

CITY OF BRIDGEPORT, CONNECTICUT

FINANCIAL REPORT

JUNE 30, 2013

CITY OF BRIDGEPORT, CONNECTICUT



COMPREHENSIVE ANNUAL FINANCIAL REPORT

**For the Fiscal Year
July 1, 2012 to June 30, 2013**

Prepared By:
DEPARTMENT OF FINANCE

Anne Kelly-Lenz
Director of Finance

CITY OF BRIDGEPORT, CONNECTICUT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
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Introductory Section



BILL FINCH
Mayor

CITY OF BRIDGEPORT
DEPARTMENT OF FINANCE
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ANNE KELLY - LENZ
Finance Director

December 20, 2013

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, 2013.

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.

BlumShapiro has issued an unqualified (“clean”) opinion on the City of Bridgeport, Connecticut’s financial statements for the year ended June 30, 2013. The independent auditors’ report is located at the front of the financial section of this report.

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

Profile of the Government

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

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

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

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

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

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

In 2008, Mayor Finch added CitiStat to the roster of City departments, to help make city departments run more efficiently by using. Using CitiStat protocols established in cities such as Baltimore and Providence, CitiStat is a department responsible for continually improving the quality of services provided to residents, by evaluating policies, procedures and the performance of City departments. Staff analysts examine data and perform investigations in order to identify areas in need of improvement. An outgrowth of CitiStat was the creation of a citizen's service mobile application called BConnected, which allows citizens to report directly to appropriate departments items that need attention, from filling potholes to trimming trees to noise complaints. Since its inception in 2011, BConnected has logged more than 100,000 uses.

Factors Affecting Financial Condition

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

Local Economy

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

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

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

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

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

Downtown Development

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

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

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

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

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

In 2007, Urban Green Builders completed the residential portion of the \$30 million adaptive reuse project in the former Citytrust office building. The 118 units of rental housing have reached full occupancy largely with tenants that make a daily commute on Metro North, via the train station within two blocks of the project. In addition, **Citibank** has opened a 3,000 square foot branch operation in the building, the bank's first presence in Downtown Bridgeport in nearly 20 years. Urban Green has had a similar experience in its residential leasing for other downtown projects, including its residential conversion of an office building at **144 Golden Hill Street** and the \$22 million historic restoration of the **Arcade Hotel**. Both projects have achieved full residential occupancy.

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

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

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

In 2008, a joint venture of the *Spinnaker Group* and *Forstone Capital* of Norwalk acquired almost two full city blocks of downtown real estate from People's United Bank and is currently creating a redevelopment reuse plan for these holdings. Forstone Capital also acquired the neighboring former Mechanics & Farmers Bank Complex on State Street from the City in furtherance of its plans for the redevelopment of the property into a mixed-use retail and residential complex. In December 2011, *Fletcher Thompson*, an architectural design firm, announced its plans to move back to Bridgeport and is renovating the bank building into a mixed-use development with their offices and 30 market rate residential units. In the summer of 2010, *333 State Street Development* commenced construction of its

adaptive reuse project in a former office building in Downtown Bridgeport. The \$12 million project opened in the fall of 2012, created 65 rental apartments and 15,000 square feet of street-level commercial space in a building that had been vacant for more than a decade.

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

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

Industrial Development and Energy Projects

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

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

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

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

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

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

In late 2013, the city signed memorandums of understanding and/or power purchase agreements with two anaerobic digesters. One will be located at the West End WPCA facility and will digest sludge into electricity to power that plant and the second will be located in the eco-technology park and will digest food waste from the region into renewable electricity that will be net-metered to public buildings throughout the city.

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

Medical Sector and Senior Living Projects

As the center for hospital care in Eastern Fairfield County, the City's health care industry continues to grow. In 2013, *Bridgeport Hospital*, an employer of over 2,500 people, working together with the City, completed a brand new entrance gateway to the hospital which includes a fountain and pocket park, an enhancement which makes the area more inviting for visitors and residents alike. This work followed various other upgrades made since 2010 to the 800,000 square foot complex.

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

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

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

Waterfront Development/Steel Pointe

2014 will see construction break ground on the first private investment in Steel Point after several decades of planning and false starts: Bass Pro Shops. Following significant public infrastructure investment, the foundation is laid for the realization of this completely approved, 3 million square-foot, mixed-use waterfront development.

The City received from the federal government an \$11 million TIGER (Transportation Investment Generating Economic Recovery) grant – the largest federal investment in the state's history. Throughout 2013, the first phase of this project was completed utilizing the federal grant, several million dollars in city match, and investment from the regional utilities. Cumulatively, approximately \$18 million will be invested in the districts roads, sewers, water lines, electric power, gas lines, and telecom. By early 2014, the entirety of Steel Point will be anchored by a new street grid, utilities, and streetscape.

Bass Pro Shops, supported by \$30 million in state Sales Tax TIF (Tax Increment Financing) and Urban Act Funds, will break ground in early 2014 with an anticipated opening of Fall 2015. The approximately 175,000 square foot facility located on the north side of Stratford Avenue with its own restaurant is anticipated to draw millions of visitors to the city. Announcements on additional retail and hotel tenants for Steel Point will also be announced in 2014.

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

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

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

Bridgeport's Major Financial Initiatives

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

Revenue Collection Initiatives

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

The City implemented various programs in order to achieve maximum collection of delinquent motor vehicle taxes. In 2005, the City implemented the Bootfinder Program, the latest technology available at that time to identify delinquent motor vehicle taxpayers. The publicity received from local media concerning this program has been significant. It is estimated that approximately \$6.3 million of delinquent motor vehicle taxes has been collected since the implementation of this initiative. The City upgraded the Bootfinder Program by hiring Vioalert in 2008, bringing in approximately \$4.3 million since 2008. In addition, the City hired TaxServ LLC to serve as the City's tax collection agency. Since April 2009, approximately \$7.9 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 2013.

The City has used many methods to increase collection of real estate taxes, including heightened enforcement and the sale of tax liens. Tax lien sales have proven to be an effective management tool in collecting both current and arrears taxes, interest and penalties. Since Fiscal Year 1992, the Tax Collector's Office has conducted 34 lien sales, generating more than \$109.6 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 2013, in which the city sold tax liens of approximately \$1.6 million and they were purchased at a premium. The City will be conducting its next tax lien sale in April 2014 and will offer approximately \$6.2 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, 2013, the fund had a deficit of \$88,659,057. 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, 2012. 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 13 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, 2012.

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, BlumShapiro, 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,



Anne Kelly-Lenz
Director of Finance



Government Finance Officers Association

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

Presented to

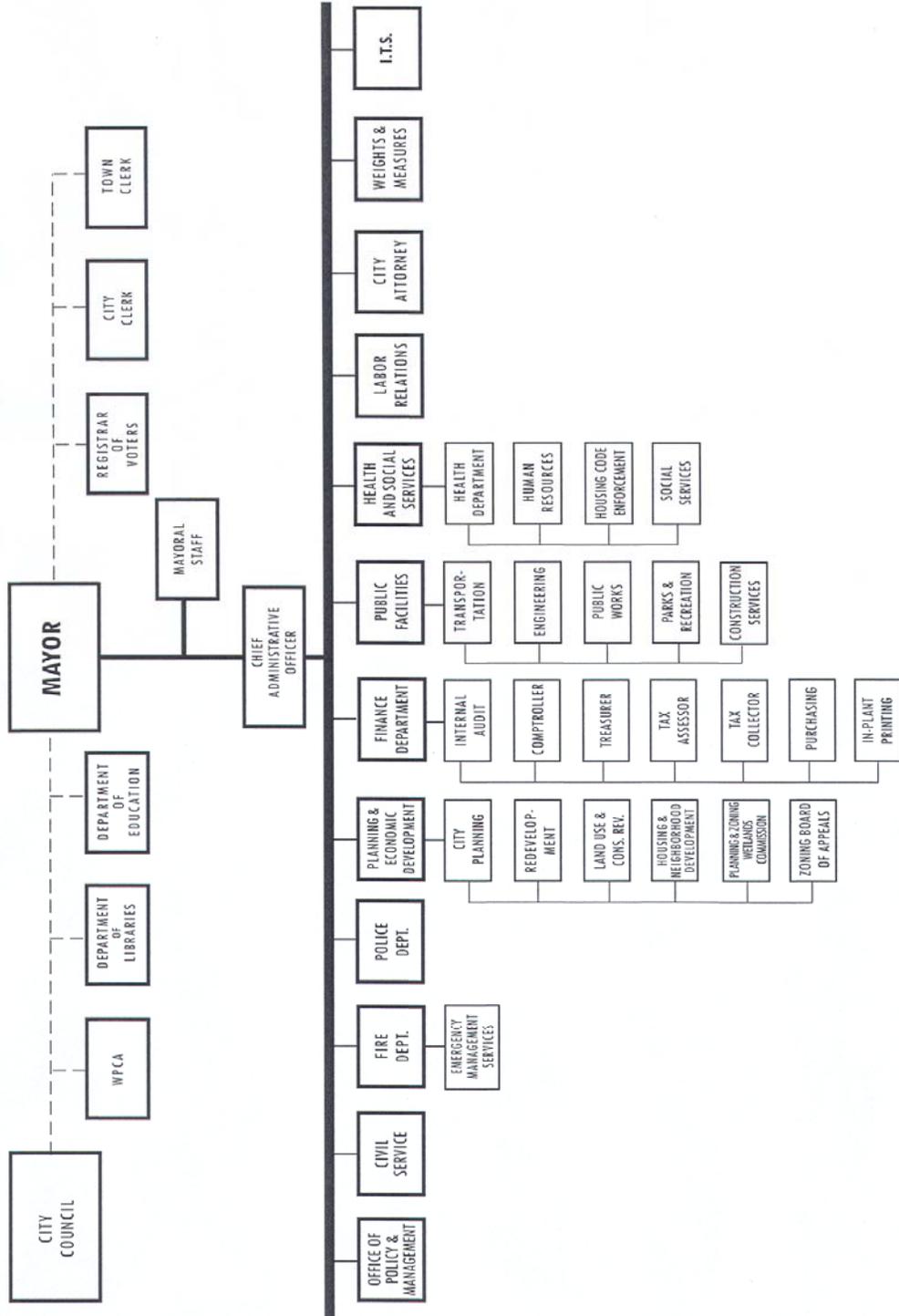
**City of Bridgeport
Connecticut**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2012

Executive Director/CEO

CITY OF BRIDGEPORT TABLE OF ORGANIZATION



CITY OF BRIDGEPORT, CONNECTICUT

LIST OF PRINCIPAL OFFICERS

As of June 30, 2013

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Bridgeport, Connecticut, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the City of Bridgeport, Connecticut's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Bridgeport, Connecticut, as of June 30, 2013 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 16 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, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2013 on our consideration of the City of Bridgeport, Connecticut's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Bridgeport, Connecticut's internal control over financial reporting and compliance.

Blum, Shapiro & Company, P.C.

West Hartford, Connecticut
December 20, 2013

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City of Bridgeport, Connecticut
Management's Discussion and Analysis
June 30, 2013

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, 2013. We encourage readers to consider the information presented here along with additional information we have furnished in our letter of transmittal, as well as the City's basic financial statements that follow this section.

Financial Highlights

- ◆ On a government-wide basis, the assets of the City exceeded its liabilities resulting in total net position at the close of the fiscal year of \$296,214,644. Total net position for Governmental Activities at fiscal year-end was \$203,886,761 and total net position for Business-Type Activities were \$92,327,883. The total unrestricted net deficit at June 30, 2013 was \$(430,851,332).
- ◆ On a government-wide basis, during the year, the City's net position increased by \$51,961,897 from \$244,252,747 to \$296,214,644. Net position increased by \$49,141,738 for Governmental Activities and increased by \$2,820,159 for Business-Type Activities. Government-wide expenses for governmental activities were \$648.0 million, while revenues were \$697.1 million.
- ◆ At the close of the year, the City's governmental funds reported, on a current financial resource basis, combined ending fund balances of \$83.7 million, a decrease of \$25.2 from the prior fiscal year. Of the total fund balance as of June 30, 2013, \$4.6 million represents the restricted fund balance, \$67.3 million committed or assigned and \$11.4 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 \$12.9 million: \$12.6 million is unassigned. Available general fund, fund balance at year-end represents 2.4% of total general fund expenditures (\$540 million).
- ◆ The City's total long term debt decreased by \$33.9 million during fiscal 2013.

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 2004.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. All of the resources the City has at its disposal are shown, including major assets such as buildings and infrastructure. A thorough accounting of the cost of government is rendered because the statements present all costs, not just how much was collected and disbursed. They provide both long-term and short-term information about the City's overall financial status.

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

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

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

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

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

Fund Financial Statements

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

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

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

The City maintains 19 individual governmental funds. The General Fund, Education Grants Fund, and the Capital Projects Funds, are considered to be major funds. Information for each of the major governmental funds is provided in the balance sheet – governmental funds and statement of revenues, expenditures and changes in fund balances – governmental funds on Exhibits III and IV. Data from other governmental funds are combined into a single, aggregated presentation as Nonmajor Governmental Funds. Other nonmajor governmental funds for the City include the Health and Sanitation Fund, the Public Safety Fund, the Miscellaneous and Facility Fund, the Social Services Fund, the Community Development Block Grant Fund, the Housing Opportunities Aids Fund, the Home Program Fund, the Section 108 Loan Guarantee Fund, the Development Administration, the Library Fund, The Education Fund, the Miscellaneous Grants Fund, General Government Fund, all of which are considered Special Revenue Funds. In addition, the Conversion Capital Projects Fund is considered Capital Projects Fund. Permanent Trust Funds consist of the Library Fund and the Education Fund. Individual fund data for each of these nonmajor governmental funds is provided in the combining balance sheets on Exhibit B-1 and in the combining statement of revenues, expenditures and changes in fund balance on Exhibit B-2.

