (uses)	<u>500,000</u>	<u>-</u>	<u>74,071,055</u>	<u>-</u>	<u>74,571,055</u>
Net Change in Fund Balances	(3,839,996)	(11,653)	36,719,449	1,947,562	34,815,362
Fund Balances at Beginning 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>
Fund Balances at End of Year	<u>\$ 12,720,514</u>	<u>\$ (603,661)</u>	<u>\$ 90,781,397</u>	<u>\$ 6,016,092</u>	<u>\$ 108,914,342</u>

(Continued on next page)

CITY OF BRIDGEPORT, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2012

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)	\$ 34,815,362
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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	73,196,670
Depreciation expense	(22,698,547)

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	3,159,522
Property tax interest and lien revenue - accrual basis change	706,049
School building grant receipts	(701,485)
Net pension assets	(3,717,554)

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	(67,930,000)
Bond and note principal payments	31,183,000

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds:

Amortization of deferred amounts for issuance premiums	(5,355,404)
Compensated absences	(614,799)
Landfill post closure care	24,806
State Department of Education loan	(3,500,000)
OPEB obligation	(29,817,983)
Net pension obligation	139,770
Amortization of bond issuance costs	(1,984,578)
Accrued interest	(751,596)

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.

8,578,991

Change in Net Assets of Governmental Activities (Exhibit II)

\$ 14,732,224

The accompanying notes are an integral part of the financial statements

CITY OF BRIDGEPORT, CONNECTICUT

STATEMENT OF NET ASSETS - PROPRIETARY FUNDS

JUNE 30, 2012

	<u>Business-Type Activities Enterprise Fund</u>	<u>Governmental Activities Internal Service Fund</u>
Assets:		
Current:		
Cash and cash equivalents	\$ 3,971,151	\$ 1,075,615
Receivables, net of allowances for collection losses:		
Unbilled usage charges	5,872,351	
Other receivables	2,497,102	
Due from other funds		7,405,129
Other assets		
Total current assets	<u>12,340,604</u>	<u>8,480,744</u>
Noncurrent:		
Restricted cash and cash equivalents		2,500,000
Capital assets not being depreciated	12,926,142	
Capital assets being depreciated, net of accumulated depreciation	<u>114,536,044</u>	
Total noncurrent assets	<u>127,462,186</u>	<u>2,500,000</u>
Total assets	<u>139,802,790</u>	<u>10,980,744</u>
Liabilities:		
Current:		
Current portion of long-term debt	5,249,634	
Accounts payable and accrued expenses	1,834,359	
Accrued interest payable	251,214	
Construction contracts payable	905,020	
Due to other funds	342,383	2,619,281
Deferred revenue	141,982	
Claims payable - current portion		15,478,122
Total current liabilities	<u>8,724,592</u>	<u>18,097,403</u>
Noncurrent:		
Claims payable - noncurrent portion		86,707,674
Long-term debt less current portion	<u>41,570,474</u>	
Total noncurrent liabilities	<u>41,570,474</u>	<u>86,707,674</u>
Total liabilities	<u>50,295,066</u>	<u>104,805,077</u>
Net Assets:		
Invested in capital assets, net of related debt	80,642,078	
Restricted for self-insured claims		2,500,000
Unrestricted	<u>8,865,646</u>	<u>(96,324,333)</u>
Total Net Assets	<u>\$ 89,507,724</u>	<u>\$ (93,824,333)</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, 2012

	<u>Business-Type Activities Enterprise Fund</u>	<u>Governmental Activities Internal Service Fund</u>
Operating revenues:		
Sewer user fees	\$ 26,778,640	\$
Other operating income	1,304,495	
Charges for services		108,010,444
Total operating revenues	<u>28,083,135</u>	<u>108,010,444</u>
Operating expenses:		
Operation and maintenance	18,855,394	
Depreciation	6,622,070	
Claims		99,431,453
Total operating expenses	<u>25,477,464</u>	<u>99,431,453</u>
Operating income	<u>2,605,671</u>	<u>8,578,991</u>
Nonoperating revenue (expense):		
Interest income	12,093	
Interest expense	(910,263)	
Total nonoperating expense	<u>(898,170)</u>	<u>-</u>
Income before capital contributions	1,707,501	8,578,991
Capital contributions	<u>4,284,004</u>	<u>-</u>
Change in Net Assets	5,991,505	8,578,991
Total Net Assets, Beginning of Year	<u>83,516,219</u>	<u>(102,403,324)</u>
Total Net Assets, End of Year	<u>\$ 89,507,724</u>	<u>\$ (93,824,333)</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, 2012

	<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	\$ 27,126,329	\$
Payments to suppliers	(17,658,820)	
Payments to employees	(784,467)	
Cash received (paid) for interfund services used	(1,032,835)	(612,417)
Cash received from charges for services		108,010,444
Cash paid to vendors and beneficiaries		(107,799,394)
Net cash provided by (used in) operating activities	<u>7,650,207</u>	<u>(401,367)</u>
Cash flows from capital and related financing activities:		
Principal payments on debt	(5,160,278)	
Interest paid on debt	(814,413)	
Proceeds from notes payable	6,207,864	
Proceeds received on capital grants	4,284,004	
Purchase of capital assets	(12,352,381)	
Net cash used in capital and related financing activities	<u>(7,835,204)</u>	<u>-</u>
Cash flows from investing activities:		
Interest received on investments	12,093	
Net cash provided by investing activities	<u>12,093</u>	<u>-</u>
Net decrease in cash and cash equivalents	(172,904)	(401,367)
Cash and cash equivalents at beginning of year	<u>4,144,055</u>	<u>3,976,982</u>
Cash and Cash Equivalents at End of Year	<u>\$ 3,971,151</u>	<u>\$ 3,575,615</u>
Reconciliation to Statement of Net Assets:		
Cash and cash equivalents	\$ 3,971,151	\$ 1,075,615
Restricted cash and cash equivalents		<u>2,500,000</u>
	<u>\$ 3,971,151</u>	<u>\$ 3,575,615</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in)		
Operating Activities:		
Operating income (loss)	\$ 2,605,671	\$ 8,578,991
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation	6,622,070	
Decrease in accounts receivable and unbilled usage charges	425,208	
(Increase) decrease in other receivables	(1,056,027)	
Decrease in provision for uncollectible accounts	(464,969)	
(Increase) decrease in due to (from) other funds	(1,032,835)	(612,417)
Increase (decrease) in accounts payable and accrued expenses	412,107	(566,471)
Increase in deferred revenues	138,982	
Decrease in claims payable		<u>(7,801,470)</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ 7,650,207</u>	<u>\$ (401,367)</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, 2012

	<u>Pension Trust Funds</u>	<u>Agency Fund</u>
Assets:		
Cash and cash equivalents	\$ 20,212,436	\$ 353,036
Investments:		
U.S. Government Agency Obligation	45,939,713	
U.S. Government Security Obligations	8,337,583	
Corporate Bonds	32,529,460	
Certificate of Deposits	581,369	
Common Stocks	139,464,581	
Private Hedge Fund	12,767,521	
Mutual Funds - Equities	61,474,120	
Alternative Investments	9,872,000	
Total investments	<u>310,966,347</u>	<u>-</u>
Due from other funds	2,792,211	
Contributions receivable	<u>2,253,734</u>	<u>-</u>
Total assets	<u>336,224,728</u>	<u>353,036</u>
Liabilities:		
Other liabilities	186	
Due to student groups		353,036
Total liabilities	<u>186</u>	<u>353,036</u>
Net Assets	<u>\$ 336,224,542</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, 2012

	<u>Pension Trust Funds</u>
Additions:	
Contributions:	
Employer	\$ 16,328,606
Plan members	2,387,692
Annuity proceeds	2,528,929
Total contributions	<u>21,245,227</u>
Investment income:	
Net depreciation in fair value of investments	(13,534,389)
Interest and dividends	8,613,526
	<u>(4,920,863)</u>
Less investment expenses:	
Investment management fees	<u>(831,766)</u>
Net investment loss	<u>(5,752,629)</u>
Total additions	15,492,598
Deductions:	
Benefits	<u>40,852,787</u>
Net decrease	(25,360,189)
Net assets held in trust for pension benefits, beginning of year	<u>361,584,731</u>
Net Assets Held in Trust for Pension Benefits, End of Year	<u>\$ 336,224,542</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 \$910,263. Of this amount, \$99,996 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). Amounts remain committed until action is taken by the Town Council (resolution) to remove or revise the limitations.

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 \$1,924,864 supplemental appropriations during the year ended June 30, 2012. 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 Sources</u>	<u>Expenditures and Other Financing Uses</u>
Balance, GAAP basis fund financial statements	\$ 525,541,173	\$ 529,381,169
State Teachers' Retirement payments made by State Department of Education on behalf of the City, not recognized for budgetary purposes	(23,200,330)	(23,200,330)
Excess cost payments made by State Department of Education on behalf of the City, not recognized for budgetary purposes	(5,050,465)	(5,050,465)
State Department of Education loan recorded as credit to budgetary expenditures	<u>(3,500,000)</u>	<u>(3,500,000)</u>
Balance, Budgetary Basis	<u>\$ 493,790,378</u>	<u>\$ 497,630,374</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, 2012, the following line items had overexpended appropriations:

	<u>Final Appropriation</u>	<u>Expenditures, Encumbrances and Other Financing Uses</u>	<u>Balance Overexpended</u>
Mayor's Office	\$ 756,878	\$ 819,070	\$ 62,192
Registrar of voters	666,708	706,879	40,171
City attorney	4,029,892	5,345,843	1,315,951
Labor relations/benefits/pensions	20,586,937	20,755,423	168,486
Office of policy and management	685,490	694,547	9,057
Chief administrative officer	932,653	1,009,631	76,978
Minority business enterprise office	186,061	195,279	9,218
Police department	82,311,986	86,796,554	4,484,568
Fire department	52,731,438	53,913,222	1,181,784
Weights and measures	135,805	140,336	4,531
Emergency operation center	4,458,312	4,859,479	401,167
Airport	1,095,992	1,142,280	46,288
Maintenance	10,554,421	10,669,494	115,073
Public facilities administration	13,492,661	13,596,759	104,098
Sanitation	5,340,854	5,557,525	216,671
Transfer Station	1,882,223	2,103,284	221,061
Parks	2,340,016	2,369,456	29,440
Golf Course	1,327,843	1,335,883	8,040
Zoning Board of Appeals	65,703	66,728	1,025
Vital Statistics	273,730	303,837	30,107
Housing code enforcement	428,509	441,209	12,700
Human service administration	101,144	102,424	1,280
Department of aging	369,925	371,779	1,854
Lighthouse/Youth Services	1,365,411	1,374,539	9,128
Social services	150,238	160,886	10,648
Miscellaneous expenses	(2,713,923)	176,300	2,890,223

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*, \$70,629,577 of the City's bank balance of \$72,485,838 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 63,416,619
Uninsured and collateral held by the pledging bank's trust department, not in the City's name	<u>7,212,958</u>
Total Amount Subject to Custodial Credit Risk	<u>\$ 70,629,577</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, 2012 the City's cash equivalents amounted to \$117,768,438. The following table provides a summary of the City's cash equivalents (excluding U.S. government guaranteed obligations) as rated by nationally recognized statistical rating organizations.

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

*Not rated

Cash and cash equivalents are restricted for the following uses at June 30, 2012:

Proprietary Fund:	
Self Insurance Programs	\$ 2,500,000

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, 2012:

Investments:

Permanent Trust Fund:

U.S. Government Securities	\$ <u>502,878</u> *
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Special Revenue Fund:

U.S. Government Securities	<u>1,386,847</u> *
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Pension Trust Funds:

U.S. Government Agencies	45,939,713 *
Corporate Bonds	32,529,460 *
U.S. Government Securities	8,337,583 *
Alternative Investments	9,872,000 *
Common and Preferred Stocks	139,464,580 *
Mutual Funds	61,474,120
Certificate of Deposits	581,370
Private Hedge Fund	<u>12,767,521</u>
	<u>310,966,347</u>

Total Investments	\$ <u>312,856,072</u>
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* These investments are uninsured and unregistered, with securities held by the counterparty's trust department or agent, but not in the City's name.