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

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

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

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

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

Notes to the Financial Statements

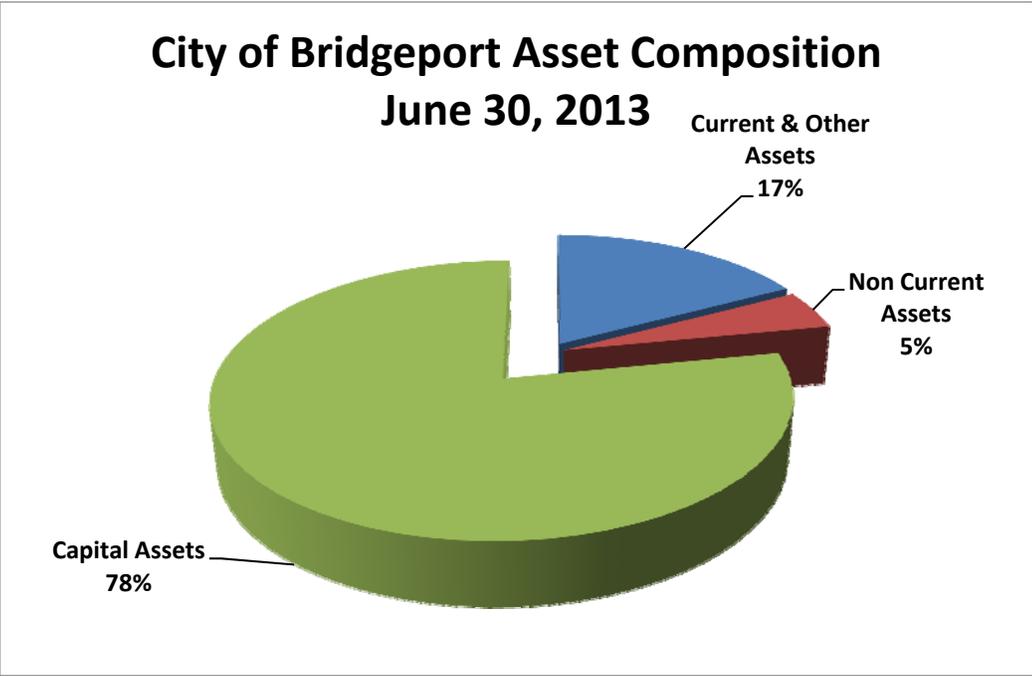
The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 28-67 of this report.

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 position may serve over time as a useful indicator of a government's financial position and an important determinant of its ability to finance services in the future. On a government-wide basis, the City's assets exceeded its liabilities by \$296,214,644 at June 30, 2013. This is an increase of \$51,961,897 from last year's net position of \$244,252,747.

CITY OF BRIDGEPORT, CONNECTICUT						
NET POSITION						
(In Thousands)						
	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>			
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Current and other assets	\$ 229,138	\$ 240,920	\$ 12,002	\$ 11,998	\$ 241,140	\$ 252,918
Noncurrent	66,657	72,930			66,657	72,930
Capital assets	967,164	897,034	129,035	127,462	1,096,199	1,024,496
Total assets	<u>1,262,959</u>	<u>1,210,884</u>	<u>141,037</u>	<u>139,460</u>	<u>1,403,996</u>	<u>1,350,344</u>
Other liabilities	167,434	151,459	9,075	8,382	176,509	159,841
Long-term debt outstanding	891,639	904,680	39,634	41,570	931,273	946,250
Total liabilities	<u>1,059,073</u>	<u>1,056,139</u>	<u>48,709</u>	<u>49,952</u>	<u>1,107,782</u>	<u>1,106,091</u>
Net position:						
Net investment in capital assets	637,950	552,339	83,954	80,642	721,904	632,981
Restricted	5,161	3,161			5,161	3,161
Unrestricted	<u>(439,225)</u>	<u>(400,755)</u>	<u>8,374</u>	<u>8,866</u>	<u>(430,851)</u>	<u>(391,889)</u>
Total Net Position	<u>\$ 203,886</u>	<u>\$ 154,745</u>	<u>\$ 92,328</u>	<u>\$ 89,508</u>	<u>\$ 296,214</u>	<u>\$ 244,253</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.

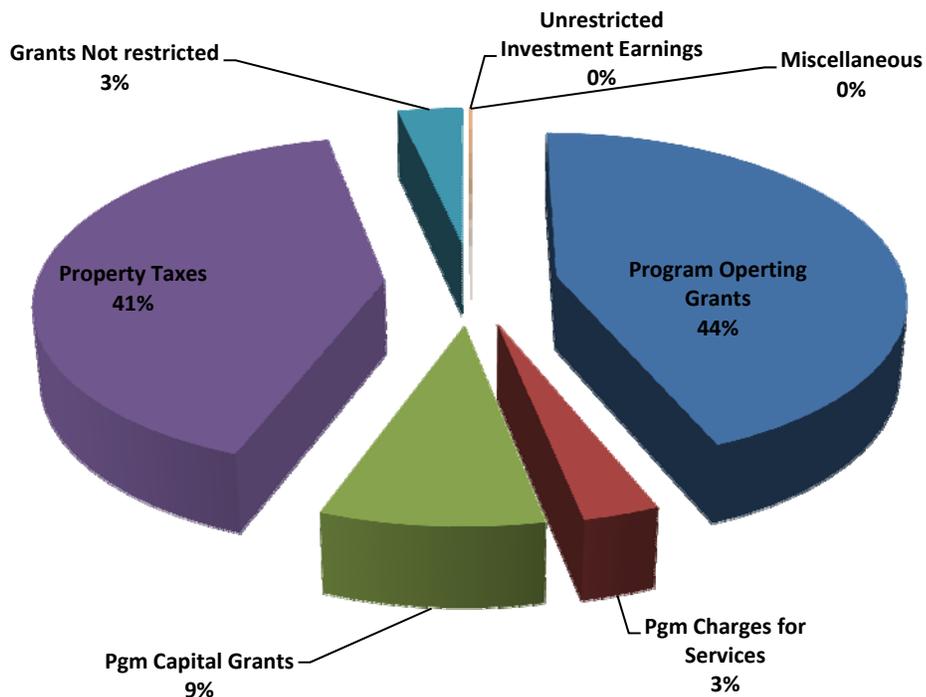
The portion of the City’s net position \$721,904,728 reflects its investment in capital assets (e.g., land, buildings, infrastructure, machinery and equipment), net of any outstanding debt related to these assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

- ◆ The portion of the City’s net position that are restricted, \$5,161,248 represents resources that are subject to external restrictions on how they may be used. Unrestricted net deficit of \$(430,851,332) 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 \$282,850,000. On a government-wide basis, during the year, the City’s net position increased by \$51,961,897 from \$244,252,747 to \$296,214,644. Net position increased by \$49,141,738 for Governmental Activities and net position increased by \$2,820,159 for Business-Type Activities. Government-wide expenses were \$676.4 million, while revenues were \$728.4 million. The increase in net position can primarily be explained by the decrease in noncurrent liabilities which are due in more than one year.

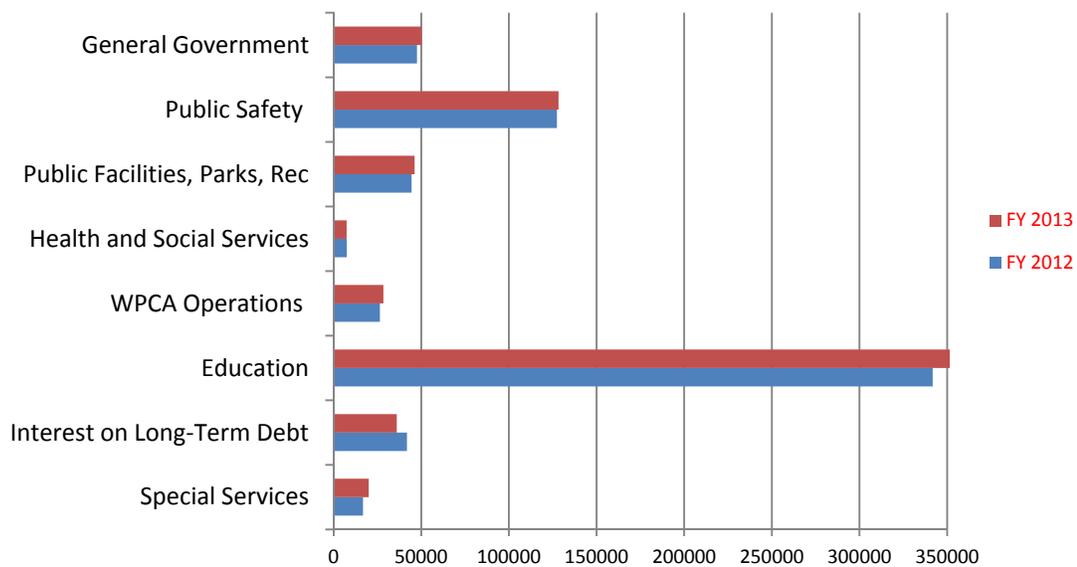
CITY OF BRIDGEPORT, CONNECTICUT
CHANGES IN NET POSITION
(In Thousands)

	Governmental		Business-Type		Total	
	Activities		Activities		Government-Wide	
	2013	2012	2013	2012	2013	2012
Revenues:						
Program revenues:						
Charges for services	\$ 21,153	\$ 19,576	\$ 28,159	\$ 28,083	\$ 49,312	\$ 47,659
Operating grants and contributions	305,713	285,924			305,713	285,924
Capital grants and contributions	61,732	36,939	3,053	4,284	64,785	41,223
General revenues:						
Property taxes	284,380	278,056			284,380	278,056
Grants not restricted to specific programs	23,821	21,237			23,821	21,237
Unrestricted investment earnings	308	306	8	12	316	318
Miscellaneous	23				23	
Total revenues	<u>697,130</u>	<u>642,038</u>	<u>31,220</u>	<u>32,379</u>	<u>728,350</u>	<u>674,417</u>
Expenses:						
General government	50,230	47,585			50,230	47,585
Public safety	128,335	127,416			128,335	127,416
Public facilities, parks and recreation, planning and development	46,160	44,443			46,160	44,443
Health and social services	7,373	7,515			7,373	7,515
Operations			28,400	26,387	28,400	26,387
Education	358,685	341,739			358,685	341,739
Interest on long-term debt	36,009	41,870			36,009	41,870
Special services	21,197	16,738			21,197	16,738
Total expenses	<u>647,989</u>	<u>627,306</u>	<u>28,400</u>	<u>26,387</u>	<u>676,389</u>	<u>653,693</u>
Change in net position	49,141	14,732	2,820	5,992	51,961	20,724
Net Position, beginning	<u>154,745</u>	<u>140,013</u>	<u>89,508</u>	<u>83,516</u>	<u>244,253</u>	<u>196,233</u>
Net Position, Ending	<u>\$ 203,886</u>	<u>\$ 154,745</u>	<u>\$ 92,328</u>	<u>\$ 89,508</u>	<u>\$ 296,214</u>	<u>\$ 244,253</u>

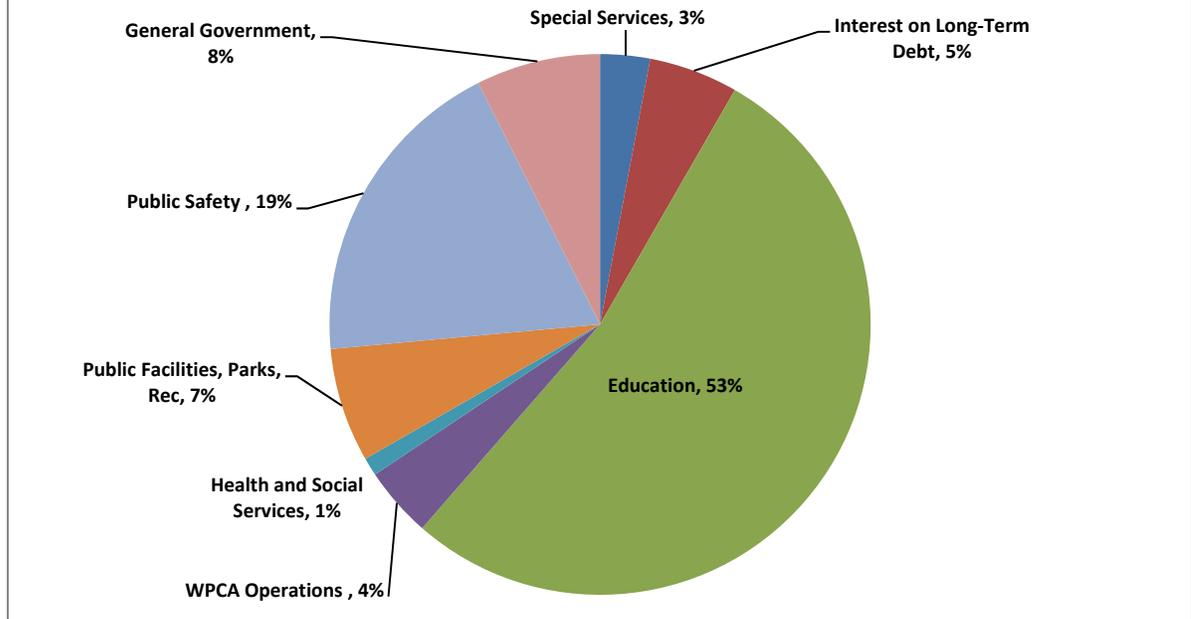
City of Bridgeport FY13 Revenues



City of Bridgeport Primary Government Expenditures FY2012 v FY2013 (in Millions)



City of Bridgeport Expenses - Primary Government June 30, 2013



Bridgeport’s net position increased by \$51,961,897 during the fiscal year, with the net position of Governmental Activities increasing by \$49,141,738 million, and net position of Business-Type Activities increasing by \$2,820,159. The increase in net position represents the degree in decreases for claims and worker’s compensation in the Internal Service Fund.

Governmental Activities

Program revenues represented 44% of total revenues, followed by property taxes at 41%, and program capital other unrestricted grants at 3% and program charges for service at 3 0%.

Major revenue factors included:

- ◆ Property tax revenues recorded for fiscal year 2013 represents an increase of \$6.3 million from the prior fiscal year ended June 30, 2012.
- ◆ Program Revenue increased \$45.0 million from \$342.4 million in the prior fiscal year to \$388.6 million for the fiscal year ended June 30, 2013.

For Government Wide Activities, 53% of the City’s expenses relate to education; 19% relate to public safety; 3% relate to special services; 5% relate to interest payments on long-term debt; 7% relate to public facilities, parks and recreation; 4% related to Water Pollution Control Authority operations; 7% relate to general government; and 1% relate to health and welfare.

Major expense factors include:

- ◆ During the 2012-2013 budget process, discretionary expenses held stable.
- ◆ Police, Fire and Public Facility overtime increased due to major storms which hit the City.

Business-Type Activities

Water Pollution Control Authority (WPCA) revenue for charges for services remain constant for 2013 from prior year at \$28 million while their expenses increased slightly from \$26.3 million to \$28.4 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 \$83.7 million, a decrease of \$25,197,013 from the prior year. Total General Fund balance increased \$203,568 from \$12.7 million to \$12.9 million. \$12.6 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 \$12.9 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 \$60.9 million down from \$90.8 million in the prior year. The change in fund balance can be explained by the timing of resources into and out of this fund for ongoing capital projects.

The Other Governmental Funds have a total fund balance of \$10.5 million, up from \$6.0 million in the prior year, mainly due to lower expenses in these funds.

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

Net position of the proprietary fund consisting of the Water Pollution Control Authority were \$92.3 million, as compared to \$89.5 million in the prior year.

The unrestricted net position of the Water Pollution Control Authority were \$8.4 million. The Water Pollution Control Authority experienced operating revenues of \$28.2 million from user fees. There was a total operating loss for the WPCA of \$(232,572) before capital contributions of \$3.1 million. The change in net position for the fiscal year ended June 30, 2013 was \$2.8 million.

Net position of the Internal Service Fund were \$(88.7) million, as compared to \$(93.8) 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 2013 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 \$508,256,333 of which actual was \$511,511,329 showing total expenditures and other financing uses actual higher than budget by 3,254,996.

Over all total property taxes were over the budgetary results for fiscal year 2013 by \$1.4 million, while current tax collection rates remained strong at a 97.39%. The collection for the arrears was over budgetary expectations by \$.3 million. Total revenues and other financing sources with a budgetary base of \$508,256,333 showed an actual of \$511,714,897 resulting in actual above budgetary revenues of \$3,458,564.

The City of Bridgeport's General Fund ended the FY 2012-2013 with a modest surplus of \$203,568.

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, 2013, amounted to \$1,096.2 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 \$71.7 million.

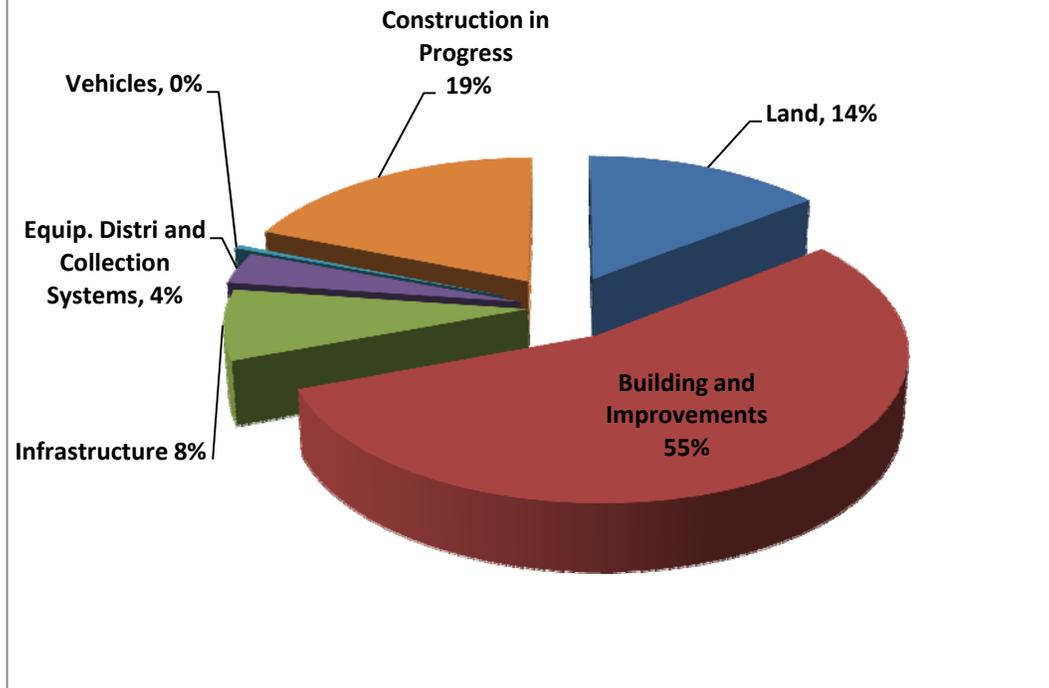
CITY OF BRIDGEPORT, CONNECTICUT

CAPITAL ASSETS (Net of Depreciation)

(In Thousands)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2013	2012	2013	2012	2013	2012
Land	\$ 139,235	\$ 139,235	\$	\$	\$ 139,235	\$ 139,235
Buildings and improvements	531,379	538,027	46,162	50,280	577,541	588,307
Infrastructure	76,113	69,394			76,113	69,394
Equipment, distribution and collection systems	33,960	30,666	63,273	63,965	97,233	94,631
Vehicles	4,133	6,011	347	291	4,480	6,302
Construction in progress	182,344	113,701	19,253	12,926	201,597	126,627
Total	\$ 967,164	\$ 897,034	\$ 129,035	\$ 127,462	\$ 1,096,199	\$ 1,024,496

City Bridgeport Capital Assets - Primary Government - June 30, 2013



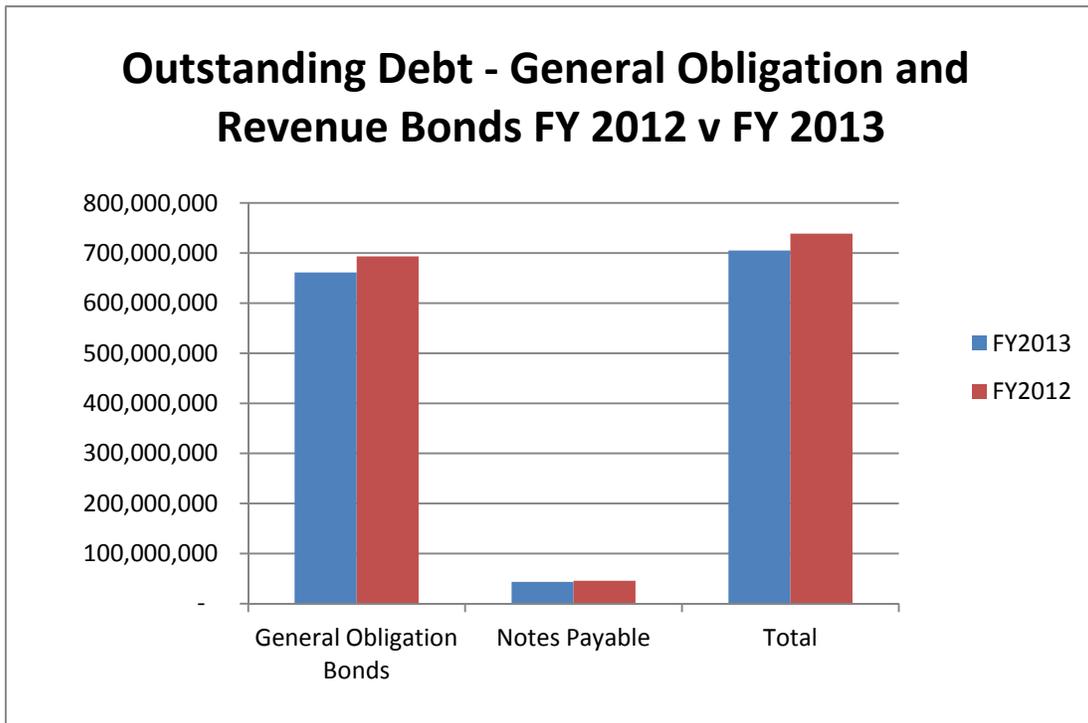
Major capital asset events during the current fiscal year included the following:

- ◆ 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	
	2013	2012	2013	2012	2013	2012
General obligation bonds	\$ 657,515,000	\$ 689,265,000	\$ 3,874,164	\$ 4,008,491	\$ 661,389,164	\$ 693,273,491
Notes payable	2,396,000	2,843,000	41,206,817	42,811,617	43,602,817	45,654,617
Totals	\$ 659,911,000	\$ 692,108,000	\$ 45,080,981	\$ 46,820,108	\$ 704,991,981	\$ 738,928,108



Long-term debt. At the end of the current fiscal year, the City had total bonded debt outstanding of \$704,991,981. 100% of this debt is backed by the full faith and credit of the City government. The Water Pollution Control Authority is expected to reimburse the City \$43,602,817 through user fee charges.

The City’s total long term debt decreased by \$33.9 million during fiscal 2013.

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

The overall statutory debt limit for the City is equal to seven time annual receipts from taxation or \$1.998 billion. As of June 30, 2013, the City recorded long-term debt of \$659.9 million related to Governmental Activities and \$45.1 million related to Business-Type Activities, well below its statutory debt limit.

Additional information on the City of Bridgeport’s long-term debt can be found in Note 9 of this report.

Economic Factors and Next Year’s Budgets and Rates

The City, surrounding towns, and the State have not been immune from the effects of the national economic downturn but all are starting to show a small decline in their unemployment rate. As of June 30, 2013, the unemployment rate for the Bridgeport Labor Market Area was 12.37%, down from 12.6% in the prior year. Connecticut’s overall unemployment rate decreased to 8.0% from 8.1%, compared with the same period for the previous year.

Requests for Information

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

Basic Financial Statements

CITY OF BRIDGEPORT, CONNECTICUT

STATEMENT OF NET POSITION

JUNE 30, 2013

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Assets:			
Current assets:			
Cash and cash equivalents	\$ 135,237,090	\$ 4,673,470	\$ 139,910,560
Temporarily restricted cash and cash equivalents	2,500,000		2,500,000
Investments	1,380,680		1,380,680
Receivables, net of allowances for collection losses:			
Property taxes	34,696,569		34,696,569
Sewer user fees and liens		6,006,975	6,006,975
Federal and state governments	40,684,977		40,684,977
Other	11,881,281	1,729,092	13,610,373
Internal balances	407,864	(407,864)	-
Other assets	2,350,000		2,350,000
Total current assets	<u>229,138,461</u>	<u>12,001,673</u>	<u>241,140,134</u>
Noncurrent:			
Bond issuance costs	5,534,254		5,534,254
Capital assets not being depreciated	321,578,529	19,252,709	340,831,238
Capital assets being depreciated, net of depreciation	645,585,472	109,782,686	755,368,158
Net pension assets	61,123,134		61,123,134
Total noncurrent assets	<u>1,033,821,389</u>	<u>129,035,395</u>	<u>1,162,856,784</u>
Total assets	<u>1,262,959,850</u>	<u>141,037,068</u>	<u>1,403,996,918</u>
Liabilities:			
Current liabilities:			
Accounts payable and accrued expenses	45,883,086	3,628,204	49,511,290
Due to fiduciary funds	2,696,805		2,696,805
Unearned revenue	14,531,845		14,531,845
Notes payable	25,000,000		25,000,000
Accrued interest payable	15,561,181		15,561,181
Current maturities of long-term obligations	63,761,420	5,447,241	69,208,661
Total current liabilities	<u>167,434,337</u>	<u>9,075,445</u>	<u>176,509,782</u>
Noncurrent liabilities:			
Due in more than one year	<u>891,638,752</u>	<u>39,633,740</u>	<u>931,272,492</u>
Total liabilities	<u>1,059,073,089</u>	<u>48,709,185</u>	<u>1,107,782,274</u>
Net Position:			
Net investment in capital assets	637,950,314	83,954,414	721,904,728
Restricted for:			
Debt service and capital improvements			
Permanent funds, expendable	108,717		108,717
Permanent funds, nonexpendable	552,531		552,531
Self-insured claims	4,500,000		4,500,000
Unrestricted	<u>(439,224,801)</u>	<u>8,373,469</u>	<u>(430,851,332)</u>
Total Net Position	<u>\$ 203,886,761</u>	<u>\$ 92,327,883</u>	<u>\$ 296,214,644</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, 2013

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government	\$ (50,229,529)	\$ 3,766,901	\$ 704,873	\$	\$ (45,757,755)	\$	\$ (45,757,755)
Public safety	(128,334,652)	6,077,391	64,006		(122,193,255)		(122,193,255)
Public facilities, parks and recreation	(42,355,324)	4,217,714	1,619,514	1,205,943	(35,312,153)		(35,312,153)
Planning and economic development	(3,804,545)	2,904,860	12,587,947		11,688,262		11,688,262
Health and social services	(7,373,284)	2,013,222	3,892,593		(1,467,469)		(1,467,469)
Education	(358,684,463)	704,164	276,324,293	60,215,806	(21,440,200)		(21,440,200)
Special services	(21,196,639)	1,468,921	8,993,807	310,000	(10,423,911)		(10,423,911)
Interest on long-term debt	(36,008,703)		1,526,001		(34,482,702)		(34,482,702)
Total governmental activities	(647,987,139)	21,153,173	305,713,034	61,731,749	(259,389,183)		(259,389,183)
Business-type activities:							
Water Pollution Control Authority	(28,399,775)	28,159,305		3,052,731		2,812,261	2,812,261
Total	\$ (676,386,914)	\$ 49,312,478	\$ 305,713,034	\$ 64,784,480	(259,389,183)	2,812,261	(256,576,922)
		General revenues:					
					284,379,599		284,379,599
					23,820,702		23,820,702
					307,620	7,898	315,518
					23,000		23,000
					308,530,921	7,898	308,538,819
					49,141,738	2,820,159	51,961,897
					154,745,023	89,507,724	244,252,747
					\$ 203,886,761	\$ 92,327,883	\$ 296,214,644