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

Statement of net assets:	
Cash and cash equivalents	\$ 147,224,398
Restricted cash and cash equivalents	2,500,000
Investments	<u>1,889,725</u>
	<u>151,614,123</u>
Fiduciary funds:	
Cash and cash equivalents	20,565,472
Investments	<u>310,966,347</u>
	<u>331,531,819</u>
Total Cash, Cash Equivalents and Investments	<u>\$ 483,145,942</u>

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

	<u>Fair Value</u>	<u>Less Than 1 Year</u>	<u>1-10 Years</u>	<u>Over 10 Years</u>
Type of Investment:				
U.S. Government securities	\$ 10,227,308	\$ 712,649	\$ 4,623,655	\$ 4,891,004
U.S. Government agencies	45,939,713	3,980,882	41,385,337	573,494
Corporate Bonds	<u>32,529,460</u>	<u>1,791,466</u>	<u>28,205,827</u>	<u>2,532,167</u>
Total	<u>\$ 88,696,481</u>	<u>\$ 6,484,997</u>	<u>\$ 74,214,819</u>	<u>\$ 7,996,665</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	\$	\$ 54,288,063
AA+	1,139,198	784,566
AA	843,253	200,276
AA-	1,344,794	225,236
A+	4,016,289	
A	4,782,389	
A-	6,120,743	281,135
BBB+	2,060,384	
BB+	595,150	
BB	938,363	
BBB	2,599,978	
BB-	1,073,720	
BBB-	1,267,897	
B+	1,559,075	
B	1,344,118	
B-	1,229,083	
CCC+	152,850	
CCC	899,480	
CC	108,636	
D	157,597	
Unrated	296,463	387,745
	<u>\$ 32,529,460</u>	<u>\$ 56,167,021</u>

4. RECEIVABLES - FUND BASIS

Receivables at June 30, 2012 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	\$ 42,314,388	\$	\$	\$	\$	\$ 42,314,388
Interest on property taxes	17,145,718					17,145,718
Contributions					2,253,734	2,253,734
Sewer user fees				9,966,643		9,966,643
Intergovernmental	33,695,808	3,307,669	389,047		9,694,238	47,086,762
Other	4,922,068		97,352	2,497,102	5,040,901	12,557,423
Gross receivables	98,077,982	3,307,669	486,399	12,463,745	16,988,873	131,324,668
Less allowance for collection losses	24,022,383			4,094,292		28,116,675
Net Receivables	<u>\$ 74,055,599</u>	<u>\$ 3,307,669</u>	<u>\$ 486,399</u>	<u>\$ 8,369,453</u>	<u>\$ 16,988,873</u>	<u>\$ 103,207,993</u>

5. INTERFUND ACCOUNTS

As of June 30, 2012, amounts due from and to other funds were as follows:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$ 44,365,641	\$ 28,531,180
Education grants	<u>260,400</u>	<u>981,431</u>
Capital Bond Issue Fund	<u>6,355,545</u>	<u>22,154,007</u>
Special revenue funds:		
Health and sanitation	317,074	
Public safety		1,607,678
Facility and miscellaneous	202,315	882,374
Social services	95,140	202,315
Community Development Block Grant		948,967
Housing Opportunities AIDS	30,530	698,794
HOME Program	25,246	404,652
Section 108 Loan Guarantee		982,820
Development administration state grant		5,428,278
Library	3,766	
Library operations	101,184	
Miscellaneous grants	59,335	
General government	71,417	
Total special revenue funds	<u>906,007</u>	<u>11,155,878</u>
Capital projects funds:		
Conversion capital projects	<u>3,698,459</u>	
Total capital projects funds	<u>3,698,459</u>	<u>-</u>
Permanent trust funds:		
Education	<u>768</u>	
Enterprise funds:		
WPCA		<u>342,383</u>
Pension trust funds:		
Public Safety Plan A	<u>2,792,211</u>	
Internal service fund:		
City health insurance	<u>7,405,129</u>	<u>2,619,281</u>
Nonmajor governmental fund elimination	<u>(594,980)</u>	<u>(594,980)</u>
Total	<u>\$ 65,189,180</u>	<u>\$ 65,189,180</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, 2012 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, 2012, the City executed a bulk sale of property tax liens and collected proceeds of approximately \$8,369,660. 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, 2012 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	53,378,567	60,322,480	-	113,701,047
Total capital assets not being depreciated	<u>192,613,860</u>	<u>60,322,480</u>	<u>-</u>	<u>252,936,340</u>
Capital assets being depreciated:				
Buildings and improvements	688,981,867	451,270	-	689,433,137
Machinery and equipment	50,066,980	879,467	-	50,946,447
Infrastructure	141,627,136	9,880,008	-	151,507,144
Vehicles	39,662,489	1,663,445	-	41,325,934
Total capital assets being depreciated	<u>920,338,472</u>	<u>12,874,190</u>	<u>-</u>	<u>933,212,662</u>
Less accumulated depreciation for:				
Buildings and improvements	137,728,611	13,677,623	-	151,406,234
Machinery and equipment	17,465,534	2,814,831	-	20,280,365
Vehicles	33,463,839	1,851,415	-	35,315,254
Infrastructure	77,758,710	4,354,678	-	82,113,388
Total accumulated depreciation	<u>266,416,694</u>	<u>22,698,547</u>	<u>-</u>	<u>289,115,241</u>
Total capital assets being depreciated, net	<u>653,921,778</u>	<u>(9,824,357)</u>	<u>-</u>	<u>644,097,421</u>
Governmental Activities Capital Assets, Net	<u>\$ 846,535,638</u>	<u>\$ 50,498,123</u>	<u>\$ -</u>	<u>\$ 897,033,761</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	\$ 4,280,313	\$ 9,541,338	\$ (895,509)	\$ 12,926,142
Capital assets being depreciated:				
Buildings and improvements	102,818,579	895,509		103,714,088
Machinery and equipment	16,306,399	927,184		17,233,583
Distribution and collection systems	72,722,695	2,058,535		74,781,230
Vehicles	2,485,855	183,544		2,669,399
Total capital assets being depreciated	<u>194,333,528</u>	<u>4,064,772</u>	<u>-</u>	<u>198,398,300</u>
Less accumulated depreciation for:				
Buildings and improvements	49,305,208	4,129,031		53,434,239
Machinery and equipment	9,862,045	785,900		10,647,945
Distribution and collection systems	15,822,857	1,579,186		17,402,043
Vehicles	2,250,076	127,953		2,378,029
Total accumulated depreciation	<u>77,240,186</u>	<u>6,622,070</u>	<u>-</u>	<u>83,862,256</u>
Total capital assets being depreciated, net	<u>117,093,342</u>	<u>(2,557,298)</u>	<u>-</u>	<u>114,536,044</u>
Business-Type Activities Capital Assets, Net	<u>\$ 121,373,655</u>	<u>\$ 6,984,040</u>	<u>\$ (895,509)</u>	<u>\$ 127,462,186</u>

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

Governmental Activities:	
General government	\$ 4,126,497
Public safety	2,031,523
Public facilities, parks and recreation	5,863,319
Health and social services	193,800
Education	<u>10,483,408</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 22,698,547</u>
Business-Type Activities:	
WPCA	<u>\$ 6,622,070</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	\$ 34,758,565	\$
School construction receivable	9,850,761	
Other		982,652
Education Grants Fund		2,552,676
Nonmajor Funds:		
Grants	<u> </u>	<u>6,655,740</u>
Total Unavailable/Unearned Revenue for Governmental Funds	<u>\$ 44,609,326</u>	<u>\$ 10,191,068</u>

9. LONG-TERM DEBT AND SUBSEQUENT EVENTS

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2012 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	\$ 651,890,000	\$ 67,930,000	\$ 30,555,000	\$ 689,265,000	\$ 30,670,000
Notes payable	3,471,000		628,000	2,843,000	447,000
Deferred amounts:					
For issuance premium	8,899,791	6,641,056	1,285,652	14,255,195	1,617,705
Total bonds and notes payable	<u>664,260,791</u>	<u>74,571,056</u>	<u>32,468,652</u>	<u>706,363,195</u>	<u>32,734,705</u>
Claims and judgments	109,987,266	99,431,453	107,232,923	102,185,796	15,478,122
Compensated absences	26,023,391	8,320,410	7,705,611	26,638,190	7,705,611
Landfill closure costs	154,170		24,806	129,364	24,806
State Department of Education loan		3,500,000		3,500,000	
OPEB obligation	90,365,866	29,817,983		120,183,849	
Net pension obligation	<u>1,762,963</u>		<u>139,770</u>	<u>1,623,193</u>	
 Governmental Activity Long-Term Liabilities	 <u>\$ 892,554,447</u>	 <u>\$ 215,640,902</u>	 <u>\$ 147,571,762</u>	 <u>\$ 960,623,587</u>	 <u>\$ 55,943,244</u>
Business-type activities:					
Bonds and notes payable:					
General obligation bonds	\$ 2,151,722	\$ 1,989,517	\$ 132,748	\$ 4,008,491	\$ 134,325
Notes payable	<u>43,620,800</u>	<u>4,218,347</u>	<u>5,027,530</u>	<u>42,811,617</u>	<u>5,115,309</u>
 Business-Type Activity Long-Term Liabilities	 <u>\$ 45,772,522</u>	 <u>\$ 6,207,864</u>	 <u>\$ 5,160,278</u>	 <u>\$ 46,820,108</u>	 <u>\$ 5,249,634</u>

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

Notes Payable

Notes payable as of June 30, 2012 include the following:

Governmental Activities:

Department of Housing and Urban Development
Section 108 Loans, due in varying installments
plus interest at 2.00% - 7.64% through 2016

\$ 2,843,000

Business-Type Activities:

Clean Water Program, due in varying installments,
plus interest at 2% through 2033

42,811,617

Total

\$ 45,654,617

General Obligation Bonds

As of June 30, 2012, the City had the following general obligation bonds outstanding:

Governmental Activities:

General purpose, 2.5% to 6.6%	\$ 267,669,128
School, 4.0% to 6.8%	130,700,872
Pension, 6.9% to 7.6%	<u>290,895,000</u>
	<u>\$ 689,265,000</u>

Business-Type Activities:

General purpose, 2.0% to 6.0%	<u>\$ 4,008,491</u>
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A schedule of bonds at June 30, 2012 is presented below:

Governmental Activities

<u>Date</u>	<u>Purpose</u>	<u>Rate %</u>	<u>Original Issue</u>	<u>Debt Outstanding</u>	<u>Date of Fiscal Year Maturity</u>
8/29/2000	Pension	6.92 - 7.64%	\$ 350,000,000	\$ 290,895,000	2030
7/18/2001	General Purpose	4.0 - 5.375%	44,422,000	4,111,600	2022
7/18/2001	Schools	4.0 - 5.375%	14,028,000	1,298,400	2022
7/11/2002	General Purpose-Refunding	3.25 - 5.375%	57,315,400	39,729,000	2020
7/11/2002	Schools-Refunding	3.25 - 5.375%	18,099,600	12,546,000	2020
12/12/2003	General Purpose	5.0 - 5.25%	21,758,800	1,155,200	2015
12/12/2003	Schools	5.0 - 5.25%	6,871,200	364,800	2015
12/12/2003	General Purpose	1.41 - 5.03%	18,925,000	5,090,000	2015
12/12/2003	General Purpose-Refunding	2.0 - 5.0%	21,268,600	15,621,800	2016
12/12/2003	Schools-Refunding	2.0 - 5.0%	6,716,400	4,933,200	2016
8/12/2004	General Purpose	3.0 - 5.25%	9,945,600	3,881,300	2025
8/12/2004	Schools	3.0 - 5.25%	16,934,400	6,608,700	2025
8/12/2004	General Purpose	3.0 - 5.50%	48,035,600	42,582,600	2022
8/12/2004	Schools	3.0 - 5.50%	10,544,400	9,347,400	2022
4/27/2006	General Purpose-Refunding	4.0 - 4.5%	18,456,000	15,945,000	2025
4/27/2006	Schools-Refunding	4.0 - 4.5%	12,304,000	10,630,000	2025
6/6/2006	General Purpose	4.0 - 5.0%	30,789,200	25,225,200	2025
6/6/2006	Schools	4.0 - 5.0%	28,420,800	23,284,800	2025
6/6/2006	General Purpose-Refunding	4.0 - 5.0%	4,669,650	1,692,900	2016
6/6/2006	Schools-Refunding	4.0 - 5.0%	1,095,350	397,100	2016
6/28/2007	General Purpose	4.125 - 6.0%	16,449,200	13,379,000	2027
6/28/2007	Schools	4.125 - 6.0%	31,930,800	25,971,000	2027
12/15/2009	General Purpose	2.0 - 2.4%	7,508,522	4,736,070	2015
12/15/2009	Schools	2.0 - 2.4%	196,478	123,930	2015
12/15/2009	General Purpose	3.98 - 6.571%	13,614,785	13,614,785	2029
12/15/2009	Schools	3.98 - 6.571%	15,520,215	15,520,215	2029
12/15/2009	Schools	6.821%	4,000,000	4,000,000	2030
7/22/2010	General Purpose	1.68 - 6.388%	19,440,000	18,640,000	2030
7/22/2010	General Purpose-Refunding	2.50 - 3.0%	6,324,318	6,324,318	2019
7/22/2010	Schools-Refunding	2.50 - 3.0%	3,685,682	3,685,682	2019
6/14/2012	General Purpose	3.0 - 5.0%	55,940,355	55,940,355	2032
6/14/2012	Schools	3.0 - 5.0%	11,989,645	11,989,645	2032
			<u>\$ 927,200,000</u>	<u>\$ 689,265,000</u>	

Business Type Activities:

	<u>Original Issue</u>	<u>Debt Outstanding</u>	<u>Fiscal Year</u>
2007 General Obligation Bonds issued by the City on behalf of the WPCA, bearing interest at 4% to 6%	\$ 490,000	\$ 320,000	2018
2009 General Obligation Bonds issued by the City on behalf of the WPCA, bearing interest at 2%-5.7%	1,845,000	1,716,476	2030
2011 General Obligation Bonds issued by the City on behalf of the WPCA, bearing an interest rate 1.68%-6.388%	425,300	407,798	2030
2012 General Obligation Bonds issued by the City on behalf of the WPCA, bearing interest at 3%-5%	1,564,217	<u>1,564,217</u>	2032
Total		<u>\$ 4,008,491</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, 2012, the amount of defeased debt outstanding but removed from the governmental activities column of the statement of net assets amounted to \$43,155,000.