The accompanying notes are an integral part of the financial statements

CITY OF BRIDGEPORT, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2013

	<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	\$ 40,684,619	\$ 414,439	\$ 84,692,031	\$ 8,736,392	\$ 134,527,481
Investments				1,380,680	1,380,680
Receivables, net of allowances for collection losses:					
Property taxes	34,696,569				34,696,569
Intergovernmental	32,184,568	2,260,381	389,047	5,850,981	40,684,977
Other	2,194,123		101,929	9,585,229	11,881,281
Due from other funds	20,366,365	3,659,649	27,025	2,064,513	26,117,552
Other assets	350,000				350,000
Total Assets	<u>\$ 130,476,244</u>	<u>\$ 6,334,469</u>	<u>\$ 85,210,032</u>	<u>\$ 27,617,795</u>	<u>\$ 249,638,540</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 14,457,832	\$ 1,801,079	\$ 11,659,882	\$ 1,012,292	\$ 28,931,085
Payroll and other accrued liabilities	15,611,688	409,494		335,851	16,357,033
Due to other funds	20,234,140	756,866	11,721,400	7,191,245	39,903,651
Deferred revenues	42,248,502	3,970,691	934,031	8,576,218	55,729,442
Notes payable	25,000,000				25,000,000
Total liabilities	<u>117,552,162</u>	<u>6,938,130</u>	<u>24,315,313</u>	<u>17,115,606</u>	<u>165,921,211</u>
Fund balances:					
Nonspendable	350,000				350,000
Restricted				4,592,021	4,592,021
Committed			60,894,719	6,439,371	67,334,090
Assigned					
Unassigned	12,574,082	(603,661)		(529,203)	11,441,218
Total fund balances	<u>12,924,082</u>	<u>(603,661)</u>	<u>60,894,719</u>	<u>10,502,189</u>	<u>83,717,329</u>
Total Liabilities and Fund Balances	<u>\$ 130,476,244</u>	<u>\$ 6,334,469</u>	<u>\$ 85,210,032</u>	<u>\$ 27,617,795</u>	<u>\$ 249,638,540</u>

(Continued on next page)

CITY OF BRIDGEPORT, CONNECTICUT

BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)

JUNE 30, 2013

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

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

Fund balances - total governmental funds	\$ 83,717,329
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:	
Governmental capital assets	\$ 1,281,863,105
Less accumulated depreciation	<u>(314,699,104)</u>
Net capital assets	967,164,001
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	15,992,012
Interest receivable on property taxes	17,100,210
Receivable from the state for school construction projects	8,105,375
Bond issuance costs	5,534,254
Net pension asset	61,123,134
Internal service funds are used by management to charge the costs of risk management to individual funds. The assets and liabilities of the internal service funds are reported with governmental activities in the statement of net position.	(88,659,057)
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	(659,911,000)
Deferred for issuance premiums	(17,015,149)
Deferred amounts for refunding	3,967,743
Compensated absences	(28,111,327)
Landfill closure	(104,558)
State Department of Education loan	(3,500,000)
OPEB obligation	(144,507,188)
Net pension obligation	(1,447,837)
Interest payable on bonds and notes	<u>(15,561,181)</u>
Net Position of Governmental Activities (Exhibit I)	<u>\$ 203,886,761</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, 2013

	<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	\$ 285,962,925	\$	\$	\$	\$ 285,962,925
Intergovernmental	234,019,361	70,619,922	62,819,825	23,734,241	391,193,349
Fees, permits and licenses	15,953,121				15,953,121
Interest	50,325		226,383	30,331	307,039
Other	3,089,863		609,891	3,346,719	7,046,473
Total revenues	<u>539,075,595</u>	<u>70,619,922</u>	<u>63,656,099</u>	<u>27,111,291</u>	<u>700,462,907</u>
Expenditures:					
Current:					
General government	39,039,354			652,280	39,691,634
Public safety	121,687,093				121,687,093
Public facilities	36,166,380				36,166,380
Planning and economic development	3,804,545				3,804,545
Health and social services	4,796,618			2,166,312	6,962,930
Libraries	5,604,767			562,114	6,166,881
Education	261,470,234	70,619,922		2,420	332,092,576
Special services	995,299			19,242,068	20,237,367
Debt service:					
Principal retirements	27,717,065				27,717,065
Interest and other charges	38,484,830				38,484,830
Capital outlay			93,042,777		93,042,777
Total expenditures	<u>539,766,185</u>	<u>70,619,922</u>	<u>93,042,777</u>	<u>22,625,194</u>	<u>726,054,078</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(690,590)</u>	<u>-</u>	<u>(29,386,678)</u>	<u>4,486,097</u>	<u>(25,591,171)</u>
Other Financing Sources (Uses):					
Transfers in	500,000				500,000
Transfers out			(500,000)		(500,000)
Bond refunding issue	55,225,000				55,225,000
Premium on bonds issued	4,874,093				4,874,093
Payment to escrow agent	(59,704,935)				(59,704,935)
Total other financing sources (uses)	<u>894,158</u>	<u>-</u>	<u>(500,000)</u>	<u>-</u>	<u>394,158</u>
Net Change in Fund Balances	203,568		(29,886,678)	4,486,097	(25,197,013)
Fund Balances at Beginning 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>
Fund Balances at End of Year	<u>\$ 12,924,082</u>	<u>\$ (603,661)</u>	<u>\$ 60,894,719</u>	<u>\$ 10,502,189</u>	<u>\$ 83,717,329</u>

(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, 2013

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)	\$ (25,197,013)
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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	95,714,103
Depreciation expense	(25,583,863)

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	(1,620,835)
Property tax interest and lien revenue - accrual basis change	(45,508)
School building grant receipts	(1,745,386)
Net pension assets	(1,747,756)

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

Refunding bonds issued	(55,225,000)
Bond and note principal payments	27,717,065
Payments to refunding bond escrow agent	59,704,935

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

Change in deferred amounts for issuance premiums	(2,759,954)
Change in deferred amounts on refunding	(114,671)
Compensated absences	(1,473,137)
Landfill post closure care	24,806
OPEB obligation	(24,323,339)
Net pension obligation	175,356
Change in bond issuance costs	(442,142)
Accrued interest	918,801

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.

5,165,276

Change in Net Position of Governmental Activities (Exhibit II)	\$ <u><u>49,141,738</u></u>
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The accompanying notes are an integral part of the financial statements

CITY OF BRIDGEPORT, CONNECTICUT

STATEMENT OF NET POSITION - PROPRIETARY FUNDS

JUNE 30, 2013

	<u>Business-Type Activities Enterprise Fund</u>	<u>Governmental Activities Internal Service Fund</u>
Assets:		
Current:		
Cash and cash equivalents	\$ 4,673,470	\$ 709,609
Receivables, net of allowances for collection losses:		
Unbilled usage charges	6,006,975	
Other receivables	1,729,092	
Due from other funds		11,497,926
Prepaid asset		<u>2,000,000</u>
Total current assets	<u>12,409,537</u>	<u>14,207,535</u>
Noncurrent:		
Restricted cash and cash equivalents		2,500,000
Capital assets not being depreciated	19,252,709	
Capital assets being depreciated, net of accumulated depreciation	<u>109,782,686</u>	
Total noncurrent assets	<u>129,035,395</u>	<u>2,500,000</u>
Total assets	<u>141,444,932</u>	<u>16,707,535</u>
Liabilities:		
Current:		
Current portion of long-term debt	5,447,241	
Accounts payable and accrued expenses	2,376,330	594,968
Accrued interest payable	399,281	
Construction contracts payable	718,100	
Due to other funds	407,864	768
Deferred revenue	134,493	
Claims payable - current portion		<u>18,001,471</u>
Total current liabilities	<u>9,483,309</u>	<u>18,597,207</u>
Noncurrent:		
Claims payable - noncurrent portion		86,769,385
Long-term debt less current portion	<u>39,633,740</u>	
Total noncurrent liabilities	<u>39,633,740</u>	<u>86,769,385</u>
Total liabilities	<u>49,117,049</u>	<u>105,366,592</u>
Net Position:		
Net invested in capital assets	83,954,414	
Restricted for self-insured claims		4,500,000
Unrestricted	<u>8,373,469</u>	<u>(93,159,057)</u>
Total Net Position	<u>\$ 92,327,883</u>	<u>\$ (88,659,057)</u>

The accompanying notes are an integral part of the financial statements

CITY OF BRIDGEPORT, CONNECTICUT

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

FOR THE YEAR ENDED JUNE 30, 2013

	<u>Business-Type Activities Enterprise Fund</u>	<u>Governmental Activities Internal Service Fund</u>
Operating revenues:		
Sewer user fees	\$ 27,138,996	\$
Other operating income	1,020,309	
Charges for services		112,002,316
Total operating revenues	<u>28,159,305</u>	<u>112,002,316</u>
Operating expenses:		
Operation and maintenance	20,728,362	
Depreciation	6,810,808	
Claims		106,837,040
Total operating expenses	<u>27,539,170</u>	<u>106,837,040</u>
Operating income	<u>620,135</u>	<u>5,165,276</u>
Nonoperating revenue (expense):		
Interest income	7,898	
Interest expense	(860,605)	
Total nonoperating expense	<u>(852,707)</u>	<u>-</u>
Income (loss) before capital contributions	(232,572)	5,165,276
Capital contributions	<u>3,052,731</u>	<u>-</u>
Change in Net Position	2,820,159	5,165,276
Net Position, Beginning of Year	<u>89,507,724</u>	<u>(93,824,333)</u>
Net Position, End of Year	<u>\$ 92,327,883</u>	<u>\$ (88,659,057)</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, 2013

	<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	\$ 28,785,202	\$
Payments to suppliers	(19,417,432)	
Payments to employees	(768,958)	
Cash received (paid) for interfund services used	65,481	(6,711,310)
Cash received from charges for services		110,002,316
Cash paid to vendors and beneficiaries		(103,657,012)
Net cash provided by (used in) operating activities	<u>8,664,293</u>	<u>(366,006)</u>
Cash flows from capital and related financing activities:		
Principal payments on debt	(5,061,148)	
Interest paid on debt	(712,538)	
Proceeds from notes payable	3,322,021	
Proceeds received on capital grants	3,052,731	
Purchase of capital assets	(8,570,938)	
Net cash used in capital and related financing activities	<u>(7,969,872)</u>	<u>-</u>
Cash flows from investing activities:		
Interest received on investments	7,898	
Net cash provided by investing activities	<u>7,898</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	702,319	(366,006)
Cash and cash equivalents at beginning of year	<u>3,971,151</u>	<u>3,575,615</u>
Cash and Cash Equivalents at End of Year	<u>\$ 4,673,470</u>	<u>\$ 3,209,609</u>
Reconciliation to Statement of Net Position:		
Cash and cash equivalents	\$ 4,673,470	\$ 709,609
Restricted cash and cash equivalents		<u>2,500,000</u>
	<u>\$ 4,673,470</u>	<u>\$ 3,209,609</u>
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities:		
Operating income	\$ 620,135	\$ 5,165,276
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:		
Depreciation	6,810,808	
Decrease in accounts receivable and unbilled usage charges	160,753	
(Increase) decrease in other receivables	768,010	(2,000,000)
Decrease in provision for uncollectible accounts	(295,377)	
(Increase) decrease in due to (from) other funds	65,481	(6,711,310)
Increase in accounts payable and accrued expenses	541,972	594,968
Decrease in deferred revenues	(7,489)	
Increase in claims payable		<u>2,585,060</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ 8,664,293</u>	<u>\$ (366,006)</u>

The accompanying notes are an integral part of the financial statements

CITY OF BRIDGEPORT, CONNECTICUT

STATEMENT OF NET POSITION - FIDUCIARY FUNDS

JUNE 30, 2013

	<u>Pension Trust Funds</u>	<u>Agency Fund</u>
Assets:		
Cash and cash equivalents	\$ 28,826,468	\$ 436,636
Investments:		
U.S. Government Agency Obligation	10,674,183	
U.S. Government Security Obligations	11,157,315	
Corporate Bonds	20,731,484	
Common Stocks	130,502,284	
Private Hedge Fund	10,712,574	
Mutual Funds - Equities	50,126,947	
Alternative Investments	9,788,000	
Total investments	<u>243,692,787</u>	<u>-</u>
Due from other funds	<u>2,696,805</u>	
Total assets	<u>275,216,060</u>	<u>436,636</u>
Liabilities:		
Other liabilities	186	
Due to student groups		436,636
Total liabilities	<u>186</u>	<u>436,636</u>
Net Position Held in Trust for Pension Benefits	<u>\$ 275,215,874</u>	<u>\$ -</u>

The accompanying notes are an integral part of the financial statements

CITY OF BRIDGEPORT, CONNECTICUT

STATEMENT OF CHANGES IN NET POSITION - FIDUCIARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2013

	<u>Pension Trust Funds</u>
Additions:	
Contributions:	
Employer	\$ 17,331,552
Plan members	1,762,673
Annuity proceeds	1,995,146
Total contributions	<u>21,089,371</u>
Investment income:	
Net appreciation in fair value of investments	16,665,131
Interest and dividends	6,702,628
	<u>23,367,759</u>
Less investment expenses:	
Investment management fees	<u>(1,332,659)</u>
Net investment income	<u>22,035,100</u>
Total additions	<u>43,124,471</u>
Deductions:	
Benefits	40,348,390
Administration	170,666
Distribution of assets to State Municipal Employees' Retirement Fund - Note 12	63,614,083
Total deductions	<u>104,133,139</u>
Change in Net Position	(61,008,668)
Net Position, Beginning of Year	<u>336,224,542</u>
Net Position, End of Year	<u>\$ 275,215,874</u>

The accompanying notes are an integral part of the financial statements

CITY OF BRIDGEPORT, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

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

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent, on fees and charges for support.

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

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

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

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

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

The City reports the following major governmental funds.

The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

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

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

The City reports the following major proprietary fund:

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

Additionally, the City reports the following fund types:

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

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

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

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the WPCA are charges to customers for user fees. Operating expenses include the cost of operations and maintenance, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

Accounting Estimates

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

Cash and Cash Equivalents

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

Investments

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

Property Taxes

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

Capital Assets

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

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. The total interest expense incurred by the WPCA during the current fiscal year was \$860,605. Of this amount, \$176,008 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 position. 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 Position

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

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

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

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

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

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

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

Committed Fund Balance - This represents amounts constrained for a specific purpose by a government using its highest level of decision-making authority (City Council). Amounts remain committed until action is taken by the 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 level of restriction, as they do not constitute expenditures or liabilities.