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
2013	\$ 31,117,000	\$ 40,132,683	\$ 71,249,683	\$ 5,249,634	\$ 874,603	\$ 6,124,237
2014	37,652,000	39,435,799	77,087,799	5,041,682	801,354	5,843,036
2015	38,613,000	37,450,446	76,063,446	5,921,403	1,158,138	7,079,541
2016	39,433,000	35,371,457	74,804,457	5,261,160	674,076	5,935,236
2017	41,243,000	33,180,568	74,423,568	3,626,998	577,262	4,204,260
2018	41,290,000	30,898,597	72,188,597	3,369,953	502,655	3,872,608
2019	43,330,000	28,784,764	72,114,764	3,161,606	431,280	3,592,886
2020	44,210,000	26,281,536	70,491,536	3,013,710	365,294	3,379,004
2021	37,720,000	23,664,530	61,384,530	1,483,910	312,007	1,795,917
2022	39,890,000	21,428,331	61,318,331	1,426,833	277,444	1,704,277
2023	36,460,000	19,170,991	55,630,991	1,425,162	241,308	1,666,470
2024	38,645,000	16,907,272	55,552,272	1,257,804	209,208	1,467,012
2025	37,110,000	14,582,933	51,692,933	1,252,386	174,895	1,427,281
2026	36,785,000	12,321,234	49,106,234	1,185,624	143,881	1,329,505
2027	34,105,000	10,071,382	44,176,382	1,088,514	114,011	1,202,525
2028	32,490,000	7,865,947	40,355,947	1,057,684	84,842	1,142,526
2029	34,725,000	5,534,464	40,259,464	909,293	55,501	964,794
2030	37,115,000	3,035,998	40,150,998	709,556	28,927	738,483
2031	4,965,000	508,700	5,473,700	204,153	13,531	217,684
2032	5,210,000	260,400	5,470,400	168,961	6,611	175,572
2033				4,082	7	4,089
Total	\$ 692,108,000	\$ 406,888,032	\$ 1,098,996,032	\$ 46,820,108	\$ 7,046,835	\$ 53,866,943

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, 2012 was \$1,220,007. Additional principal and interest reimbursements of \$11,652,995 are expected to be received through the bonds' maturity dates.

Legal Debt Limit

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

Category	Debt Limit	Net Indebtedness	Balance
General purpose	\$ 617,549,756	\$ 336,827,540	\$ 280,722,216
Schools	1,235,099,511	210,162,563	1,024,936,948
Sewers	1,029,249,593	47,209,773	982,039,820
Urban renewal	892,016,314	4,457,000	887,559,314
Unfunded pension benefit obligation	823,399,674	290,895,000	532,504,674

The total overall statutory debt limit for the City is equal to seven times annual receipts from taxation, or \$1,921,265,906. All long-term debt obligations are retired through General Fund appropriations or user charges.

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

General purpose	\$ 44,158,540
Sewer	389,773
Schools	<u>89,312,325</u>
	<u>\$ 133,860,638</u>

Tax Anticipation Notes Payable

On April 5, 2012, 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, 2012 with an interest rate of 1.5%.

On October 25, 2012, the City issued a tax anticipation note in the amount of \$71,460,000 to fund cash flows for operating expenses. The notes matured on February 12, 2013 with an interest rate of 1.25%.

General Obligation Bonds Refunding - Subsequent Event

On July 12, 2012, the City issued \$55,225,000 of general obligation refunding bonds with interest rates ranging from 2.0% to 5.0%. The bonds were issued to refund all or a portion of the aggregate outstanding principal amounts of general obligation bonds of the City dated July 18, 2001, June 15, 2002 and November 1, 2003. The net proceeds of \$60,099,093 (after an original issue premium of \$4,874,093 and payment of \$394,157 in underwriter's fees and other issuance costs) were deposited in an irrevocable trust fund under an escrow agreement dated July 12, 2012 between the Escrow Agent and the City. The Escrow Agent will use such proceeds to purchase a portfolio of United States Treasury State and Local Government Securities. All investment income on and the maturing principal of the escrow securities held in the escrow deposit fund will be irrevocably deposited by the City for payment of the refunded bonds. The City refunded the above bonds to reduce total debt service payments over the next 10 years by approximately \$7,034,987.

State of Connecticut Department of Education Loan

The State of Connecticut Department of education provided the City with a loan of \$3.5 million for the purpose of inclusion in the budgeted appropriation for education for the fiscal year ended June 30, 2012 to cover education expenditures incurred during the current year. Certain criteria have been established which will make the loan forgivable over the three years.

The City agrees that it shall repay the State of Connecticut for any funds loaned under the Agreement in accordance with the following schedule:

Before September 1, 2013	\$ 1,000,000
Before July 1, 2014	1,000,000
Before July 1, 2015	<u>1,500,000</u>
Total	\$ <u><u>3,500,000</u></u>

10. FUND BALANCE

The components of fund balance for the governmental funds at June 30, 2012 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				1,248,877	1,248,877
Library trust fund				552,531	552,531
Education trust fund				108,733	108,733
Committed to:					
Various capital projects			90,781,397	4,299,039	95,080,436
Library				1,891,837	1,891,837
Education				245,017	245,017
Assigned to:					
Legal	3,222,700				3,222,700
Unassigned	<u>9,147,814</u>	<u>(603,661)</u>		<u>(2,329,942)</u>	<u>6,214,211</u>
Total Fund Balances	<u>\$ 12,720,514</u>	<u>\$ (603,661)</u>	<u>\$ 90,781,397</u>	<u>\$ 6,016,092</u>	<u>\$ 108,914,342</u>

Significant encumbrances at June 30, 2012 are contained in the above table in both the committed fund balance category.

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

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

Wheelabrator Bridgeport L.P. ("Wheelabrator"), operator of the solid waste to energy facility which is currently the City's largest taxpayer, has filed tax valuation appeals for the 2007, 2008, 2009 and 2010 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 or the case is settled, Wheelabrator will continue to add subsequent tax years to its pending court action -- at least until the next revaluation, which currently is scheduled for October 1, 2013.

The City has assessed Wheelabrator's property at the following assessed values (70% of fair market value) for 2007 - \$256 million for real property and \$12 million for personal property; for 2008 - \$281 million for real property and \$7.5 million for personal property; for 2009 - \$281 million for real property and \$39 million for personal property; and for 2010 - \$285 million for real property and \$32.5 million for personal property.

These assessed valuations formed the basis for tax bills as follows: For the last six months of 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; 2009 - \$11,144,279 for real property and \$1,535,399 for personal property; and for 2010 - \$11,308,438 for real property and \$1,290,862.41 for personal property. In prior years, Wheelabrator paid an escalating contractual payment in lieu of taxes, most recently in an amount of approximately \$3 million per annum.

Except for its July 1, 2011 and January 1, 2012 personal property tax bills, Wheelabrator has been paying 90% of its tax bills as required by state law to avoid arrears collection activity and Wheelabrator is expected to continue such payments during the pendency of the tax appeal. With respect to the July 1, 2011 and January 1, 2012 personal property tax bills, Wheelabrator paid none of the July 1, 2011 tax bill and 100% of the January 1, 2012 tax bill.

The trial on the tax valuation appeals concluded in March 2012. At trial, Wheelabrator maintained that the facility is worth less than one half of the value the City has assigned to it. The City asserted its valuations are substantially accurate. The City raised both valuation and legal issues. The burden is on Wheelabrator to prove all claims raised. Post-trial briefs are due in July 2012 and a decision is expected in the fall of 2012.

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 has issued an RFP for a successor operator and is actively 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, 2010, approximately \$162,000,000 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, 2010, the State is committed to providing the WPCA additional funding in the form of loans and grants of approximately \$3,100,000 and \$2,400,000, 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 11.65% of covered payroll for the current year. The City's contributions for the years ended June 30, 2012, 2011, and 2010 were \$9,589,103 (includes addition of Firefighters – new as of April 2012), \$7,199,397 and \$5,559,696, 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 \$23,200,330 for the year ended June 30, 2012.

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, 2012, \$2,528,929 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 Plan 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 (\$338,253,006 based on the July 1, 2011 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%).

Provisions of Pension Plans	Public Safety Plan A	Police Plan B	Firefighters' Plan B	Janitors' and Engineers' Retirement Fund
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	848	102	49	40
Terminated employees entitled to future benefits		4	18	
Current employees:				
Fully vested	26	344	232	
Nonvested	<u> </u>	<u>67</u>	<u>34</u>	<u> </u>
Total number of participants	<u>874</u>	<u>517</u>	<u>333</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	\$9,794,368 (Normal Cost)	\$6,314,039	\$4,300,169	"Pay as you go"
Authority under which benefit provisions established	Contract negotiation	Contract negotiation	Contract negotiation	Contract negotiation

Provisions of Pension Plans	Public Safety Plan A	Police Plan B	Firefighters' Plan B	Janitors' and Engineers' Retirement Fund
<u>Funding Status and Progress</u>				
Date of actuarial valuation	July 1, 2011	July 1, 2011	July 1, 2011	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	10 years remaining	10 years remaining	10 years remaining
Authority under which contributions are established	City Council	City Council	City Council	City Council

	Public Safety Plan A	Janitors' and Engineers' Retirement Fund
Annual required contribution	\$ 9,794,368	\$ 894,791
Interest on net pension obligation	(4,847,330)	141,037
Adjustment to annual required contribution	<u>(3,329,375)</u>	<u>261,180</u>
Annual pension cost	8,276,413	774,648
Contributions made	<u>7,000,000</u>	<u>914,418</u>
(Increase) decrease in net pension obligation (asset)	1,276,413	(139,770)
Net pension obligation (asset), July 1, 2011	<u>(60,591,626)</u>	<u>1,762,963</u>
Net Pension Obligation (Asset), June 30, 2012	<u>\$ (59,315,213)</u>	<u>\$ 1,623,193</u>

	Police Plan B	Firefighters' Plan B
Annual required contribution	\$ 6,314,039	\$ 4,300,169
Interest on net pension obligation	(323,696)	(156,050)
Adjustment to annual required contribution	<u>(486,386)</u>	<u>(234,481)</u>
Annual pension cost	6,476,729	4,378,600
Contributions made	<u>5,474,826</u>	<u>2,939,362</u>
(Increase) decrease in net pension obligation (asset)	1,001,903	1,439,238
Net pension obligation (asset), July 1, 2011	<u>(4,046,198)</u>	<u>(1,950,620)</u>
Net Pension Obligation (Asset), June 30, 2012	<u>\$ (3,044,295)</u>	<u>\$ (511,382)</u>

TREND INFORMATION

Fiscal Year	Annual Pension Cost (APC) (\$000)	Percentage of APC Contributed	Net Pension Obligation (Asset) (\$000)
Public Safety			
Plan A:			
2012	\$ 8,276	84.6%	\$ (59,315)
2011	14,432	34.6%	(60,591)
2010	13,248	35.7%	(70,024)
Police Retirement			
Plan B:			
2012	\$ 6,476	84.5%	\$ (3,044)
2011	5,557	111.1%	(4,046)
2010	4,683	92.7%	(3,427)
Firefighters' Retirement			
Plan B:			
2012	\$ 4,378	67.1%	\$ (511)
2011	4,043	104.0%	(1,951)
2010	3,453	95.6%	(1,787)
Janitors' and Engineers'			
Retirement Plan:			
2012	\$ 775	118.0%	\$ 1,623
2011	776	114.8%	1,763
2010	855	115.2%	1,877

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

Year Ended June 30,	Public Safety Plan A		Janitors' and Engineers' Retirement Plan	
	Annual Required Contribution	Percentage Contributed	Annual Required Contribution	Percentage Contributed
2012	\$ 9,794	71.5%	\$ 895	102.2%
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%	997	113.7%

Year Ended June 30,	Police Retirement Plan B		Firefighters' Retirement Plan B	
	Annual Required Contribution	Percentage Contributed	Annual Required Contribution	Percentage Contributed
2012	\$ 6,314	86.7%	\$ 4,300	68.4%
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%

**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
Public Safety Plan A						
July 1, 2012	\$ 173,208	\$ 338,253	\$ (165,045)	51.2	\$ 2,077	7,946.3
July 1, 2010	192,669	339,216	(146,547)	56.8	2,556	5,733.2
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
Police Retirement Plan B						
July 1, 2011	\$ 122,295	\$ 150,984	\$ (28,689)	81.0	\$ 25,620	111.9
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
Firefighters' Retirement Plan B						
July 1, 2011	\$ 72,667	\$ 93,605	\$ (20,938)	77.6	\$ 15,918	131.5
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
Janitors' and Engineers' Retirement Plan						
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, 2012

	Public Safety Investment and Pension Trust Plan A	Police Retirement Plan B	Firefighters' Retirement Plan B	Janitors' and Engineers' Retirement Plan	Total
Assets					
Cash and cash equivalents	\$ 14,434,133	\$ 2,919,474	\$ 2,855,396	\$ 3,433	\$ 20,212,436
Investments, at fair value					
U.S. Government Agency Bonds		37,086,728	8,852,985		45,939,713
U.S. Government Security Bonds	8,337,583				8,337,583
Corporate bonds	7,780,798	14,395,570	10,353,092		32,529,460
Certificate of deposits	21,899	559,470			581,369
Common stocks	58,989,568	45,021,969	35,453,044		139,464,581
Private hedge fund	12,767,521				12,767,521
Mutual funds - equities	18,982,657	26,240,642	16,250,821		61,474,120
Equity securities					-
Alternative investments	9,872,000				9,872,000
Total investments	<u>116,752,026</u>	<u>123,304,379</u>	<u>70,909,942</u>	<u>-</u>	<u>310,966,347</u>
Due from other funds of the City of Bridgeport	<u>2,792,211</u>				<u>2,792,211</u>
Contributions receivable	<u>198,280</u>	<u>1,508,744</u>	<u>546,710</u>	<u>-</u>	<u>2,253,734</u>
Total assets	<u>134,176,650</u>	<u>127,732,597</u>	<u>74,312,048</u>	<u>3,433</u>	<u>336,224,728</u>
Liabilities					
Other liabilities	<u>186</u>				<u>186</u>
Net Assets Held in Trust for Pension					
Benefits	<u>\$ 134,176,464</u>	<u>\$ 127,732,597</u>	<u>\$ 74,312,048</u>	<u>\$ 3,433</u>	<u>\$ 336,224,542</u>

**SCHEDULE OF CHANGES IN
PLAN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2012**

	Public Safety Investment and Pension Trust Plan A	Police Retirement Plan B	Firefighters' Retirement Plan B	Janitors' and Engineers' Retirement Plan	Total
Additions:					
Contributions:					
Employer	\$ 7,000,000	\$ 5,474,826	\$ 2,939,362	\$ 914,418	\$ 16,328,606
Plan members	165,732	1,521,171	700,789		2,387,692
Annuity proceeds	2,528,929				2,528,929
Total contributions	<u>9,694,661</u>	<u>6,995,997</u>	<u>3,640,151</u>	<u>914,418</u>	<u>21,245,227</u>
Investment income:					
Net appreciation (depreciation) in fair value of investments	(11,221,548)	2,405,896	(4,718,737)		(13,534,389)
Interest and dividends	3,794,293	2,395,723	2,423,510		8,613,526
	<u>(7,427,255)</u>	<u>4,801,619</u>	<u>(2,295,227)</u>	<u>-</u>	<u>(4,920,863)</u>
Less investment management fees	(831,766)				(831,766)
Net investment income	<u>(8,259,021)</u>	<u>4,801,619</u>	<u>(2,295,227)</u>	<u>-</u>	<u>(5,752,629)</u>
Total additions	1,435,640	11,797,616	1,344,924	914,418	15,492,598
Deductions:					
Benefits	<u>33,648,547</u>	<u>4,163,717</u>	<u>2,126,105</u>	<u>914,418</u>	<u>40,852,787</u>
Change in net assets	(32,212,907)	7,633,899	(781,181)	-	(25,360,189)
Net assets held in trust for pension benefits, beginning 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>
Net Assets Held in Trust for Pension Benefits, End of Year	<u>\$ 134,176,464</u>	<u>\$ 127,732,597</u>	<u>\$ 74,312,048</u>	<u>\$ 3,433</u>	<u>\$ 336,224,542</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, 2012 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)	\$ 61,100,372
Interest on net OPEB obligation	4,970,123
Adjustment to annual required contribution	<u>(3,177,866)</u>
Annual OPEB cost (expense)	62,892,629
Contributions made	<u>33,074,646</u>
Increase in net OPEB obligation	29,817,983
Net OPEB obligation, beginning of year	<u>90,365,866</u>
Net OPEB Obligation, End of Year	<u>\$ 120,183,849</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>
6/30/2010	\$ 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
6/30/2012	62,892,629	33,074,646	52.6	120,183,849

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

Schedule of Funding Progress

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL) (b)</u>	<u>Underfunded AAL (OAAL) (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll (c)</u>	<u>OAAL as a Percentage of Covered Payroll ((b-a)/c)</u>
7/1/2007	\$ -	\$ 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

<u>Year Ended</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
2008	\$ 47,314,000	65.5%
2009	50,744,800	59.3
2010	54,129,700	59.0
2011	57,100,111	51.9
2012	61,100,372	54.1

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 \$129,364 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, 2012. 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:

	<u>Beginning of Fiscal Year Liability</u>		<u>Current Year Claims and Changes in Estimates</u>		<u>Claim Payments</u>		<u>End of Fiscal Year Liability</u>
2011	\$ 83,701,474	\$	124,650,961	\$	98,365,169	\$	109,987,266
2012	109,987,266		99,431,453		107,232,923		102,185,796

The current portion of claims incurred but not reported as of June 30, 2012 is \$15,478,122, which relates to Group Health Insurance Claims of \$6,012,796 and \$9,465,326 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 \$86,707,674 is recorded as long-term obligations.

16. FUND DEFICITS

The following funds have fund deficits as of June 30, 2012:

Special Revenue Fund:

Education Grants	\$	603,661
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Nonmajor Governmental Funds:

Special Revenue Funds:

Facility and Miscellaneous	876,829
Social Services	107,657
Community Development Block Grant	1,766,481
HOME Program	389,785

Proprietary Funds:

Internal Service Fund	93,824,333
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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, 2012

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues and Other Financing Sources:				
Property taxes:				
Current taxes	\$ 266,584,627	\$ 266,584,627	\$ 267,560,000	\$ 975,373
Interest - current	1,705,480	1,705,480	1,943,694	238,214
Arrears - principal	4,061,746	4,061,746	3,228,868	(832,878)
Arrears - interest	1,160,000	1,160,000	1,218,336	58,336
Lien fees	175,000	175,000	167,847	(7,153)
Total property taxes	<u>273,686,853</u>	<u>273,686,853</u>	<u>274,118,745</u>	<u>431,892</u>
Intergovernmental:				
Elderly exemption refund	701,000	701,000	749,843	48,843
Elderly freeze program	18,000	18,000	16,334	(1,666)
DCA tax abatement			135,180	135,180
Distressed municipalities	325,000	325,000	319,515	(5,485)
Education cost sharing	159,131,780	160,654,653	162,594,811	1,940,158
School construction refunds	1,220,008	1,220,008	1,220,008	
Transportation	2,513,923	2,513,923	1,634,529	(879,394)
Aid to non-public schools	165,000	165,000	131,085	(33,915)
Town aid roads	665,532	665,532	666,404	872
Legally blind	185,000	185,000	122,458	(62,542)
Miscellaneous PILOTs	1,304,767	1,304,767	1,199,748	(105,019)
Tax exempt colleges and hospitals	8,545,284	8,545,284	8,537,526	(7,758)
Breakfast program:				
State	175,129	175,129	199,928	24,799
Federal	2,116,066	2,519,067	2,561,178	42,111
Nutrition Center:				
Federal	145,389	145,389	152,263	6,874
State	8,095,062	8,095,062	8,139,281	44,219
Mashantucket Pequot funds	6,080,671	6,080,671	6,237,594	156,923
Manufacturing Machinery & Equipment	608,000	608,000	818,652	210,652
Beardsley Zoo subsidy			336,633	336,633
Build America Bonds subsidy	723,018	723,018	1,052,377	329,359
State-owned property	2,940,776	2,940,776	2,931,954	(8,822)
Total intergovernmental	<u>195,659,405</u>	<u>197,585,279</u>	<u>199,757,301</u>	<u>2,172,022</u>
Fees, permits and licenses:				
Finance:				
Comptroller Copies/Books/Miscellaneous	25,100	25,100	27,217	2,117
Comptroller Court Fine/CARC	15,000	15,000	17,693	2,693
Information Technology Services	250	250	7	(243)
Total finance	<u>40,350</u>	<u>40,350</u>	<u>44,917</u>	<u>4,567</u>
Town Clerk:				
Licenses and Town Fund	1,200	1,200	1,518	318
Notaries/late fees	2,500	2,500	2,736	236
Farm fund	20,000	20,000	18,163	(1,837)
Assignments	1,100,000	1,100,000	876,939	(223,061)
Certification	400,000	400,000	530,161	130,161
Other licenses	22,100	22,100	10,506	(11,594)
Total town clerk	<u>1,545,800</u>	<u>1,545,800</u>	<u>1,440,023</u>	<u>(105,777)</u>

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

FOR THE YEAR ENDED JUNE 30, 2012

	Budgeted Amounts		Actual	Variance With
	Original	Final		Final Budget
				Positive (Negative)
Building Department:				
Building permits	\$ 3,365,500	\$ 3,365,500	\$ 2,702,448	\$ (663,052)
Sign permits	13,000	13,000	7,950	(5,050)
Certificate of occupancy fees	50,000	50,000	58,450	8,450
Copies	500	500	349	(151)
Total building department	<u>3,429,000</u>	<u>3,429,000</u>	<u>2,769,197</u>	<u>(659,803)</u>
Police Department:				
Traffic violations	1,350,000	1,350,000	942,413	(407,587)
Photocopy fees	10,000	10,000	15,472	5,472
Outside overtime	4,948,000	4,948,000	4,572,736	(375,264)
Overtime surcharge			154,908	154,908
Reclaimed dog fees	1,000	1,000	2,571	1,571
Vendor annual registration fees	20,000	20,000	24,900	4,900
Towing fines	259,000	259,000	168,709	(90,291)
Alarms	25,600	25,600	25,204	(396)
Ordinance violations	2,000	2,000	11,861	9,861
Other	90,250	90,250	65,900	(24,350)
Total police department	<u>6,705,850</u>	<u>6,705,850</u>	<u>5,984,674</u>	<u>(721,176)</u>
Public facilities:				
Dump license fees	18,000	18,000	18,200	200
Commercial dump fees	57,000	57,000	197,704	140,704
Street excavation license	3,300	3,300	100	(3,200)
Public facility enforcement	20,000	20,000	7,794	(12,206)
Sewer permits	3,000	3,000	2,695	(305)
Congress Plaza			14,653	14,653
Annual rent	367,500	367,500	385,184	17,684
Parking meters	440,000	440,000	421,005	(18,995)
Engineering map sales	5,000	5,000	4,411	(589)
Contractors license	101,400	101,400	125,350	23,950
Zoning appeals fees	36,100	36,100	40,961	4,861
Tavern zoning permits	159,400	159,400	196,913	37,513
Other revenues	175,500	175,500	170,122	(5,378)
Total public facilities	<u>1,386,200</u>	<u>1,386,200</u>	<u>1,585,092</u>	<u>198,892</u>
Parks and recreation:				
Golf course revenues	1,800,000	1,800,000	1,768,032	(31,968)
Wonderland of Ice	137,105	137,106	48,000	(89,106)
90 Acre	2,250	2,250		(2,250)
Kennedy Stadium	10,000	10,000		(10,000)
Leases/W.I.C.C.	10,500	10,500	10,500	-
Flea market/ballfield	67,000	67,000	53,040	(13,960)
Miscellaneous	391,000	391,000	337,158	(53,842)
Parking stickers	80,000	80,000	14,772	(65,228)
Apartment rental	1,500	1,500	5,050	3,550
City concessions	8,000	8,000	10,000	2,000
Total parks and recreation	<u>2,507,355</u>	<u>2,507,356</u>	<u>2,246,552</u>	<u>(260,804)</u>
Civil service:				
Label/Admin fees	<u>88,500</u>	<u>88,500</u>	<u>93,342</u>	<u>4,842</u>

(Continued on next page)