2. BUDGETS AND BUDGETARY ACCOUNTING

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

- ◆ 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 no supplemental appropriations during the year ended June 30, 2013. 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:

	Revenues and Other Sources	Expenditures and Other Financing Uses
Balance, GAAP basis fund financial statements	\$ 599,674,688	\$ 599,471,120
Bond refunding transactions:		
Bond refunding issue	(55,225,000)	
Premium on bond refunding	(4,874,093)	
Payment to escrow agent		(59,704,935)
Bond refunding cost		(394,158)
State Teachers' Retirement payments made by State Department of Education on behalf of the City, not recognized for budgetary purposes	(23,333,888)	(23,333,888)
Excess cost payments made by State Department of Education on behalf of the City, not recognized for budgetary purposes	(4,526,810)	(4,526,810)
Balance, Budgetary Basis	\$ 511,714,897	\$ 511,511,329

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

During the year ended June 30, 2013, 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	\$ 950,242	\$ 962,332	\$ 12,090
Central grants	409,859	438,524	28,665
Registrar of voters	703,596	718,222	14,626
Labor relations/benefits/pensions	20,474,171	20,485,353	11,182
Police department	86,222,961	90,299,130	4,076,169
Fire department	53,858,040	57,213,813	3,355,773
Emergency operation center	4,940,590	5,539,523	598,933
Airport	1,128,155	1,274,492	146,337
Municipal garage	2,467,001	2,572,192	105,191
Public facilities administration	11,692,500	11,726,895	34,395
Sanitation	5,732,796	5,912,367	179,571
Parks	2,412,269	2,412,677	408
Building department	1,132,631	1,211,438	78,807
Health and social services administration	268,192	352,835	84,643
Communicable disease clinic	456,079	460,656	4,577
Environmental health	733,869	756,553	22,684
Housing code enforcement	573,789	588,436	14,647
Lead prevention program	152,361	154,676	2,315
Lighthouse/Youth Services	1,715,640	1,727,756	12,116
Schools	219,825,522	219,831,123	5,601

Special Revenue Funds

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

Capital Projects Fund

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

3. CASH, CASH EQUIVALENTS AND INVESTMENTS

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

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

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

Deposits

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

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$99,523,641 of the City’s bank balance of \$101,960,277 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 89,371,277
Uninsured and collateral held by the pledging bank’s trust department, not in the City’s name	<u>10,152,364</u>
Total Amount Subject to Custodial Credit Risk	<u>\$ 99,523,641</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, 2013 the City's cash equivalents amounted to \$78,761,415. The following table provides a summary of the City's cash equivalents (excluding U.S. government guaranteed obligations) as rated by nationally recognized statistical rating organizations.

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

*Not rated

Cash and cash equivalents are restricted for the following uses at June 30, 2013:

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 overconcentration of assets in a specific issuer.

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

Investments of the City consist of the following at June 30, 2013:

Investments:

Permanent Trust Fund:

U.S. Government Securities	\$ <u>476,564</u> *
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Special Revenue Fund:

U.S. Government Securities	<u>904,116</u> *
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Pension Trust Funds:

U.S. Government Agencies	10,674,183 *
Corporate Bonds	20,731,484 *
U.S. Government Securities	11,157,315 *
Alternative Investments	9,788,000 *
Common and Preferred Stocks	130,502,284 *
Mutual Funds	50,126,947
Private Hedge Fund	<u>10,712,574</u>
	<u>243,692,787</u>

Total Investments	\$ <u><u>245,073,467</u></u>
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* These investments are uninsured and unregistered, with securities held by the counterparty’s trust department or agent, but not in the City’s name.

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

Statement of net position:	
Cash and cash equivalents	\$ 139,910,560
Restricted cash and cash equivalents	2,500,000
Investments	<u>1,380,680</u>
	<u>141,293,740</u>
Fiduciary funds:	
Cash and cash equivalents	29,263,104
Investments	<u>243,692,787</u>
	<u>272,955,891</u>
Total Cash, Cash Equivalents and Investments	<u>\$ 414,249,631</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	\$ 12,537,995	\$	\$ 9,485,053	\$ 3,052,942
U.S. Government agencies	10,674,183	838,625	9,442,471	393,087
Corporate Bonds	<u>20,731,484</u>	<u>1,926,108</u>	<u>17,838,604</u>	<u>966,772</u>
Total	<u>\$ 43,943,662</u>	<u>\$ 2,764,733</u>	<u>\$ 36,766,128</u>	<u>\$ 4,412,801</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	\$	\$ 14,074,637
Aa1		
Aa2	299,283	
Aa3	1,090,830	195,706
A1	4,650,242	331,035
A2	3,597,331	
A3	3,469,923	
Baa1	2,247,235	83,845
Baa2	3,343,120	
Baa3	1,017,421	
Ba1	530,000	37,037
Ba2		231,670
Ba3	129,930	581,072
B1		754,379
B2		723,081
B3		1,590,258
Caa1	249,765	68,725
Caa2		195,890
Caa3		330,059
Ca		139,431
C		45,498
Unrated	<u>106,404</u>	<u>3,829,855</u>
	\$ <u>20,731,484</u>	\$ <u>23,212,178</u>

4. RECEIVABLES - FUND BASIS

Receivables at June 30, 2013 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	\$ 43,085,637	\$	\$	\$	\$	\$ 43,085,637
Interest on property taxes	17,100,210					17,100,210
Contributions						
Sewer user fees				9,805,890		9,805,890
Intergovernmental	32,184,568	2,260,381	389,047		5,850,981	40,684,977
Other	<u>2,194,123</u>		<u>101,929</u>	<u>1,729,092</u>	<u>9,585,229</u>	<u>13,610,373</u>
Gross receivables	94,564,538	2,260,381	490,976	11,534,982	15,436,210	124,287,087
Less allowance for collection losses	<u>25,489,278</u>			<u>3,798,915</u>		<u>29,288,193</u>
Net Receivables	\$ <u>69,075,260</u>	\$ <u>2,260,381</u>	\$ <u>490,976</u>	\$ <u>7,736,067</u>	\$ <u>15,436,210</u>	\$ <u>94,998,894</u>

5. INTERFUND ACCOUNTS

As of June 30, 2013, amounts due from and to other funds were as follows:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$ 20,366,365	\$ 20,234,140
Education grants	<u>3,659,649</u>	<u>756,866</u>
Capital Bond Issue Fund	<u>27,025</u>	<u>11,721,400</u>
Special revenue funds:		
Health and sanitation	301,466	
Public safety		3,436,852
Facility and miscellaneous	922,024	653,035
Social services	82,837	202,315
Community Development Block Grant		1,155,651
Housing Opportunities AIDS		805,225
HOME Program	25,246	790,469
Section 108 Loan Guarantee		743,882
Development administration state grant	676,719	
Library	2,421	
Library operations		420,777
Miscellaneous grants	58,174	
General government	619,184	
Total special revenue funds	<u>2,688,071</u>	<u>8,208,206</u>
Capital projects funds:		
Conversion capital projects	<u>392,635</u>	
Permanent trust funds:		
Education	<u>768</u>	
Enterprise funds:		
WPCA		<u>407,864</u>
Pension trust funds:		
Public Safety Plan A	<u>2,696,805</u>	
Internal service fund:		
City health insurance	<u>11,497,926</u>	<u>768</u>
Nonmajor governmental fund elimination	<u>(1,016,961)</u>	<u>(1,016,961)</u>
Total	<u>\$ 40,312,283</u>	<u>\$ 40,312,283</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, 2013 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, 2013, the City executed a bulk sale of property tax liens and collected proceeds of \$7,927,516. 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, 2013 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	<u>113,701,047</u>	<u>68,642,189</u>	<u>-</u>	<u>182,343,236</u>
Total capital assets not being depreciated	<u>252,936,340</u>	<u>68,642,189</u>	<u>-</u>	<u>321,578,529</u>
Capital assets being depreciated:				
Buildings and improvements	689,433,137	8,619,495	-	698,052,632
Machinery and equipment	50,946,447	6,537,613	-	57,484,060
Infrastructure	151,507,144	8,982,548	-	160,489,692
Vehicles	<u>41,325,934</u>	<u>2,932,258</u>	<u>-</u>	<u>44,258,192</u>
Total capital assets being depreciated	<u>933,212,662</u>	<u>27,071,914</u>	<u>-</u>	<u>960,284,576</u>
Less accumulated depreciation for:				
Buildings and improvements	151,406,234	15,267,503	-	166,673,737
Machinery and equipment	20,280,365	3,243,597	-	23,523,962
Vehicles	35,315,254	4,809,651	-	40,124,905
Infrastructure	<u>82,113,388</u>	<u>2,263,112</u>	<u>-</u>	<u>84,376,500</u>
Total accumulated depreciation	<u>289,115,241</u>	<u>25,583,863</u>	<u>-</u>	<u>314,699,104</u>
Total capital assets being depreciated, net	<u>644,097,421</u>	<u>1,488,051</u>	<u>-</u>	<u>645,585,472</u>
Governmental Activities Capital Assets, Net	<u>\$ 897,033,761</u>	<u>\$ 70,130,240</u>	<u>\$ -</u>	<u>\$ 967,164,001</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	\$ 12,926,142	\$ 6,326,567	\$ -	\$ 19,252,709
Capital assets being depreciated:				
Buildings and improvements	103,714,088	41,418		103,755,506
Machinery and equipment	17,233,583	854,176		18,087,759
Distribution and collection systems	74,781,230	988,960		75,770,190
Vehicles	2,669,399	172,896		2,842,295
Total capital assets being depreciated	<u>198,398,300</u>	<u>2,057,450</u>	<u>-</u>	<u>200,455,750</u>
Less accumulated depreciation for:				
Buildings and improvements	53,434,239	4,159,220		57,593,459
Machinery and equipment	10,647,945	925,041		11,572,986
Distribution and collection systems	17,402,043	1,609,660		19,011,703
Vehicles	2,378,029	116,887		2,494,916
Total accumulated depreciation	<u>83,862,256</u>	<u>6,810,808</u>	<u>-</u>	<u>90,673,064</u>
Total capital assets being depreciated, net	<u>114,536,044</u>	<u>(4,753,358)</u>	<u>-</u>	<u>109,782,686</u>
Business-Type Activities Capital Assets, Net	<u>\$ 127,462,186</u>	<u>\$ 1,573,209</u>	<u>\$ -</u>	<u>\$ 129,035,395</u>

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

Governmental Activities:

General government	\$ 4,398,671
Public safety	2,511,495
Public facilities, parks and recreation	6,447,254
Health and social services	19,908
Libraries	224,613
Education	<u>11,981,922</u>

Total Depreciation Expense - Governmental Activities \$ 25,583,863

Business-Type Activities:

WPCA	<u>\$ 6,810,808</u>
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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	\$ 33,092,222	\$
School construction receivable	8,105,375	
Other		1,050,905
Education Grants Fund		3,970,691
Capital Bond Issue Fund		934,031
Nonmajor Funds:		
Grants		<u>8,576,218</u>
Total Unavailable/Unearned Revenue for Governmental Funds	<u>\$ 41,197,597</u>	<u>\$ 14,531,845</u>

9. LONG-TERM DEBT

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2013 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	\$ 689,265,000	\$ 55,225,000	\$ 86,975,000	\$ 657,515,000	\$ 34,580,000
Notes payable	2,843,000		447,000	2,396,000	282,000
Deferred amounts:					
Refunding	(4,082,414)	(1,599,935)	(1,714,606)	(3,967,743)	
Premium	14,255,195	4,874,093	2,114,139	17,015,149	2,159,271
Total bonds and notes payable	<u>702,280,781</u>	<u>58,499,158</u>	<u>87,821,533</u>	<u>672,958,406</u>	<u>37,021,271</u>
Claims and judgments	102,185,796	106,837,040	104,251,980	104,770,856	18,001,471
Compensated absences	26,638,190	9,178,748	7,705,611	28,111,327	6,713,872
Landfill closure costs	129,364		24,806	104,558	24,806
State Department of Education loan	3,500,000			3,500,000	2,000,000
OPEB obligation	120,183,849	24,323,339		144,507,188	
Net pension obligation	<u>1,623,193</u>		<u>175,356</u>	<u>1,447,837</u>	
Governmental Activity Long-Term Liabilities	<u>\$ 956,541,173</u>	<u>\$ 198,838,285</u>	<u>\$ 199,979,286</u>	<u>\$ 955,400,172</u>	<u>\$ 63,761,420</u>
Business-type activities:					
Bonds and notes payable:					
General obligation bonds	\$ 4,008,491		\$ 134,327	\$ 3,874,164	\$ 194,888
Notes payable	<u>42,811,617</u>	<u>3,322,021</u>	<u>4,926,821</u>	<u>41,206,817</u>	<u>5,252,353</u>
Business-Type Activity Long-Term Liabilities	<u>\$ 46,820,108</u>	<u>\$ 3,322,021</u>	<u>\$ 5,061,148</u>	<u>\$ 45,080,981</u>	<u>\$ 5,447,241</u>

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

Notes Payable

Notes payable as of June 30, 2013 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 \$ 2,396,000

Business-Type Activities:

Clean Water Program, due in varying installments,
plus interest at 2% through 2039 41,206,817

Total \$ 43,602,817

General Obligation Bonds

As of June 30, 2013, the City had the following general obligation bonds outstanding:

Governmental Activities:

Pension, 2.5% to 7.6% \$ 282,850,000
General Purpose, 2.5% to 6.6% 249,296,848
School, 4.0% to 6.8% 125,368,152
\$ 657,515,000

Business-Type Activities:

General Purpose, 1.68% to 6.388% \$ 3,874,164

A schedule of bonds at June 30, 2013 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</u>
8/29/2000	Pension	6.92 - 7.64%	\$ 350,000,000	\$ 282,850,000	2030
12/12/2003	General Purpose	1.41 - 5.03%	18,925,000	2,995,000	2015
12/12/2003	General Purpose-Refunding	2.0 - 5.0%	21,268,600	8,580,400	2016
12/12/2003	Schools-Refunding	2.0 - 5.0%	6,716,400	2,709,600	2016
8/12/2004	General Purpose	3.0 - 5.25%	9,945,600	3,405,850	2025
8/12/2004	Schools	3.0 - 5.25%	16,934,400	5,799,150	2025
8/12/2004	General Purpose	3.0 - 5.50%	48,035,600	40,454,700	2022
8/12/2004	Schools	3.0 - 5.50%	10,544,400	8,880,300	2022
4/27/2006	General Purpose-Refunding	4.0 - 4.5%	18,456,000	15,861,000	2025
4/27/2006	Schools-Refunding	4.0 - 4.5%	12,304,000	10,574,000	2025
6/6/2006	General Purpose	4.0 - 5.0%	30,789,200	24,489,400	2025
6/6/2006	Schools	4.0 - 5.0%	28,420,800	22,605,600	2025
6/6/2006	General Purpose-Refunding	4.0 - 5.0%	4,669,650	1,259,550	2016
6/6/2006	Schools-Refunding	4.0 - 5.0%	1,095,350	295,450	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	3,191,490	2015
12/15/2009	Schools	2.0 - 2.4%	196,478	83,510	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	17,830,000	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
7/12/2012	General Purpose-Refunding	2.0 - 5.0%	41,993,800	41,971,000	2022
7/12/2012	Schools-Refunding	2.0 - 5.0%	13,261,200	13,254,000	2022
			<u>\$ 819,960,000</u>	<u>\$ 657,515,000</u>	

Business Type Activities:

	<u>Original Issue</u>	<u>Debt Outstanding</u>	<u>Date of Fiscal Year</u>
2007 General Obligation Bonds issued by the City on behalf of the WPCA, bearing interest at 4% to 6%	\$ 490,000	\$ 275,000	2018
2009 General Obligation Bonds issued by the City on behalf of the WPCA, bearing interest at 2%-5.7%	1,845,000	1,644,870	2030
2011 General Obligation Bonds issued by the City on behalf of the WPCA, bearing an interest rate 1.68%-6.388%	425,300	390,077	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><u>3,874,164</u></u>	

Designation of 2010 Series B Bonds as Build America Bonds

The federal American Recovery and Reinvestment Act of 2009, Pub. L No. 111-5, 123 Stat. 115 (2009), enacted February 17, 2009 (the Recovery Act) permits the City to issue taxable bonds referred to as “Build America Bonds” to finance capital expenditures for which it could otherwise issue tax-exempt bonds, and to elect to receive payments from the federal government equal to 35% of the corresponding interest payable on such taxable bonds (the BAB Subsidy Payments). The City elects to designate the 2010 Series B Bonds as “Build America Bonds” for purposes of the Recovery Act and to receive BAB Subsidy Payments from the United States Treasury in connection therewith. BAB Subsidy Payments for the 2010 Series B Bonds will be paid to the City on or about each interest payment date; the holders of the 2010 Series B Bonds are not entitled to a tax credit. Such BAB Subsidy Payments are not pledged to pay the 2010 Series B Bonds, nor is their receipt by the City a condition of payment of any portion of the principal and interest on the 2010 Series B Bonds.