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, 2012

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Health Department:				
Vital statistics	\$ 441,500	\$ 441,500	\$ 490,685	\$ 49,185
Clinic programs	20,000	20,000		(20,000)
Business license	328,850	328,850	312,963	(15,887)
Housing code	42,000	42,000	18,155	(23,845)
Total health department	<u>832,350</u>	<u>832,350</u>	<u>821,803</u>	<u>(10,547)</u>
Education and Nutrition Center:				
Cafeteria	783,500	783,500	665,498	(118,002)
High school ticket sales	15,000	15,000	10,789	(4,211)
Summer school tuition	25,000	25,000	26,300	1,300
Total Education and Nutrition Center	<u>823,500</u>	<u>823,500</u>	<u>702,587</u>	<u>(120,913)</u>
Sikorsky Airport:				
Airport fees	48,200	48,200	57,019	8,819
Shared revenue	74,600	74,600	85,279	10,679
Airport leases	805,400	805,400	631,666	(173,734)
Total Sikorsky Airport	<u>928,200</u>	<u>928,200</u>	<u>773,964</u>	<u>(154,236)</u>
Fire Department:				
Firewatch reimbursement	112,140	112,140	132,204	20,064
Copies	1,500	1,500	826	(674)
Permit	86,375	86,375	66,963	(19,412)
Tank installation	3,500	3,500	3,250	(1,250)
Total fire department	<u>203,515</u>	<u>203,515</u>	<u>202,243</u>	<u>(1,272)</u>
Total fees, permits and licenses	<u>18,490,620</u>	<u>18,490,621</u>	<u>16,664,394</u>	<u>(1,826,227)</u>
Interest	<u>275,000</u>	<u>275,000</u>	<u>72,643</u>	<u>(202,357)</u>
Other:				
Property rental	278,000	278,000	271,724	(6,276)
O.T.B. income	450,000	450,000	460,526	10,526
State Bingo	200	200	38	(162)
Weights and measures	76,000	76,000	76,915	915
Sale of City-owned property	1,100,000	1,100,000	59,690	(1,040,310)
Miscellaneous	19,500	19,500	364,517	345,017
Foreclosure cost recovery	15,000	15,000		(15,000)
Restitution	5,000	5,000	381,334	376,334
Comptroller miscellaneous revenue	1,321,318	1,320,307	1,062,551	(257,756)
Total other	<u>3,265,018</u>	<u>3,264,007</u>	<u>2,677,295</u>	<u>(586,712)</u>
Total revenues	<u>491,376,896</u>	<u>493,301,760</u>	<u>493,290,378</u>	<u>(11,382)</u>
Other financing sources:				
Transfers in	500,000	500,000	500,000	-
Total revenues and other financing sources	<u>\$ 491,876,896</u>	<u>\$ 493,801,760</u>	<u>\$ 493,790,378</u>	<u>\$ (11,382)</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, 2012

	Budgeted Amounts		Actual	Variance With
	Original	Final		Final Budget
				Positive (Negative)
General government:				
Mayor's office	\$ 756,878	\$ 756,878	\$ 819,070	\$ (62,192)
Central grants	389,410	389,410	283,456	105,954
Finance divisions	6,088,905	6,087,905	5,069,867	1,018,038
Registrar of voters	666,708	666,708	706,879	(40,171)
City clerk	300,070	347,930	291,306	56,624
City attorney	4,029,892	4,029,892	5,345,843	(1,315,951)
Archives and records	78,712	78,712	73,541	5,171
Civil service	944,413	944,413	935,573	8,840
Labor relations/benefits/pensions	20,586,937	20,586,937	20,755,423	(168,486)
Town Clerk	737,221	737,221	614,331	122,890
Legislative department	382,903	382,903	178,567	204,336
Office of policy and management	685,490	685,490	694,547	(9,057)
Ethics commission	3,344	3,344	1,110	2,234
Chief administrative officer	932,653	932,653	1,009,631	(76,978)
Information technology service	3,168,157	3,168,156	2,871,654	296,502
Minority business enterprise office	186,061	186,061	195,279	(9,218)
Total general government	39,940,254	39,987,113	39,847,410	139,703
Public Safety:				
Police department	82,311,986	82,311,986	86,796,554	(4,484,568)
Fire department	52,731,438	52,731,438	53,913,222	(1,181,784)
Weights and measures	135,805	135,805	140,336	(4,531)
Emergency Operation Center	4,458,312	4,458,312	4,859,479	(401,167)
Total public safety	139,637,541	139,637,541	145,709,591	(6,072,050)
Public facilities:				
Airport	1,095,991	1,095,992	1,142,280	(46,288)
Engineering	543,955	543,955	381,517	162,438
Harbor master	79,759	79,759	51,990	27,769
Maintenance	10,554,421	10,554,421	10,669,494	(115,073)
Municipal garage	2,187,279	2,187,279	2,178,985	8,294
Public facilities administration	13,492,661	13,492,661	10,346,236	3,146,425
Roadway	3,542,136	3,542,136	3,067,373	474,763
Sanitation	5,340,854	5,340,854	5,557,525	(216,671)
Transfer station	1,882,223	1,882,223	2,103,284	(221,061)
Recreation	876,234	876,234	791,748	84,486
Parks administration	368,480	368,480	279,683	88,797
Parks	2,340,016	2,340,016	2,369,456	(29,440)
Zoo	1,467,878	1,467,879	1,349,279	118,600
Golf course	1,327,843	1,327,843	1,335,883	(8,040)
Total public facilities	45,099,730	45,099,732	41,624,733	3,474,999

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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, 2012

	Budgeted Amounts		Actual	Variance With
	Original	Final		Final Budget
				Positive (Negative)
Planning and Economic Development:				
OPED administration	\$ 11,430,386	\$ 11,430,386	\$ 11,387,883	\$ 42,503
Building department	1,277,381	1,277,381	1,025,736	251,645
Zoning board of appeals	65,703	65,703	66,728	(1,025)
Zoning commission	464,551	464,551	398,331	66,220
Total planning and economic development	<u>13,238,021</u>	<u>13,238,021</u>	<u>12,878,678</u>	<u>359,343</u>
Health and social services:				
Health and social services administration	354,084	354,083	333,838	20,245
Vital statistics	273,738	273,730	303,837	(30,107)
Communicable disease clinic	448,288	448,287	432,714	15,573
Environmental health	695,301	695,301	652,217	43,084
Housing code enforcement	428,509	428,509	441,209	(12,700)
Lead prevention program	6,050	6,050	5,746	304
Human services administration	101,144	101,144	102,424	(1,280)
Persons with disabilities	24,262	24,262	9,088	15,174
Department on aging	369,925	369,925	371,779	(1,854)
Veterans' affairs	106,720	106,720	81,878	24,842
Lighthouse/Youth services	1,365,411	1,365,411	1,374,539	(9,128)
Social services	150,238	150,238	160,886	(10,648)
Total health and social services	<u>4,323,670</u>	<u>4,323,660</u>	<u>4,270,155</u>	<u>53,505</u>
Libraries	<u>6,723,003</u>	<u>6,723,003</u>	<u>6,061,001</u>	<u>662,002</u>
Special services:				
Miscellaneous expenses	(2,666,064)	(2,713,923)	176,300	(2,890,223)
Supportive contributions	495,275	495,275	480,825	14,450
Citywide memberships	24,000	24,000	23,092	908
Debt service	3,760,197	3,760,197	3,347,165	413,032
Total special services	<u>1,613,408</u>	<u>1,565,549</u>	<u>4,027,382</u>	<u>(2,461,833)</u>
Education:				
Schools	214,321,022	215,843,904	215,841,153	2,751
Food services	11,315,572	11,718,562	11,705,596	12,966
Board of education debt service	15,664,675	15,664,675	15,664,675	-
Total education	<u>241,301,269</u>	<u>243,227,141</u>	<u>243,211,424</u>	<u>15,717</u>
Total Expenditures and Other Financing Uses	<u>\$ 491,876,896</u>	<u>\$ 493,801,760</u>	<u>\$ 497,630,374</u>	<u>\$ (3,828,614)</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, 2012 AND 2011

(In Thousands)

	<u>2012</u>	<u>2011</u>
ASSETS		
Cash and cash equivalents	\$ 21,911,422	\$ 38,947,692
Receivables:		
Property taxes, net of allowance for uncollectible amounts of \$24,022,383 in 2012 and \$23,198,324 in 2011	35,437,723	31,489,930
Intergovernmental	33,695,808	34,413,891
Other	4,922,068	2,060,433
Due from other funds	44,365,641	62,895,692
Other assets	<u>350,000</u>	<u>350,000</u>
Total assets	<u>\$ 140,682,662</u>	<u>\$ 170,157,638</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts and other payables	\$ 12,008,155	\$ 22,021,742
Accrued liabilities	16,830,835	14,306,484
Due to other funds	28,531,180	49,540,792
Deferred revenue	45,591,978	42,728,110
Notes payable	<u>25,000,000</u>	<u>25,000,000</u>
Total liabilities	<u>127,962,148</u>	<u>153,597,128</u>
Fund balance:		
Nonspendable	350,000	350,000
Assigned	3,222,700	5,222,700
Unassigned	<u>9,147,814</u>	<u>10,987,810</u>
Total fund balance	<u>12,720,514</u>	<u>16,560,510</u>
Total Liabilities and Fund Balance	<u>\$ 140,682,662</u>	<u>\$ 170,157,638</u>

CITY OF BRIDGEPORT, CONNECTICUT

SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED AND OUTSTANDING

FOR THE YEAR ENDED JUNE 30, 2012

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Grand List Year	Balance Uncollected July 1, 2011	Current Levy	Net Adjustments	Transfers to Suspende	Adjusted Taxes Collectible	Collections				Balance Uncollected June 30, 2012
						Taxes	Interest	Lien Fees	Total	
1996	\$ 1,683,767		\$ (5,618)	\$ (\$2,867)	\$ 1,675,282	\$ 11,285	\$ 29,979	\$ 257	\$ 41,521	\$ 1,663,997
1997	\$1,662,116		(3,898)	(\$2,571)	1,655,647	7,183	17,918	161	25,262	1,648,464
1998	\$1,678,291		(4,820)	(\$2,240)	1,671,231	11,093	23,890	375	35,358	1,660,138
1999	\$2,056,673		(10,626)	(\$4,144)	2,041,903	10,996	22,758	267	34,021	2,030,907
2000	\$1,966,382		(7,746)	(\$7,391)	1,951,245	13,874	28,200	268	42,342	1,937,371
2001	\$2,264,352		(11,036)	(\$7,654)	2,245,662	34,521	61,692	854	97,067	2,211,141
2002	\$2,123,711		(94,625)	(\$7,743)	2,021,343	(\$49,398)	44,554	\$1,369	(3,475)	2,070,741
2003	\$1,414,002		(37,333)	(\$2,786)	1,373,883	12,744	28,228	1,335	42,307	1,361,139
2004	\$1,844,654		(83,269)	(\$5,541)	1,755,844	(\$29,839)	44,119	\$1,215	15,495	1,785,683
2005	\$2,174,166		(93,658)	(\$9,998)	2,070,510	(\$12,555)	51,802	\$1,576	40,823	2,083,065
2006	\$2,668,088		(167,562)	(\$6,155)	2,494,371	(\$63,354)	59,257	\$1,592	(2,505)	2,557,725
2007	\$4,564,301		(95,382)	(\$12,254)	4,456,665	141,375	128,723	\$3,516	273,614	4,315,290
2008	\$5,358,157		(54,311)	(\$10,143)	5,293,703	861,310	399,347	\$7,485	1,268,142	4,432,393
2009	\$6,789,924		(269,621)	(\$9,328)	6,510,975	1,513,894	364,580	\$30,159	1,908,633	4,997,081
2010		\$279,434,876	(4,088,427)	(\$4,176)	275,342,273	\$267,783,020	\$1,944,056	\$109,033	269,836,109	7,559,253
	\$ 38,248,584	\$ 279,434,876	\$ (5,027,932)	\$ (94,991)	\$ 312,560,537	\$ 270,246,149	\$ 3,249,103	\$ 159,462	\$ 273,654,714	\$ 42,314,388

Nonmajor Governmental Funds

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Capital Projects Funds

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

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

Permanent Funds

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

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

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

CITY OF BRIDGEPORT, CONNECTICUT

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2012

	Special Revenue Funds								
	Health and Sanitation	Public Safety	Facility and Miscellaneous	Social Services	Community Development Block Grant	Housing Opportunities AIDS	HOME Program	Section 108 Loan Guarantee	Development Administration State Grant
ASSETS									
Cash and cash equivalents	\$	\$ 425,895	\$	\$	\$ 26,552	\$ 1,619	\$	\$ 216,907	\$ 1,753,144
Investments									
Receivables:									
Intergovernmental	644,847		1,765,767	271,712		856,875		1,039,237	4,831,334
Other		4,195,468			133,091		706,534		
Due from other funds	317,074		202,315	95,140		30,530	25,246		
Total Assets	\$ 961,921	\$ 4,621,363	\$ 1,968,082	\$ 366,852	\$ 159,643	\$ 889,024	\$ 731,780	\$ 1,256,144	\$ 6,584,478
LIABILITIES AND FUND BALANCE									
Liabilities:									
Accounts payable	\$ 149,303	\$	\$ 7,250	\$ 22,657	\$ 977,157	\$	\$ 135,598	\$ 32,178	\$ 33,134
Accrued liabilities		130,062				184,118	3,793		
Due to other funds		1,607,678	882,374	202,315	948,967	698,794	404,652	982,820	5,428,278
Unearned revenues	517,822	2,228,507	1,955,287	249,537			577,522		312,256
Total liabilities	667,125	3,966,247	2,844,911	474,509	1,926,124	882,912	1,121,565	1,014,998	5,773,668
Fund balance:									
Restricted	294,796	655,116				6,112		241,146	
Committed									
Unassigned			(876,829)	(107,657)	(1,766,481)		(389,785)		810,810
Total fund balance	294,796	655,116	(876,829)	(107,657)	(1,766,481)	6,112	(389,785)	241,146	810,810
Total Liabilities and Fund Balance	\$ 961,921	\$ 4,621,363	\$ 1,968,082	\$ 366,852	\$ 159,643	\$ 889,024	\$ 731,780	\$ 1,256,144	\$ 6,584,478

(Continued on next page)

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

JUNE 30, 2012

	<u>Special Revenue Funds</u>					<u>Capital Projects</u>	<u>Permanent Trusts</u>		<u>Interfund</u> <u>Eliminations</u>	<u>Total Nonmajor</u> <u>Governmental</u> <u>Funds</u>
	<u>Library</u>	<u>Library</u> <u>Operations</u>	<u>Education</u>	<u>Miscellaneous</u> <u>Grants</u>	<u>General</u> <u>Government</u>	<u>Conversion</u> <u>Capital</u> <u>Projects</u>	<u>Library</u>	<u>Education</u>		
ASSETS										
Cash and cash equivalents	\$ 453,651	\$	\$ 245,017	\$ 52,096	\$	\$ 1,069,078	\$ 97,226	\$ 107,965	\$	\$ 4,449,150
Investments	1,386,847						502,878			1,889,725
Receivables:										
Intergovernmental						284,466				9,694,238
Other					5,808					5,040,901
Due from other funds	3,766	101,184		59,335	71,417	3,698,459		768	(594,980)	4,010,254
Total Assets	<u>\$ 1,844,264</u>	<u>\$ 101,184</u>	<u>\$ 245,017</u>	<u>\$ 111,431</u>	<u>\$ 77,225</u>	<u>\$ 5,052,003</u>	<u>\$ 600,104</u>	<u>\$ 108,733</u>	<u>\$ (594,980)</u>	<u>\$ 25,084,268</u>
LIABILITIES AND FUND BALANCE										
Liabilities:										
Accounts payable	\$	\$ 101,184	\$	\$ 59,724	\$ 13,831	\$ 1,549	\$	\$	\$	\$ 1,533,565
Accrued liabilities										317,973
Due to other funds									(594,980)	10,560,898
Unearned revenues					63,394	751,415				6,655,740
Total liabilities	<u>-</u>	<u>101,184</u>	<u>-</u>	<u>59,724</u>	<u>77,225</u>	<u>752,964</u>	<u>-</u>	<u>-</u>	<u>(594,980)</u>	<u>19,068,176</u>
Fund balance:										
Restricted				51,707			552,531	108,733		1,910,141
Committed	1,844,264		245,017			4,299,039	47,573			6,435,893
Unassigned										(2,329,942)
Total fund balance	<u>1,844,264</u>	<u>-</u>	<u>245,017</u>	<u>51,707</u>	<u>-</u>	<u>4,299,039</u>	<u>600,104</u>	<u>108,733</u>	<u>-</u>	<u>6,016,092</u>
Total Liabilities and Fund Balance	<u>\$ 1,844,264</u>	<u>\$ 101,184</u>	<u>\$ 245,017</u>	<u>\$ 111,431</u>	<u>\$ 77,225</u>	<u>\$ 5,052,003</u>	<u>\$ 600,104</u>	<u>\$ 108,733</u>	<u>\$ (594,980)</u>	<u>\$ 25,084,268</u>

CITY OF BRIDGEPORT, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2012

	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	\$ 1,761,338	\$ 6,034,234	\$ 44,138	\$ 1,744,521	\$ 3,841,214	\$ 827,932	\$ 2,062,085	\$	\$ 3,485,944
Interest		172							712
Other	48,974	177,903	115,756	2,500	52,509		324,317	32,401	112,500
Total revenues	<u>1,810,312</u>	<u>6,212,309</u>	<u>159,894</u>	<u>1,747,021</u>	<u>3,893,723</u>	<u>827,932</u>	<u>2,386,402</u>	<u>32,401</u>	<u>3,599,156</u>
Expenditures:									
General government									
Health and social services	1,431,379					835,314			
Libraries									
Education									
Special services		5,365,859	1,488,781	1,692,002	3,960,902		2,372,800		1,704,980
Total expenditures	<u>1,431,379</u>	<u>5,365,859</u>	<u>1,488,781</u>	<u>1,692,002</u>	<u>3,960,902</u>	<u>835,314</u>	<u>2,372,800</u>	<u>-</u>	<u>1,704,980</u>
Net Change in Fund Balance	378,933	846,450	(1,328,887)	55,019	(67,179)	(7,382)	13,602	32,401	1,894,176
Fund Balance at Beginning of Year	(84,137)	(191,334)	452,058	(162,676)	(1,699,302)	13,494	(403,387)	208,745	(1,083,366)
Fund Balance at End of Year	<u>\$ 294,796</u>	<u>\$ 655,116</u>	<u>\$ (876,829)</u>	<u>\$ (107,657)</u>	<u>\$ (1,766,481)</u>	<u>\$ 6,112</u>	<u>\$ (389,785)</u>	<u>\$ 241,146</u>	<u>\$ 810,810</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, 2012

	<u>Special Revenue</u>				<u>Capital Projects</u>	<u>Permanent Trusts</u>		<u>Interfund</u> <u>Eliminations</u>	<u>Total Nonmajor</u> <u>Governmental</u> <u>Funds</u>
	<u>Library</u>	<u>Library</u> <u>Operations</u>	<u>Education</u>	<u>Miscellaneous</u> <u>Grants</u>	<u>General</u> <u>Government</u>	<u>Conversion</u> <u>Capital</u> <u>Projects</u>	<u>Library</u>		
Revenues:									
Intergovernmental	\$	\$	\$	\$	\$ 15,000	\$	\$	\$	\$ 19,816,406
Interest	364		138	91,696		43,609	60		136,751
Other	305,531	108,318			73,406				1,354,115
Total revenues	<u>305,895</u>	<u>108,318</u>	<u>138</u>	<u>91,696</u>	<u>88,406</u>	<u>-</u>	<u>43,609</u>	<u>60</u>	<u>21,307,272</u>
Expenditures:									
General government					88,407				88,407
Health and social services									2,266,693
Libraries	158,616	108,318				46,982			313,916
Education			1,885				32		1,917
Special services				103,453					16,688,777
Total expenditures	<u>158,616</u>	<u>108,318</u>	<u>1,885</u>	<u>103,453</u>	<u>88,407</u>	<u>-</u>	<u>46,982</u>	<u>32</u>	<u>19,359,710</u>
Net Change in Fund Balance	147,279	-	(1,747)	(11,757)	(1)	-	(3,373)	28	1,947,562
Fund Balance at Beginning of Year	<u>1,696,985</u>	<u>-</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>4,068,530</u>
Fund Balance at End of Year	<u>\$ 1,844,264</u>	<u>\$ -</u>	<u>\$ 245,017</u>	<u>\$ 51,707</u>	<u>\$ -</u>	<u>\$ 4,299,039</u>	<u>\$ 600,104</u>	<u>\$ 108,733</u>	<u>\$ 6,016,092</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, 2012

	<u>Balance</u> <u>June 30, 2011</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2012</u>
Student Activities Fund				
Assets:				
Cash and cash equivalents	\$ <u>344,745</u>	\$ <u>1,083,301</u>	\$ <u>1,075,010</u>	\$ <u>353,036</u>
Liabilities:				
Due to student groups	\$ <u>344,745</u>	\$ <u>1,083,301</u>	\$ <u>1,075,010</u>	\$ <u>353,036</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									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Governmental Activities:										
Invested in capital assets, net of related debt	\$ 552,338,566	\$ 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
Restricted	3,161,264	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
Unrestricted	(400,754,807)	(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)
Total Governmental Activities Net Assets	<u>154,745,023</u>	<u>140,012,799</u>	<u>150,204,817</u>	<u>144,921,915</u>	<u>120,567,012</u>	<u>44,057,892</u>	<u>(20,681,005)</u>	<u>(64,271,471)</u>	<u>(74,061,645)</u>	<u>(59,643,449)</u>
Business-type activities:										
Invested in capital assets, net of related debt	80,642,078	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
Restricted	-	923,098	820,556	1,433,775	1,290,387	582,299	1,005,237	2,513,522		4,842,442
Unrestricted	8,865,646	6,991,988	6,079,946	4,424,261	566,363	196,996	(531,792)	(2,669,623)	(7,977,022)	(7,435,957)
Total Business-Type Activities Net Assets	<u>89,507,724</u>	<u>83,516,219</u>	<u>80,652,012</u>	<u>80,307,483</u>	<u>75,666,021</u>	<u>72,427,103</u>	<u>70,713,303</u>	<u>69,150,505</u>	<u>58,701,414</u>	<u>63,413,218</u>
Primary Government:										
Invested in capital assets, net of related debt	632,980,644	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
Restricted	3,161,264	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
Unrestricted	(391,889,161)	(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)
Total Primary Government Net Assets	<u>\$ 244,252,747</u>	<u>\$ 223,529,018</u>	<u>\$ 230,856,829</u>	<u>\$ 225,229,398</u>	<u>\$ 196,233,033</u>	<u>\$ 116,484,995</u>	<u>\$ 50,032,298</u>	<u>\$ 4,879,034</u>	<u>\$ (15,360,231)</u>	<u>\$ 3,769,769</u>

CITY OF BRIDGEPORT, CONNECTICUT

CHANGES IN NET ASSETS

LAST TEN FISCAL YEARS

(Accrual Basis of Accounting)

	FISCAL YEAR									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Expenses:										
Governmental activities:										
General government	\$ 47,585,310	\$ 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
Public safety	127,416,487	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
Public facilities	40,813,295	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
Parks and recreation	3,630,343	3,610,102		5,898,866	6,024,774	6,716,385	6,583,851	6,521,261	6,616,402	7,090,252
Planning and economic development	7,514,927	11,567,506	3,441,668							
Health and social services	341,738,042	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
Education	16,736,988	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
Special services	41,869,525	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
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
Total governmental activities expenses	627,304,917	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
Business-type activities:										
Water Pollution Control Authority	26,387,727	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
Total primary government expenses	653,692,644	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
Program revenue:										
Governmental activities:										
Charges for services:										
General government	3,632,801	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
Public safety	6,263,832	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
Public facilities, parks and recreation	4,008,679	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
Parks and recreation				2,514,238	2,318,393	1,518,799	1,726,183	1,902,781	1,945,085	2,211,008
Planning and economic development	4,102,402	2,292,655	2,749,419							
Health and social services	865,318	1,502,929	924,169	570,541	817,350	1,991,980	2,155,194	1,529,848	1,570,304	352,820
Education	702,587	756,596	817,448	900,591	1,018,406	1,276,551	1,423,341	654,426	1,297,255	9,005,655
Special services	-	832,216				1,061,769	178,938	1,012,749	1,918,834	
Operating grants and contributions:										
General government	425,724	975,269	773,282	3,152	11,467		14,992	5,093	2,525,000	
Public safety	77,404	530,148	4,148,209			5,698,748	4,380,797	4,302,286	2,679,253	
Public facilities	4,279,642	1,560,017	738,415	816,659	1,528,445					
Parks and recreation										35,340
Planning and economic development	12,320,951	7,291,614	20,985,448							
Health and social services	5,916,291	8,662,148	9,402,270	11,890,493	14,951,983					5,628,931
Education	257,452,149	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
Special services	3,880,602	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
Interest on long-term debt	1,570,900	1,703,694	798,503	1,350,146						
Capital grants and contributions:										
General government			849,366							12,447,083
Education	35,750,724	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
Public facilities	1,188,554	324,725			8,343,237	16,809,428				
Public safety						2,500,000				
Total governmental activities program revenue	342,438,560	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

(Continued on next page)