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

Year Ending June 30,	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2014	\$ 34,862,000	\$ 38,825,472	\$ 73,687,472	\$ 5,447,242	\$ 1,211,578	\$ 6,658,820
2015	38,918,000	37,032,062	75,950,062	5,383,141	810,186	6,193,327
2016	39,773,000	35,030,031	74,803,031	5,503,946	884,059	6,388,005
2017	41,548,000	32,874,355	74,422,355	3,854,350	642,744	4,497,094
2018	41,585,000	30,603,139	72,188,139	3,597,304	563,590	4,160,894
2019	43,565,000	28,274,363	71,839,363	3,389,603	487,809	3,877,412
2020	44,335,000	25,818,470	70,153,470	3,242,168	417,554	3,659,722
2021	37,790,000	23,589,729	61,379,729	1,712,368	359,698	2,072,066
2022	39,925,000	21,390,407	61,315,407	1,655,291	320,566	1,975,857
2023	36,460,000	19,170,992	55,630,992	1,653,621	279,860	1,933,481
2024	38,645,000	16,907,272	55,552,272	1,486,263	243,192	1,729,455
2025	37,110,000	14,582,933	51,692,933	1,480,844	204,309	1,685,153
2026	36,785,000	12,321,233	49,106,233	1,414,082	168,726	1,582,808
2027	34,105,000	10,071,383	44,176,383	1,316,972	134,287	1,451,259
2028	32,490,000	7,865,947	40,355,947	1,286,142	100,549	1,386,691
2029	34,725,000	5,534,464	40,259,464	1,137,752	66,639	1,204,391
2030	37,115,000	3,035,998	40,150,998	928,410	35,774	964,184
2031	4,965,000	508,750	5,473,750	303,578	16,842	320,420
2032	5,210,000	260,500	5,470,500	254,606	8,123	262,729
2033				17,415	409	17,824
2034				6,759	256	7,015
2035				5,345	123	5,468
2036				1,106	65	1,171
2037				1,106	43	1,149
2038				1,106	21	1,127
2039				461	2	463
Total	\$ <u>659,911,000</u>	\$ <u>363,697,500</u>	\$ <u>1,023,608,500</u>	\$ <u>45,080,981</u>	\$ <u>6,957,004</u>	\$ <u>52,037,985</u>

The State of Connecticut reimburses the City for eligible school bond principal and interest costs. The amount of such reimbursement for the year ended June 30, 2013 was \$2,224,597. Additional principal and interest reimbursements of \$9,428,398 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	\$ 642,364,378	\$ 318,455,388	\$ 323,908,990
Schools	1,284,728,756	206,575,102	1,078,153,654
Sewers	1,070,670,296	61,429,324	1,009,177,972
Urban renewal	927,859,657	2,396,000	925,463,657
Unfunded pension benefit obligation	856,485,837	282,850,000	573,635,837

The total overall statutory debt limit for the City is equal to seven times annual receipts from taxation, or \$1,998,466,953. All long-term debt obligations are retired through General Fund appropriations or user charges.

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

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

Tax Anticipation Notes Payable

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

On March 20, 2013, the City issued a tax anticipation note in the amount of \$25,000,000 to fund cash flows for operating expenses. The note matured on August 15, 2013 with an interest rate of 1.5%.

On October 16, 2013, the City issued a tax anticipation note in the amount of \$71,500,000 to fund cash flows for operating expenses. The note will mature on February 18, 2014 with an interest rate of 1.00%.

General Obligation Bonds Refunding

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 \$59,704,935 (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 \$7,034,987 and to obtain an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$6,893,537.

Prior Year Defeasance of Debt

In prior years, the City defeased various bond issues. As of June 30, 2013, the amount of defeased debt outstanding but removed from the governmental activities column of the statement of net position amounted to \$41,480,000.

State of Connecticut Department of Education Loan

The State of Connecticut Department of Education provided the City with a loan of \$3.5 million for the purpose of inclusion in the budgeted appropriation for education for the fiscal year ended June 30, 2012 to cover education expenditures incurred during that year. Certain criteria have been established that will make the loan forgivable over the three years. If the criteria are not met, the City agrees that it shall repay the State of Connecticut for any funds loaned under the Agreement 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>\$ 3,500,000</u>

10. FUND BALANCE

The components of fund balance for the governmental funds at June 30, 2013 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				3,930,773	3,930,773
Library trust fund				552,531	552,531
Education trust fund				108,717	108,717
Committed to:					
Various capital projects			60,894,719	4,299,039	65,193,758
Library				1,897,667	1,897,667
Education				242,665	242,665
Assigned to:					
Unassigned	<u>12,574,082</u>	<u>(603,661)</u>		<u>(529,203)</u>	<u>11,441,218</u>
Total Fund Balances	<u>\$ 12,924,082</u>	<u>\$ (603,661)</u>	<u>\$ 60,894,719</u>	<u>\$ 10,502,189</u>	<u>\$ 83,717,329</u>

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 that would materially adversely affect its financial position, except that adverse judgment in cases described below could have a fiscal impact in the aggregate and in certain circumstances which might be significant.

Personal Injury and Other Actions

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

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

Wheelabrator Bridgeport L.P. (Wheelabrator), operator of the solid waste-to-energy facility that 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 is currently underway based on the October 1, 2013 assessment year.

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 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 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 Wheelabrator paid half of the July 1, 2011 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 was on Wheelabrator to prove all claims raised.

The trial Court rendered its decision generally favorable to the City's position. Cross appeals are pending before the Connecticut Appellate Court.

Beardsley Zoo

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

The City also entered into a service agreement with the Society in which the City is required to provide operating assistance to the Society for such costs as personnel, supplies, services, materials, utilities, maintenance, equipment and vehicles, that it currently provides to the Zoo, which approximated \$1,289,785 during the year ended June 30, 2013, 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 \$336,632 was received for the year ended June 30, 2013. 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 was an assignment of contractual rights and obligations from the original Contractor (PSG) to the successor operating Contractor (KGI). The WPCA issued an RFP for a successor operator, and extended its contractual relationship with KGI through December 31, 2013, at which time a new operating contractor (Severn Trent) is scheduled to take over operations and management.

The WPCA 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 \$244,000,000. As of June 30, 2013, approximately \$180,000,000 relating to these projects, including capitalized interest, has been incurred and included in property and equipment. Based on current engineering estimates, completion of these projects will be within the next six years. Funding for these improvements is being provided by the State of Connecticut's Clean Water Fund in the form of loans and grants. As of June 30, 2013, the State is committed to providing the WPCA additional funding in the form of loans and grants of approximately \$13,666,000 and \$10,137,000, 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 had 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 that 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. This Successor Agreement expires June 30, 2014.

For fiscal year ending June 30, 2013, the Authority is billing each Participating Municipality a fixed charge of approximately \$66.46 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 that 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 nonpaying 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'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.

The City and various other local communities are presently contemplating entering into a multi-year Greater Bridgeport Regional Solid Waste Interlocal Agreement to negotiate for disposal of solid waste and to procure electrical power generated by a solid waste disposal facility as a consortium of municipalities, to be effective commencing July 1, 2014.

The City 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. The City was one of 17 "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 that is in excess of the average of earnings not in excess of the taxable wage base for the 10 highest paid years.

CMERF also provides death and disability benefits.

Benefits and other plan provisions are established by State statute. Covered employees are required by Connecticut statute to contribute 2-1/4% of earnings upon which Social Security tax is paid plus 5% of earnings upon which no Social Security tax is paid. The City is required to make contributions as set by the State Retirement Commission to fund the remaining cost. The employer contribution represents 11.65% of covered payroll for the current year. The City's contributions for the years ended June 30, 2013, 2012, and 2011 were \$12,847,194, \$9,589,103 and \$7,199,397, respectively, equal to the required contributions for each year. The contributions increased for FY 2013 due to the Fire department joining CMERF.

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

State Teachers' Retirement System

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

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

In addition, the City has recognized revenues and expenditures for on-behalf payments for pension contributions paid directly to the Connecticut State Teachers' Retirement System by the State of Connecticut. Such on-behalf payments were \$23,333,888 for the year ended June 30, 2013.

Single Employer Defined Benefit Plans

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

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

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, 2013, \$1,995,146 of benefits was provided through this annuity contract.

In August 2000, the City issued \$350,000,000 of taxable general obligation pension funding bonds. The proceeds of these bonds were transferred into Plans A's Investment Trust (the A Trust). The proceeds and any future investment earnings are to be used to make contributions to the Plan A or to pay benefits on behalf of the Plan. The City can, however, withdraw from the Plan A Trust the greater of: 1) 20% of the amount by which the Plan A Trust assets exceed the present value of accrued Plan benefits (\$336,963,074 based on the July 1, 2012 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%).

The City, police, and firefighters' union negotiated a contract whereby all active bargaining unit members were transferred to the MERS retirement plan. The Fire transfer was effective April 1st 2012 and the police was July 1st 2013. The Plan B Police board transferred \$23,491,194 from the Police Retirement Plan and Plan B fire board transferred \$40,122,889 from the Firefighter's Retirement Plan to the State of Connecticut Treasurer.

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	830	119	64	39
Terminated employees entitled to future benefits		4	15	
Current employees:				
Fully vested	23	365		
Nonvested		41		
Total number of participants	<u>853</u>	<u>529</u>	<u>79</u>	<u>39</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	\$11,554,504 (Normal Cost)	\$7,792,559	\$-	"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, 2012	July 1, 2012	July 1, 2012	July 1, 2012
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	\$ 11,554,504	\$ 892,501
Interest on net pension obligation	(4,745,217)	129,855
Adjustment to annual required contribution	<u>(3,352,942)</u>	<u>261,384</u>
Annual pension cost	10,162,229	760,972
Contributions made	<u>10,500,000</u>	<u>936,328</u>
Increase in net pension asset	(337,771)	(175,356)
Net pension obligation (asset), July 1, 2012	<u>(59,315,213)</u>	<u>1,623,193</u>
Net Pension Obligation (Asset), June 30, 2013	<u>\$ (59,652,984)</u>	<u>\$ 1,447,837</u>

	Police Plan B	Firefighters' Plan B
Annual required contribution	\$ 7,792,559	\$
Interest on net pension obligation	(243,554)	(28,126)
Adjustment to annual required contribution	<u>(398,629)</u>	<u>(61,243)</u>
Annual pension cost	7,947,634	33,117
Contributions made	<u>5,895,224</u>	<u></u>
Decrease in net pension asset	2,052,410	33,117
Net pension asset, July 1, 2012	<u>(3,044,295)</u>	<u>(511,382)</u>
Net Pension Asset, June 30, 2013	<u>\$ (991,885)</u>	<u>\$ (478,265)</u>

TREND INFORMATION

Fiscal Year	Annual Pension Cost (APC) (\$000)	Percentage of APC Contributed	Net Pension Obligation (Asset) (\$000)
Public Safety			
Plan A:			
2013	\$ 10,162	103.3%	\$ (59,653)
2012	8,276	84.6%	(59,315)
2011	14,432	34.6%	(60,591)
Police Retirement			
Plan B:			
2013	\$ 7,948	74.2%	\$ (992)
2012	6,476	84.5%	(3,044)
2011	5,557	111.1%	(4,046)
Firefighters' Retirement			
Plan B:			
2013	\$ 33	0.0%	\$ (478)
2012	4,378	67.1%	(511)
2011	4,043	104.0%	(1,951)
Janitors' and Engineers' Retirement Plan:			
2013	\$ 761	123.0%	\$ 1,448
2012	775	118.0%	1,623
2011	776	114.8%	1,763

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

<u>Year Ended June 30,</u>	<u>Public Safety Plan A</u>		<u>Janitors' and Engineers' Retirement Plan</u>	
	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
2013	\$ 11,555	90.9%	\$ 892	104.9%
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%

<u>Year Ended June 30,</u>	<u>Police Retirement Plan B</u>		<u>Firefighters' Retirement Plan B</u>	
	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
2013	\$ 7,793	75.7%	\$ -	N/A
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%