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

LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	FISCAL YEAR									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Business-type activities:										
Charges for services:										
Water Pollution Control Authority	\$ 28,083,135	\$ 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
Capital grants and contributions:										
Water Pollution Control Authority	4,284,004	775,944	1,342,985	1,404,430	1,158,371	1,156,324	1,557,806	937,936	544,524	1,853,300
Total business-type activities program revenues	<u>32,367,139</u>	<u>28,852,852</u>	<u>28,156,185</u>	<u>29,503,633</u>	<u>28,696,865</u>	<u>25,593,508</u>	<u>24,273,354</u>	<u>28,793,806</u>	<u>19,816,594</u>	<u>21,599,878</u>
Total primary government program revenues	<u>374,805,699</u>	<u>371,444,233</u>	<u>365,287,545</u>	<u>374,332,418</u>	<u>501,171,228</u>	<u>403,540,351</u>	<u>336,959,945</u>	<u>321,457,596</u>	<u>313,965,097</u>	<u>280,364,668</u>
Net (expense) revenue:										
Governmental activities	(284,866,357)	(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)
Business-type activities	5,979,412	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)
Total primary government net expense	<u>(278,886,945)</u>	<u>(307,001,515)</u>	<u>(284,420,573)</u>	<u>(252,122,206)</u>	<u>(178,088,274)</u>	<u>(203,805,743)</u>	<u>(201,376,092)</u>	<u>(220,088,645)</u>	<u>(228,867,044)</u>	<u>(227,659,318)</u>
General Revenues and Other Changes in Net Assets:										
Governmental activities:										
Property taxes	278,055,567	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
Grants and contributions not restricted to specific programs	21,237,067	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
Proceeds from sale of City-owned property	305,947	468,605						1,231,298	(800,638)	(308,932)
Unrestricted investment earnings			370,639	864,608	4,115,785	8,197,907	4,234,990	2,963,220	491,343	2,810,783
Transfers		14,211								
Total governmental activities	<u>299,598,581</u>	<u>299,650,868</u>	<u>290,022,917</u>	<u>281,085,859</u>	<u>256,991,827</u>	<u>270,258,440</u>	<u>246,370,453</u>	<u>236,557,524</u>	<u>213,492,265</u>	<u>231,927,521</u>
Business-type activities:										
Investment earnings	12,093	22,836	25,087	32,712			158,903	108,940	92,229	83,361
Total primary government	<u>12,093</u>	<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>
Changes in Net Assets:										
Governmental activities	14,732,224	(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
Business-type activities	5,991,505	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)
Total Primary Government	<u>\$ 20,723,729</u>	<u>\$ (7,327,811)</u>	<u>\$ 5,627,431</u>	<u>\$ 28,996,365</u>	<u>\$ 78,903,553</u>	<u>\$ 66,452,697</u>	<u>\$ 45,153,264</u>	<u>\$ 16,577,819</u>	<u>\$ (15,282,550)</u>	<u>\$ 4,351,564</u>

CITY OF BRIDGEPORT, CONNECTICUT
PROGRAM REVENUES BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

(Accrual Basis of Accounting)

Function/Program	FISCAL YEAR									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Governmental activities:										
General government	\$ 4,058,525	\$ 6,657,099	\$ 5,351,396	\$ 3,333,336	\$ 8,925,583	\$ 11,067,469	\$ 23,889,838	\$ 20,793,344	\$ 34,895,459	\$ 17,981,097
Public safety	6,341,236	6,748,037	9,429,514	7,713,796	9,856,899	13,104,440	8,857,557	8,836,010	7,842,503	4,891,789
Public facilities	9,476,875	7,110,221	5,089,104	3,608,701	12,856,806	26,991,770	6,647,338	6,697,358	6,266,939	1,635,128
Parks and recreation				2,514,238	2,318,393	1,518,799	1,726,183	1,902,781	1,945,085	2,246,348
Planning and economic development	16,423,353	9,584,269	23,734,867							
Health and social services	6,781,609	10,165,077	10,326,439	12,461,034	15,769,333	1,991,980	2,155,194	1,529,848	1,570,304	5,981,751
Education	293,905,460	292,900,183	280,773,914	288,049,420	397,464,480	280,687,909	248,929,582	239,387,054	227,124,974	205,937,403
Special services	3,880,602	7,722,801	1,627,623	25,798,114	25,282,869	42,584,476	20,480,899	13,517,395	14,503,239	20,091,274
Interest on long-term debt	1,570,900	1,703,694	798,503	1,350,146						
Total governmental activities	342,438,560	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
Business-type activities:										
⊗ Water Pollution Control Authority	32,367,139	28,852,852	28,156,185	29,503,633	28,696,865	25,593,508	24,273,354	27,855,870	19,272,070	19,746,578
Total Government	\$ 374,805,699	\$ 371,444,233	\$ 365,287,545	\$ 374,332,418	\$ 501,171,228	\$ 403,540,351	\$ 336,959,945	\$ 320,519,660	\$ 313,420,573	\$ 278,511,368

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

	FISCAL YEAR									
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
General Fund:										
Reserved	\$ 2,645,439	\$ 2,727,423	\$ 2,500,000	\$ 4,127,588	\$	\$	\$	\$ 30,876	\$	\$
Unreserved	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	350,000
Restricted										
Committed										
Assigned									5,222,700	3,222,700
Unassigned									10,987,910	9,147,814
Total General Fund	\$ <u>37,949,944</u>	\$ <u>35,732,110</u>	\$ <u>32,300,885</u>	\$ <u>28,814,527</u>	\$ <u>29,241,106</u>	\$ <u>10,605,102</u>	\$ <u>10,752,753</u>	\$ <u>15,642,227</u>	\$ <u>16,560,610</u>	\$ <u>12,720,514</u>
All Other Governmental Funds:										
Reserved	\$ 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	(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	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	651,434	655,609	707,234	661,212	3,126	35,573	47,182	59,770		
Restricted									1,398,998	1,910,141
Committed									60,355,682	97,217,290
Unassigned									(4,216,210)	(2,933,603)
Total All Other Governmental Funds	\$ <u>42,088,130</u>	\$ <u>72,294,514</u>	\$ <u>73,642,696</u>	\$ <u>99,244,592</u>	\$ <u>107,051,599</u>	\$ <u>87,168,758</u>	\$ <u>33,092,057</u>	\$ <u>57,479,249</u>	\$ <u>57,538,470</u>	\$ <u>96,193,828</u>

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

	FISCAL YEAR									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Revenues:										
Property taxes	\$ 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	\$ 274,118,745
Intergovernmental	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	346,936,724
Fees, permits and licenses	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	16,664,394
Interest	2,810,783	520,946	2,972,578	4,169,012	8,184,000	4,115,785	864,608	370,639	467,604	305,673
Other	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	4,347,520
Total revenues	<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>	<u>642,373,056</u>
Expenditures:										
Governmental and community services:										
General government	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	39,935,817
Public safety	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	115,629,783
Excess Pension Contribution										
Public facilities	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	34,490,427
Parks and recreation	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	3,630,343
Health and social services	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	6,536,848
Charities and hospitals	14,880	53,021	70,462	90,833		184,968	123,835			
Libraries								4,660,185	5,392,768	6,034,045
Education	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	312,976,935
Special services	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	17,368,994
Debt service:										
Principal retirements	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	31,183,000
Interest and other charges	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	39,791,002
Capital outlay	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	74,551,555
Total expenditures	<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>	<u>682,128,749</u>
Excess of revenues over (under) expenditures	<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>	<u>(39,755,693)</u>
Other financing sources (uses):										
Transfers in	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	500,000
Transfers out	(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)	(500,000)
Bonds issued		77,265,000	88,505,000	95,735,000	47,890,000			40,840,000	19,440,000	67,930,000
Premium (discount) on long-term debt		1,600,083	8,186,165	895,239	482,104					6,641,055
Payments to escrow agent		(29,585,083)	(64,019,065)	(34,330,000)						
Proceeds from notes payable	500,000									
Total other financing sources (uses)	<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>	<u>74,571,055</u>
Net Changes in Fund Balance	<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>	<u>\$ 34,815,362</u>
Debt Service as a Percentage of Noncapital Expenditures	<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>	<u>11.7%</u>

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

(Unaudited)

Fiscal Year	Real Estate	Personal Property	Motor Vehicle	Total
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
2012	231,147,846	31,242,492	17,044,538	279,434,876
Change 2002-2012	<u>68.36%</u>	<u>20.83%</u>	<u>-9.99%</u>	<u>53.46%</u>

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)

<u>Fiscal Year</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Industrial Property</u>	<u>Miscellaneous Land</u>	<u>Personal Property</u>	<u>Motor Vehicle</u>	<u>Total Taxable Assessed Value</u>	<u>Percent Growth</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Actual Taxable Value</u>	<u>Value as a Percentage of Actual Value</u>
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%
2012	4,089,937	1,192,378	564,301	119,384	636,574	412,029	7,014,603	0.0%	41.11	10,020,861	70.00%

Source: City of Bridgeport Tax Assessor's Office

CITY OF BRIDGEPORT, CONNECTICUT

PRINCIPAL PROPERTY TAXPAYERS

FY 2012 and 2003

(Unaudited)

Taxpayer	2012			2003		
	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	4.59%	\$		
United Illuminating Co. Inc.	211,997,036	2	2.18%	40,908,740	4	1.32%
PSEG Power Connecticut LLC*	152,689,120	3	0.85%	56,529,213	3	1.82%
People's United Bank	59,729,464	4	0.85%	67,888,501	2	2.19%
Connecticut Light & Power	55,423,829	5	0.79%			
Bridgeport Energy LLC	36,166,277	6	0.51%	88,561,694	1	2.85%
Southern CT Gas Co.-Energy EA	34,364,683	7	0.49%	18,600,006	7	0.60%
Watermark 3030 Park LLC*	30,809,473	8	0.44%			
AT&T Mobility LLC	29,750,520	9	0.42%			
Success Village Apts Inc.	24,276,970	10	0.35%			
American Telephone & Telegraph				31,613,384	5	1.02%
Aquarian Water Co. of CT*				25,469,596	6	0.82%
Shoreline Star Greyhound				12,841,795	8	0.41%
Bridgeport Health Care				11,649,984	9	0.38%
1000 Lafayette				11,474,942	10	0.37%
TOTAL	\$ 956,155,724		11.47%	\$ 365,537,855		11.78%

* 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)

Fiscal Year Ended June 30:	Grand List Year	Taxes Levied for the Tax Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
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%
2012	2010	275,342,274	267,783,020	97.25%	2,463,132	270,246,152	98.15%

Source: City of Bridgeport - Tax Collector's Office

CITY OF BRIDGEPORT, CONNECTICUT

TABLE 10

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	Less Amount Available in Debt Services	Net General Bonded Debt			Loan Payable	General Obligation Bonds	Revenue Bonds			
2003	\$ 633,270	\$ -	\$ 633,270	14.28%	\$ 4,539	\$ 65,797	\$ 1,831	\$ -	\$ 700,898	28.13%	\$ 4,587
2004	644,870	-	644,870	13.23%	4,622	62,168	1,261	-	708,299	28.63%	4,668
2005	649,685	-	649,685	8.80%	4,656	59,144	652	-	709,481	28.88%	4,709
2006	719,810	-	719,810	9.50%	5,159	51,778	-	-	771,588	33.92%	5,530
2007	772,389	-	772,389	10.01%	5,536	49,552	490	-	822,431	29.03%	5,894
2008	684,228	-	684,228	8.54%	4,904	51,713	490	-	736,431	26.00%	5,278
2009	654,200	-	654,200	6.74%	4,689	49,486	450	-	704,136	24.86%	5,046
2010	669,140	-	669,140	6.86%	4,796	44,509	2,255	-	715,904	29.23%	5,131
2011	651,890	-	651,890	6.42%	4,520	43,621	2,152	-	697,663	29.66%	4,837
2012	689,265	-	689,265	6.80%	4,779	42,812	4,008	-	736,085	27.00%	5,104

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CITY OF BRIDGEPORT, CONNECTICUT

DIRECT GOVERNMENTAL ACTIVITIES DEBT

FOR THE YEAR ENDED JUNE 30, 2012

(Unaudited)

Governmental Unit	Debt Outstanding
General obligation debt	\$ 689,265,000
Less school construction grants receivable - principal portion only	<u>(9,850,762)</u>
Total Direct Debt	<u>\$ 679,414,238</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

TABLE 12

LEGAL DEBT MARGIN INFORMATION

LAST TEN FISCAL YEARS

(In Thousands)

(Unaudited)