**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	\$ 147,699	\$ 336,963	\$ (189,264)	43.8	\$ 1,675	(11,299.3)
July 1, 2011	173,208	338,253	(165,045)	51.2	2,077	(7,946.3)
July 1, 2010	192,669	339,216	(146,547)	56.8	2,556	(5,733.5)
July 1, 2009	213,387	348,461	(135,074)	61.2	2,551	(5,294.9)
July 1, 2008	251,075	355,017	(103,942)	70.7	3,070	(3,385.7)
July 1, 2007	263,902	360,619	(96,717)	73.2	3,617	(2,674.0)
Police Retirement Plan B						
July 1, 2012	\$ 129,726	\$ 165,561	\$ (35,835)	78.4	\$ 26,876	(133.3)
July 1, 2011	122,295	150,984	(28,689)	81.0	25,620	(112.0)
July 1, 2010	113,272	136,819	(23,547)	82.8	24,797	(95.0)
July 1, 2009	109,017	127,768	(18,751)	85.3	23,937	(78.3)
July 1, 2008	104,661	113,453	(8,792)	92.3	24,832	(35.4)
July 1, 2007	94,546	105,973	(11,427)	89.2	22,511	(50.8)
Firefighters' Retirement Plan B						
July 1, 2012	\$ 74,312	\$ 41,988	\$ 32,324	177.0	\$ N/A	N/A
July 1, 2011	72,667	93,605	(28,689)	77.6	15,918	(180.2)
July 1, 2010	65,956	84,768	(28,689)	77.8	16,163	(177.5)
July 1, 2009	62,013	77,496	(28,689)	80.0	15,815	(181.4)
July 1, 2008	62,016	69,277	(28,689)	89.5	16,017	(179.1)
July 1, 2007	56,504	62,960	(28,689)	89.7	14,364	(199.7)
Janitors' and Engineers' Retirement Plan						
July 1, 2012	\$ 3	\$ 7,386	\$ (7,383)	0.04	\$ -	-
July 1, 2010	3	8,021	(8,018)	0.04	-	-
July 1, 2008	3	9,478	(9,475)	0.03	-	-
July 1, 2006	3	9,870	(9,867)	0.03	-	-
July 1, 2004	3	10,448	(10,445)	0.03	29	36,418.70
July 1, 2002	3	10,575	(10,572)	0.03	156	6,783.30

**SCHEDULE OF PLAN NET POSITION
JUNE 30, 2013**

	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	\$ 8,411,326	\$ 19,659,473	\$ 752,236	\$ 3,433	\$ 28,826,468
Investments, at fair value:					
U.S. Government Agency Bonds		6,155,079	4,519,104		10,674,183
U.S. Government Security Bonds	11,157,315				11,157,315
Corporate bonds		15,491,679	5,239,805		20,731,484
Common stocks	64,729,344	43,873,973	21,898,967		130,502,284
Private hedge fund	10,712,574				10,712,574
Mutual funds - equities	15,518,262	30,706,599	3,902,086		50,126,947
Alternative investments	9,788,000				9,788,000
Total investments	<u>111,905,495</u>	<u>96,227,330</u>	<u>35,559,962</u>	<u>-</u>	<u>243,692,787</u>
Due from other funds of the City of Bridgeport					
	<u>2,696,805</u>				<u>2,696,805</u>
Total assets	<u>123,013,626</u>	<u>115,886,803</u>	<u>36,312,198</u>	<u>3,433</u>	<u>275,216,060</u>
Liabilities:					
Other liabilities	<u>186</u>				<u>186</u>
Total Net Position	<u>\$ 123,013,440</u>	<u>\$ 115,886,803</u>	<u>\$ 36,312,198</u>	<u>\$ 3,433</u>	<u>\$ 275,215,874</u>

**SCHEDULE OF CHANGES IN
PLAN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2013**

	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	\$ 10,500,000	\$ 5,895,224	\$	\$ 936,328	\$ 17,331,552
Plan members	156,065	1,606,608			1,762,673
Annuity proceeds	1,995,146				1,995,146
Total contributions	<u>12,651,211</u>	<u>7,501,832</u>	<u>-</u>	<u>936,328</u>	<u>21,089,371</u>
Investment income:					
Net appreciation in fair value of investments	8,125,574	5,567,362	2,972,195		16,665,131
Interest and dividends	<u>2,348,587</u>	<u>2,766,570</u>	<u>1,587,471</u>		<u>6,702,628</u>
	10,474,161	8,333,932	4,559,666	-	23,367,759
Less investment management fees	<u>(604,347)</u>	<u>(368,719)</u>	<u>(359,593)</u>		<u>(1,332,659)</u>
Net investment income	<u>9,869,814</u>	<u>7,965,213</u>	<u>4,200,073</u>	<u>-</u>	<u>22,035,100</u>
Total additions	<u>22,521,025</u>	<u>15,467,045</u>	<u>4,200,073</u>	<u>936,328</u>	<u>43,124,471</u>
Deductions:					
Benefits	33,684,049	3,655,045	2,072,968	936,328	40,348,390
Administration		166,600	4,066		170,666
Distribution of assets to State Municipal Employees' Retirement Fund - Note 12		<u>23,491,194</u>	<u>40,122,889</u>		<u>63,614,083</u>
Total deductions	<u>33,684,049</u>	<u>27,312,839</u>	<u>42,199,923</u>	<u>936,328</u>	<u>104,133,139</u>
Change in net position	(11,163,024)	(11,845,794)	(37,999,850)	-	(61,008,668)
Net position - beginning 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>
Net Position - End of Year	<u>\$ 123,013,440</u>	<u>\$ 115,886,803</u>	<u>\$ 36,312,198</u>	<u>\$ 3,433</u>	<u>\$ 275,215,874</u>

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, 2012 plan membership consisted of the following:

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

B. Funding Policy

The City currently pays for postemployment health care benefits on a pay-as-you-go basis. As of June 30, 2013, the City has not established a trust fund to irrevocably segregate assets to fund the liability associated with the postemployment benefits, which would require the reporting of a trust fund in accordance with GASB guidelines. The contribution requirements of plan members and the 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's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation (asset):

Annual required contribution (ARC)	\$ 47,743,386
Interest on net OPEB obligation	6,610,112
Adjustment to annual required contribution	<u>(4,226,465)</u>
Annual OPEB cost (expense)	50,127,033
Contributions made	<u>25,803,694</u>
Increase in net OPEB obligation	24,323,339
Net OPEB obligation, Beginning of year	<u>120,183,849</u>
Net OPEB Obligation, End of Year	<u><u>\$ 144,507,188</u></u>

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

<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>
6/30/2011	\$ 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
6/30/2013	50,127,033	25,803,694	51.5	144,507,188

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

Schedule of Funding Progress

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

Schedule of Employer Contributions

<u>Year Ended</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
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
2013	47,743,386	54.0

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

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

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 that required that the City close the facility in a manner that minimizes the need for further maintenance; and controls, minimizes or eliminates, to the extent necessary to protect human health and the environment, postclosure escape of hazardous waste, hazardous constituents, leachate, contaminated run-off, or hazardous waste decomposition products to the ground or surface waters or to the atmosphere. In addition, the City is required to perform certain maintenance and monitoring functions at the hazardous waste site for 30 years after closure. The estimated total current cost of the postclosure care of \$104,558 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, 2013. 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 3,826 employees and 3,758 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 prior contract required the City to maintain a \$2,500,000 certificate of deposit, which is recorded as restricted cash in the accompanying balance sheet. Cash is to be returned to City during the 2014 year. In addition, the new contract requires that \$2,000,000 be deposited with amount being recorded as a prepaid asset 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:

	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	End of Fiscal Year Liability
2012	\$ 109,987,266	\$ 99,431,453	\$ 107,232,923	\$ 102,185,796
2013	102,185,796	106,837,040	104,251,980	104,770,856

The current portion of claims incurred but not reported as of June 30, 2013 is \$18,001,471, which relates to Group Health Insurance Claims of \$7,800,253 and \$10,201,218 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 \$86,769,385 is recorded as long-term obligations.

16. FUND DEFICITS

The following funds have fund deficits as of June 30, 2013:

Special Revenue Fund:		
Education Grants	\$	603,661
Nonmajor Governmental Funds:		
Special Revenue Funds:		
Social Services		107,031
Library Operations		421,577
General Government		595
Proprietary Funds:		
Internal Service Fund		88,659,057

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, 2013

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues and Other Financing Sources:				
Property taxes:				
Current taxes	\$ 277,469,550	\$ 277,469,550	\$ 278,447,367	\$ 977,817
Interest - current	1,705,480	1,705,480	1,911,390	205,910
Arrears - principal	4,061,746	4,061,746	4,394,296	332,550
Arrears - interest	1,160,000	1,160,000	1,046,170	(113,830)
Lien fees	175,000	175,000	163,702	(11,298)
Total property taxes	<u>284,571,776</u>	<u>284,571,776</u>	<u>285,962,925</u>	<u>1,391,149</u>
Intergovernmental:				
Elderly exemption refund	701,000	701,000	764,013	63,013
Elderly freeze program	16,334	16,334	14,000	(2,334)
DCA tax abatement			135,701	135,701
Distressed municipalities	319,515	319,515	218,829	(100,686)
Education cost sharing	167,699,571	164,195,344	163,978,224	(217,120)
School construction refunds	2,224,597	2,224,597	2,224,598	1
Transportation	1,623,838	1,623,838	1,575,990	(47,848)
Aid to non-public schools	165,000	165,000	154,373	(10,627)
Town aid roads	665,404	665,404	685,121	19,717
Legally blind	143,550	143,550	90,948	(52,602)
Miscellaneous PILOTs	1,109,311	1,109,311	1,228,690	119,379
Tax exempt colleges and hospitals	8,537,526	8,537,526	8,045,926	(491,600)
Breakfast program:				
State	206,064	206,064	187,496	(18,568)
Federal	4,459,647	4,459,647	4,525,555	65,908
Nutrition Center:				
Federal	152,000	152,000	152,086	86
State	8,533,765	8,533,765	8,150,552	(383,213)
Mashantucket Pequot funds	6,237,305	6,237,305	6,170,270	(67,035)
Manufacturing Machinery & Equipment	797,626	797,626	3,638,613	2,840,987
Beardsley Zoo subsidy			336,632	336,632
Build America Bonds subsidy	723,018	723,018	1,046,789	323,771
State-owned property	2,927,289	2,927,289	2,834,257	(93,032)
Total intergovernmental	<u>207,242,360</u>	<u>203,738,133</u>	<u>206,158,663</u>	<u>2,420,530</u>
Fees, permits and licenses:				
Finance:				
Comptroller Copies/Books/Miscellaneous	25,100	25,100	22,840	(2,260)
Comptroller Court Fine/CARC	5,000	5,000	58,445	53,445
Information Technology Services	250	250	932	682
Total finance	<u>30,350</u>	<u>30,350</u>	<u>82,217</u>	<u>51,867</u>
Town Clerk:				
Licenses and Town Fund	1,200	1,200	2,550	1,350
Notaries/late fees	2,800	2,800	2,402	(398)
Farm fund			19,161	19,161
Assignments	1,100,000	1,100,000	838,991	(261,009)
Certification	425,000	425,000	589,561	164,561
Other licenses	23,100	23,100	3,455	(19,645)
Total town clerk	<u>1,552,100</u>	<u>1,552,100</u>	<u>1,456,120</u>	<u>(95,980)</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, 2013

	Budgeted Amounts		Actual	Variance With
	Original	Final		Final Budget
				Positive (Negative)
Building Department:				
Building permits	\$ 3,144,500	\$ 3,144,500	\$ 2,384,176	\$ (760,324)
Sign permits	18,000	18,000	10,900	(7,100)
Certificate of occupancy fees	50,000	50,000	60,351	10,351
Copies	500	500	448	(52)
Total building department	<u>3,213,000</u>	<u>3,213,000</u>	<u>2,455,875</u>	<u>(757,125)</u>
Police Department:				
Traffic violations	1,100,000	1,100,000	958,253	(141,747)
Photocopy fees	14,000	14,000	18,176	4,176
Outside overtime	4,948,000	4,948,000	4,444,563	(503,437)
Overtime surcharge			99,175	99,175
Reclaimed dog fees	2,000	2,000	2,065	65
Vendor annual registration fees	25,000	25,000	29,220	4,220
Towing fines	177,000	177,000	156,885	(20,115)
Alarms	25,600	25,600	23,577	(2,023)
Ordinance violations	12,000	12,000		(12,000)
Other	70,950	70,950	79,561	8,611
Total police department	<u>6,374,550</u>	<u>6,374,550</u>	<u>5,811,475</u>	<u>(563,075)</u>
Public facilities:				
Dump license fees	18,000	18,000	22,800	4,800
Commercial dump fees	57,000	57,000	60,704	3,704
Street excavation license	3,300	3,300	650	(2,650)
Public facility enforcement	6,900	6,900	19,013	12,113
Sewer permits	4,000	4,000	3,570	(430)
Congress Plaza	10,000	10,000	15,600	5,600
Annual rent	445,000	445,000	333,659	(111,341)
Parking meters	400,000	400,000	416,352	16,352
Engineering map sales	5,000	5,000	5,476	476
Contractors license	117,500	117,500	110,400	(7,100)
Zoning appeals fees	37,000	37,000	28,395	(8,605)
Tavern zoning permits	168,400	168,400	209,419	41,019
Other revenues	175,500	175,500	165,583	(9,917)
Total public facilities	<u>1,447,600</u>	<u>1,447,600</u>	<u>1,512,150</u>	<u>64,550</u>
Parks and recreation:				
Golf course revenues	1,800,000	1,800,000	1,568,643	(231,357)
Wonderland of Ice	137,106	137,106	84,000	(53,106)
90 Acre	2,250	2,250		(2,250)
Kennedy Stadium	10,000	10,000	8,200	(10,000)
Leases/W.I.C.C.	10,500	10,500	10,500	-
Flea market/ballfield	67,000	67,000	51,620	(15,380)
Miscellaneous	321,000	321,000	382,859	61,859
Parking stickers	50,000	50,000	11,763	(38,237)
Apartment rental	6,000	6,000	4,400	(1,600)
City concessions	10,000	10,000	4,000	(6,000)
Total parks and recreation	<u>2,413,856</u>	<u>2,413,856</u>	<u>2,125,985</u>	<u>(287,871)</u>
Civil service:				
Label/Admin fees	90,100	90,100	7,670	(82,430)

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CITY OF BRIDGEPORT, CONNECTICUT