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Debt limit	\$ 1,310,722	\$ 1,277,556	\$ 1,421,441	\$ 1,514,400	\$ 1,575,702	\$ 1,595,640	\$ 1,741,261	\$ 1,741,508	1,909,786,970	1,918,225,547
Total net debt applicable to limit	<u>820,848</u>	<u>825,160</u>	<u>892,013</u>	<u>945,365</u>	<u>934,990</u>	<u>957,601</u>	<u>925,639</u>	<u>959,344</u>	<u>717,375,754</u>	<u>755,691,238</u>
Legal debt margin	<u>\$ 489,874</u>	<u>\$ 452,396</u>	<u>\$ 529,428</u>	<u>\$ 569,035</u>	<u>\$ 640,712</u>	<u>\$ 638,039</u>	<u>\$ 2,666,900</u>	<u>\$ 2,700,852</u>	<u>2,627,162,724</u>	<u>2,673,916,785</u>
Total net debt applicable to the limit as a percentage of debt limit	<u>68.39%</u>	<u>62.63%</u>	<u>64.59%</u>	<u>62.75%</u>	<u>62.43%</u>	<u>59.34%</u>	<u>60.01%</u>	<u>55.09%</u>	<u>37.56%</u>	<u>39.40%</u>

CITY OF BRIDGEPORT, CONNECTICUT
COMPUTATION OF LEGAL DEBT LIMITATION
JUNE 30, 2012

Total tax collections (including interest and lien fees) for the year ended June 30, 2012	\$ 273,654,715
Reimbursement for revenue loss:	
Tax relief for the elderly	<u>811,843</u>
Base	<u>\$ 274,466,558</u>
Debt Limit	<u><u>1,921,265,906</u></u>

	General Purpose	Schools	Sewer	Urban Renewal	Unfunded Past Benefit Obligation
Debt Limitation					
2-1/4 times base	\$ 617,549,756	\$	\$	\$	\$
4-1/2 times base		1,235,099,511			
3-3/4 times base			1,029,249,593		
3-1/4 times base				892,016,314	
3 times base					823,399,674
Total debt limitation	<u>617,549,756</u>	<u>1,235,099,511</u>	<u>1,029,249,593</u>	<u>892,016,314</u>	<u>823,399,674</u>
Debt as Defined by Statute:					
Bonds and Notes Payable	267,669,000	130,701,000	46,820,000	4,457,000	290,895,000
Tax Anticipation Notes	25,000,000				
Bonds authorized but unissued ¹	44,158,540	89,312,325	389,773		
Less:					
Less: school construction grants	<u>-</u>	<u>(9,850,762)</u>			
Total indebtedness	<u>336,827,540</u>	<u>210,162,563</u>	<u>47,209,773</u>	<u>4,457,000</u>	<u>290,895,000</u>
Debt Limitation in Excess of Indebtedness	<u>\$ 280,722,216</u>	<u>\$ 1,024,936,948</u>	<u>\$ 982,039,820</u>	<u>\$ 887,559,314</u>	<u>\$ 532,504,674</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>
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%
2012	144,229	48,088	18,721	32.1	20,338	13.40%

CITY OF BRIDGEPORT, CONNECTICUT

PRINCIPAL EMPLOYERS

2012 AND 2000

(Unaudited)

Employer	2012		2000	
	Employees	Rank	Employees*	Rank
People's United Bank	1,169	3	1,400	3
Bridgeport Hospital, Inc.	1,877	2	2,029	1
St. Vincent's Medical Center	2,025	1	1,875	2
University of Bridgeport	374 FT / 407 PT	6		
Prime Line Resources	334	7		
Lacey Manufacturing Company	312	8	360	9
Bridgeport Health Care Center	500 (approx.)	5	375	7
Watermark	86 FT / 213 PT*	10		
Housatonic Community College	189	9		
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 - BRBC / Bridgeport Chamber of Commerce

* = 2011 Data

Note: Rankings are based on Full Time Employees Only

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

Function/Program	FISCAL YEAR									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
General government:										
Central grants office	6	6	6	6	6	6	6	6	4	4
Office of The Mayor	8	8	8	9	9	8	8	8	6	5
Constituent Services	-	-	-	-	-	-	-	-	-	2
Civil service	9	9	8	8	9	8	7	8	8	8
Grants personnel/Benefits	11	11	9	7	7	7	7	10	10	9
City attorney	21	21	21	21	22	21	22	24	23	21
City clerk	5	6	6	6	6	6	7	6	6	6
Registrar of voters/Elections	5	5	5	6	6	6	6	6	6	6
Legislative department	2	1	2	2	2	2	1	2	1	1
Libraries	53	52	52	60	69	69	68	68	68	79
Office of policy and management	6.5	6.5	5.5	5.5	5.5	5.5	6	7	8	8
Archives and records	0.5	0.5	0.5	0.5	1	1	1	1	1	1
Town Clerk	7	7	7	8	8	8	8	8	8	8
CitiStat	4	4	4	5	-	-	-	-	-	-
Chief administrative officer	3	3	3	3	3	3	3	3	1	-
Minority Business Resource CTR.	2	2	2	-	-	-	-	-	-	-
Finance department	4	4	4	4	5	4	5	5	4	4
Comptroller's office	14.5	14.5	14.5	15	15	15	15	17	17	17
Treasurer's office	2	2	2	2	3	3	3	3	3	3
Tax assessor	13	13	13	14	15	15	15	15	14	14
Information technology services	16	15	15	19	21	20	21	24	25	25
Tax collector	18	18	18	18	19	18	16	15	15	15
Purchasing	6	6	6	7	8	8	8	8	7	7
Print shop	7.5	7.5	7.5	7.5	7.5	7	7	7	6	6
Labor relations	6	6	6	6	7	8	8	8	8	8
Barnum Institute	-	-	-	-	-	-	-	-	-	-
Employee org. & development	-	-	-	-	-	-	-	2	2	2
Protection of person and property:										
Police department / Animal Shelter	479	473	486	532	538	554	544	574	548	571
Fire department	295	299	310	329	330	326	326	370	375	407
Weights and measures	2	2	2	2	2	2	2	2	2	2
Emergency Operations Center	59	60	60	48	42	43	-	-	-	-
Conservation of health:										
Health administrative	2	2	2	3	3	3	4	5	4	4
Vital statistics	5	5	5	5	4	4	4	4	4	4
Communicable diseases	5	5	5	4	5	4	4	5	5	5
Public health nursing	-	-	-	-	37	37	37	39	39	41
Dental hygiene	-	-	-	7	7	7	7	8	8	8
Environmental health	8	7	7	7	7	7	8	9	9	8
Dental Clinic	-	-	-	-	-	-	-	-	-	-
Housing code enforcement	5	5	1	3	3	3	3	4	3	3
Laboratory	-	-	-	-	-	-	-	-	1	1
Lead Program (CDBG)	-	-	-	-	-	-	-	3	3	3
Clinics	-	-	-	1	6	6	6	4	2	2
School based health clinics	-	-	-	19	26	26	26	26	26	25

(Continued on next page)

CITY OF BRIDGEPORT, CONNECTICUT

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

LAST TEN FISCAL YEARS

(Unaudited)

Function/Program	FISCAL YEAR									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Public facilities:										
City Engineer	6	6	6	5	6	6	6	6	6	7
Zoning commission	6	5	4	7	7	6	6	6	5	5
Zoning Board of Appeals	1	1	1	1	1	1	1	1	1	1
Building Department	13	13	13	14	14	10	-	10	10	10
Harbor Master	1	1	1	1	1	1	1	1	1	2
Transfer station	1	1	1	1	1	1	1	1	1	1
Public Facilities Administration	15.5	15.5	15.5	17	15	15	15	16	13	12
Sanitation/Recycling	34	34	34	36	36	36	36	36	36	26
Landfill operation	-	-	-	-	-	-	-	-	-	-
Recycling	-	-	-	-	-	-	-	-	-	10
Roadway maintenance	45	45	45	43	43	43	46	48	48	48
Clean & Green	-	-	-	-	-	-	-	-	-	-
Planning & Economic Development	19.5	18.5	20	22	18	16	16	20	19	19
Sikorsky Airport	14	14	14	15	15	15	15	15	15	15
Municipal garage	10	10	10	10	10	10	10	11	8	8
Maintenance	31	31	31	37	34	34	34	37	38	39
Construction Division	-	-	-	-	-	-	-	-	-	-
97 Charities and hospitals:										
Social Services	1	2	2	2	2	2	2	1	1	-
Parks and recreation:										
Recreation	3	3	3	3	3	3	3	3	3	4
Parks & Rec. Administration	4	4	4	5	6	6	Included in Parks Dept. Figure	↓	↓	↓
Parks department	16	17	17	17	23	23	31	30	28	29
Park Mounted Unit / Stable	-	-	-	-	-	-	-	-	2	2
Beardsley Zoological Gardens	13	13	13	13	13	13	13	13	13	13
Fairchild Wheeler G.C.	3	3	3	3	3	2	-	-	-	-
Special services:										
Lighthouse/Youth services	4	4	4	4	4	4	3	2	2	2
Human Services Administration	2	2	2	2	2	2	2	3	4	4
Department on aging	6	6	6	6	6	6	6	6	6	5
Office for disabilities	0.5	0	0	1	1	1	-	1	1	1
Veterans Affairs	2	1	1	1	1	1	-	-	-	-
Parent Aide Program	-	-	-	1	1	-	-	-	-	-
Affirmative Action	-	-	-	-	-	-	-	-	-	-
Total	<u>1341.5</u>	<u>1,336</u>	<u>1,353.5</u>	<u>1,466.5</u>	<u>1,530</u>	<u>1,527.5</u>	<u>1,465</u>	<u>1,580</u>	<u>1,539</u>	<u>1,605</u>

CITY OF BRIDGEPORT, CONNECTICUT
OPERATING INDICATORS BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

(Unaudited)

Function/Program	FISCAL YEAR									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Police:										
Calls for service	129,649	127,347	118,047	123,901	120,655	116,640	111,765	109,523	109,919	114,115
Adult arrest	7,057	6,959	5,927	5,295	7,751	6,505	5,317	4,397	4,237	4,230
Juvenile arrest	1,179	1,353	1,413	1,114	1,406	1,081	1,013	740	553	574
Fire:										
Total fire runs	11,005	10,619	10,507	10,094	10,064	9,239	10,263	11,260	14,136	13,373
Total rescue runs	1,484	918	1,049	931	831	868	868	1,217	1,135	2,066
Property loss	\$ 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	\$ 7,418,300
Building safety:										
Total building permits	2,359	2,466	2,381	2,724	2,386	2,454	2,683	2,522	2,425	N/A
Total value all permits	\$ 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	N/A
Library, volumes in collection	525,000	525,000	525,000	525,000	499,662	395,561	530,000	550,851	537,580	533,600
Public service:										
Garbage collected (ton)	63,197	66,841	69,171	65,055	67,093	59,533	58,543	59,756	60,436	58,736
Recycle collected (ton)	4,124	4,110	3,864	3,496	2,992	3,055	3,128	3,194	3,217	4,762
Parks and recreation:										
Recreation program attendance	1,235	1,897	2,100	2,375	2,575	2,550	1,500	1,850	1,950	2,000
Aquatics program attendance	706	750	900	600	600	800	900	600	700	700
Golf rounds played	n/a	60,249	53,375	23,436***	45,007***	49,708	53,706	60,059	54,776	59,286
Street trees maintained	666	675	405	490	615	1,430	1,430	1,430	1,800	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)

Function/Program	FISCAL YEAR									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Police:										
Stations	3	3	3	3	3	3	2	2	1	1
Police Officer Sector Terminals (POST)	5	5	5	5	5	3	3	3	4	3
Number of personnel and officers	574	574	574	574	574	574	574	557	469	456
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	315	337	366	366	366	296
Equipment (pieces)	21	23	24	25	28	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	1,700	1,750	1,750
Parks and recreation:										
Playgrounds	19	19	19	19	19	19	19	19	19	21
Parks	47	47	47	47	47	44	45	45	45	46
Park Acreage	1,330	1,330	1,330	1,330	1,330	1,330	1,330	1,330	1,330	1,330
Golf Courses	2	2	2	2	2	2	2	2	2	2
Swimming Pools	3	3	3	3	3	-	2	2	3	3
Tennis Courts	24	24	24	24	24	22	24	23	25	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	31	31	30
Ice Skating Rinks	1	1	1	2	2	2	1	1	1	1
Soccer/Football Fields	18	18	17	17	17	17	17	19	21	26
Library:										
Facilities	5	5	5	5	4	4	5	5	5	5
Volumes	525,000	525,000	525,000	525,000	499,662	395,561	530,000	550,851	537,580	533,600
Water:										
Average Daily Consumption (MGPD)	14,306	13,446	13,382	13,286	12,821	12,800	12,359	12,021	12,318	11,716
Wastewater:										
Sanitary Sewers (miles)	152	152	154	154	157	160	160	160	160	170
Storm Sewers (miles)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Combination Sanitary and Storm (miles)	131	131	129	129	126	123	123	123	123	113
Number of sewer wells	55,050	55,050	55,050	55,050	55,050	55,050	55,050	55,050	55,050	55,050
Number of Treatment Plants	2	2	2	2	2	2	2	2	2	2

Source: City Records

Note: n/a - Indicator not available

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