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

FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Health Department:				
Vital statistics	\$ 443,250	\$ 443,250	\$ 474,402	\$ 31,152
Business license	354,200	354,200	324,359	(29,841)
Housing code	23,000	23,000	18,020	(4,980)
Total health department	<u>820,450</u>	<u>820,450</u>	<u>816,781</u>	<u>(3,669)</u>
Education and Nutrition Center:				
Cafeteria	641,235	641,235	666,691	25,456
High school ticket sales	11,000	11,000	11,663	663
Summer school tuition	50,000	50,000	25,810	(24,190)
Total Education and Nutrition Center	<u>702,235</u>	<u>702,235</u>	<u>704,164</u>	<u>1,929</u>
Sikorsky Airport:				
Airport fees	48,200	48,200	56,545	8,345
Shared revenue	74,600	74,600	93,513	18,913
Airport leases	719,340	719,340	637,815	(81,525)
Total Sikorsky Airport	<u>842,140</u>	<u>842,140</u>	<u>787,873</u>	<u>(54,267)</u>
Fire Department:				
Firewatch reimbursement	113,150	113,150	109,916	(3,234)
Copies	1,500	1,500	729	(771)
Permit	86,775	86,775	78,066	(8,709)
Tank installation	3,000	3,000	4,100	1,100
Total fire department	<u>204,425</u>	<u>204,425</u>	<u>192,811</u>	<u>(11,614)</u>
Total fees, permits and licenses	<u>17,690,806</u>	<u>17,690,806</u>	<u>15,953,121</u>	<u>(1,737,685)</u>
Interest	<u>200,000</u>	<u>200,000</u>	<u>50,325</u>	<u>(149,675)</u>
Other:				
Property rental			720	720
O.T.B. income	450,000	450,000	437,955	(12,045)
State Bingo	200	200	49	(151)
Weights and measures	76,000	76,000	73,105	(2,895)
Sale of City-owned property	100,000	100,000	315,511	215,511
Miscellaneous	14,100	14,100	636,972	622,872
Foreclosure cost recovery	5,000	5,000	2,565	(2,435)
Restitution	5,000	5,000	59,005	54,005
Comptroller miscellaneous revenue	905,318	905,318	1,563,981	658,663
Total other	<u>1,555,618</u>	<u>1,555,618</u>	<u>3,089,863</u>	<u>1,534,245</u>
Total revenues	<u>511,260,560</u>	<u>507,756,333</u>	<u>511,214,897</u>	<u>3,458,564</u>
Other financing sources:				
Transfers in	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>-</u>
Total Revenues and Other Financing Sources	<u>\$ 511,760,560</u>	<u>\$ 508,256,333</u>	<u>\$ 511,714,897</u>	<u>\$ 3,458,564</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, 2013

	Budgeted Amounts		Actual	Variance With
	Original	Final		Final Budget Positive (Negative)
General government:				
Mayor's office	\$ 950,242	\$ 950,242	\$ 962,332	\$ (12,090)
Central grants	409,860	409,859	438,524	(28,665)
Finance divisions	5,788,409	5,788,409	5,125,333	663,076
Registrar of voters	703,596	703,596	718,222	(14,626)
City clerk	392,606	392,606	335,720	56,886
City attorney	4,050,124	4,875,124	4,732,554	142,570
Archives and records	87,350	87,349	83,495	3,854
Civil service	843,253	843,252	750,339	92,913
Labor relations/benefits/pensions	20,505,202	20,474,171	20,485,353	(11,182)
Town Clerk	756,168	756,168	658,028	98,140
Legislative department	287,446	287,446	125,523	161,923
Office of policy and management	734,386	734,386	618,146	116,240
Ethics commission	3,344	3,344	960	2,384
Chief administrative officer	1,069,931	1,069,930	1,022,417	47,513
Information technology service	3,173,099	3,173,091	2,781,051	392,040
Minority business enterprise office	230,183	230,183	201,357	28,826
Total general government	<u>39,985,199</u>	<u>40,779,156</u>	<u>39,039,354</u>	<u>1,739,802</u>
Public Safety:				
Police department	86,198,374	86,222,961	90,299,130	(4,076,169)
Fire department	53,858,041	53,858,040	57,213,813	(3,355,773)
Weights and measures	125,913	125,913	125,692	221
Emergency Operation Center	4,940,591	4,940,590	5,539,523	(598,933)
Total public safety	<u>145,122,919</u>	<u>145,147,504</u>	<u>153,178,158</u>	<u>(8,030,654)</u>
Public facilities:				
Airport	1,128,155	1,128,155	1,274,492	(146,337)
Engineering	400,440	400,440	365,962	34,478
Harbor master	181,592	181,592	176,796	4,796
Maintenance	10,721,935	10,721,935	10,334,342	387,593
Municipal garage	2,467,001	2,467,001	2,572,192	(105,191)
Public facilities administration	11,692,500	11,692,500	11,726,895	(34,395)
Roadway	3,681,271	3,681,270	3,613,688	67,582
Sanitation	5,732,796	5,732,796	5,912,367	(179,571)
Transfer station	1,940,215	1,940,215	1,888,668	51,547
Recreation	933,539	933,539	917,926	15,613
Department on aging	463,078	463,077	418,507	44,570
Parks administration	426,341	426,341	379,685	46,656
Parks	2,412,267	2,412,269	2,412,677	(408)
Zoo	1,447,916	1,447,918	1,365,009	82,909
Golf course	1,426,346	1,426,346	1,422,084	4,262
Total public facilities	<u>45,055,392</u>	<u>45,055,394</u>	<u>44,781,290</u>	<u>274,104</u>

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CITY OF BRIDGEPORT, CONNECTICUT

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

FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual	Variance With
	Original	Final		Final Budget
				Positive (Negative)
Planning and Economic Development:				
OPED administration	\$ 9,342,051	\$ 9,342,051	\$ 9,106,223	\$ 235,828
Building department	1,132,631	1,132,631	1,211,438	(78,807)
Zoning board of appeals	87,076	87,076	83,655	3,421
Zoning commission	471,966	471,966	460,995	10,971
Total planning and economic development	<u>11,033,724</u>	<u>11,033,724</u>	<u>10,862,311</u>	<u>171,413</u>
Health and social services:				
Health and social services administration	268,192	268,192	352,835	(84,643)
Vital statistics	311,152	311,152	306,644	4,508
Communicable disease clinic	449,635	456,079	460,656	(4,577)
Environmental health	733,869	733,869	756,553	(22,684)
Housing code enforcement	573,789	573,789	588,436	(14,647)
Lead prevention program	152,361	152,361	154,676	(2,315)
Human services administration	112,413	112,413	96,154	16,259
Persons with disabilities	53,336	53,337	14,197	39,140
Veterans' affairs	145,386	145,385	120,963	24,422
Lighthouse/Youth services	1,585,640	1,715,640	1,727,756	(12,116)
Social services	224,124	224,124	217,748	6,376
Total health and social services	<u>4,609,897</u>	<u>4,746,341</u>	<u>4,796,618</u>	<u>(50,277)</u>
Libraries	<u>6,748,214</u>	<u>6,748,214</u>	<u>5,974,980</u>	<u>773,234</u>
Special services:				
Miscellaneous expenses	2,021,217	1,196,214	495,826	700,388
Supportive contributions	495,275	495,275	476,381	18,894
Citywide memberships	24,000	24,000	23,092	908
Debt service	3,750,531	3,750,531	3,496,590	253,941
Total special services	<u>6,291,023</u>	<u>5,466,020</u>	<u>4,491,889</u>	<u>974,131</u>
Education:				
Schools	215,843,895	219,825,522	219,831,123	(5,601)
Food services	22,293,104	14,677,265	13,778,413	898,852
Board of education debt service	14,777,193	14,777,193	14,777,193	-
Total education	<u>252,914,192</u>	<u>249,279,980</u>	<u>248,386,729</u>	<u>893,251</u>
Total Expenditures and Other Financing Uses	<u>\$ 511,760,560</u>	<u>\$ 508,256,333</u>	<u>\$ 511,511,329</u>	<u>\$ (3,254,996)</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, 2013 AND 2012

(In Thousands)

	<u>2013</u>	<u>2012</u>
ASSETS		
Cash and cash equivalents	\$ 40,684,619	\$ 21,911,422
Receivables:		
Property taxes, net of allowance for uncollectible amounts of \$25,489,278 in 2013 and \$24,022,383 in 2012	34,696,569	35,437,723
Intergovernmental	32,184,568	33,695,808
Other	2,194,123	4,922,068
Due from other funds	20,366,365	44,365,641
Other assets	<u>350,000</u>	<u>350,000</u>
Total assets	<u>\$ 130,476,244</u>	<u>\$ 140,682,662</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts and other payables	\$ 14,457,832	\$ 12,008,155
Accrued liabilities	15,611,688	16,830,835
Due to other funds	20,234,140	28,531,180
Deferred revenue	42,248,502	45,591,978
Notes payable	<u>25,000,000</u>	<u>25,000,000</u>
Total liabilities	<u>117,552,162</u>	<u>127,962,148</u>
Fund balance:		
Nonspendable	350,000	350,000
Assigned		3,222,700
Unassigned	<u>12,574,082</u>	<u>9,147,814</u>
Total fund balance	<u>12,924,082</u>	<u>12,720,514</u>
Total Liabilities and Fund Balance	<u>\$ 130,476,244</u>	<u>\$ 140,682,662</u>

CITY OF BRIDGEPORT, CONNECTICUT

SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED AND OUTSTANDING

FOR THE YEAR ENDED JUNE 30, 2013

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Grand List Year	Balance Uncollected July 1, 2012	Current Levy	Net Adjustments	Transfers to Suspende	Adjusted Taxes Collectible	Collections				Balance Uncollected June 30, 2013
						Taxes	Interest	Lien Fees	Total	
1997	\$ 1,648,464	\$	\$ (67)	\$ (726)	\$ 1,647,671	\$ 8,209	\$ 19,951	\$ 30	\$ 28,190	\$ 1,639,462
1998	1,660,138		(1,826)	(23,798)	1,634,514	8,112	18,999	36	27,147	1,626,402
1999	2,030,907		(1,350)	(45,974)	1,983,583	15,440	33,106	90	48,636	1,968,143
2000	1,937,371		(1,779)	(77,555)	1,858,037	17,262	38,270	60	55,592	1,840,775
2001	2,211,141		(4,788)	(87,794)	2,118,559	24,700	46,699	1,035	72,434	2,093,859
2002	2,070,741		(4,103)	(72,544)	1,994,094	31,041	47,944	1,192	80,177	1,963,053
2003	1,361,139		(1,809)	(136,668)	1,222,662	21,877	31,900	2,105	55,882	1,200,785
2004	1,785,683		(46,555)	(179,830)	1,559,298	35,341	41,015	2,051	78,407	1,523,957
2005	2,083,065		(69,838)	(225,532)	1,787,695	41,401	47,654	2,241	91,296	1,746,294
2006	2,557,725		(111,401)	(7,555)	2,438,769	67,115	66,529	2,723	136,367	2,371,654
2007	4,315,290		(119,540)	(8,130)	4,187,620	143,299	104,080	4,021	251,400	4,044,321
2008	4,432,393		(98,858)	(5,328)	4,328,207	192,985	103,355	4,674	301,014	4,135,222
2009	4,997,081		(119,702)	(6,770)	4,870,609	479,542	169,616	9,424	658,582	4,391,067
2010	7,559,253		(745,284)	(7,166)	6,806,803	1,740,087	401,495	18,648	2,160,230	5,066,716
2011		290,697,838	(4,604,734)	(5,809)	286,087,295	278,613,368	1,915,545	110,792	280,639,705	7,473,927
	<u>\$ 40,650,391</u>	<u>\$ 290,697,838</u>	<u>\$ (5,931,634)</u>	<u>\$ (891,179)</u>	<u>\$ 324,525,416</u>	<u>\$ 281,439,779</u>	<u>\$ 3,086,158</u>	<u>\$ 159,122</u>	<u>\$ 284,685,059</u>	<u>\$ 43,085,637</u>

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, 2013

	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	\$	\$ 696,680	\$	\$	\$	\$ 101,400	\$	\$ 67,600	\$ 2,027,431	
Investments										
Receivables:										
Intergovernmental		434,207	1,017,805	355,282		1,132,078		1,039,237	1,587,906	
Other		6,434,933			1,943,718		1,192,578			
Due from other funds		301,466	922,024	82,837			25,246		676,719	
Total Assets	\$	<u>735,673</u>	<u>7,131,613</u>	<u>1,939,829</u>	<u>438,119</u>	<u>1,943,718</u>	<u>1,233,478</u>	<u>1,217,824</u>	<u>1,106,837</u>	<u>4,292,056</u>
LIABILITIES AND FUND BALANCE										
Liabilities:										
Accounts payable	\$	153,687	\$ 7,300	\$ 128,066	\$ 370,239	\$	\$ 49,226	\$ 32,178	\$ 210,956	
Accrued liabilities		237,156				98,695				
Due to other funds		3,436,852	653,035	202,315	1,155,651	805,225	790,469	743,882		
Unearned revenues		456,307	775,018	214,769	71,223	36,609	147,976		2,701,310	
Total liabilities		<u>609,994</u>	<u>6,461,820</u>	<u>1,435,353</u>	<u>545,150</u>	<u>1,597,113</u>	<u>940,529</u>	<u>987,671</u>	<u>776,060</u>	<u>2,912,266</u>
Fund balances:										
Restricted		125,679	669,793	504,476	346,605	292,949	230,153	330,777	1,379,790	
Committed										
Unassigned				(107,031)						
Total fund balances		<u>125,679</u>	<u>669,793</u>	<u>504,476</u>	<u>(107,031)</u>	<u>346,605</u>	<u>292,949</u>	<u>230,153</u>	<u>330,777</u>	<u>1,379,790</u>
Total Liabilities and Fund Balances	\$	<u>735,673</u>	<u>7,131,613</u>	<u>1,939,829</u>	<u>438,119</u>	<u>1,943,718</u>	<u>1,233,478</u>	<u>1,217,824</u>	<u>1,106,837</u>	<u>4,292,056</u>

(Continued on next page)

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

JUNE 30, 2013

	<u>Special Revenue Funds</u>					<u>Capital Projects</u>	<u>Permanent Trusts</u>		<u>Interfund Eliminations</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>Library</u>	<u>Library Operations</u>	<u>Education</u>	<u>Miscellaneous Grants</u>	<u>General Government</u>	<u>Conversion Capital Projects</u>	<u>Library</u>	<u>Education</u>		
ASSETS										
Cash and cash equivalents	\$ 969,860	\$	\$ 242,665	\$ 52,175	\$	\$ 4,373,395	\$ 97,237	\$ 107,949	\$	\$ 8,736,392
Investments	904,116						476,564			1,380,680
Receivables:										
Intergovernmental						284,466				5,850,981
Other					14,000					9,585,229
Due from other funds	2,421			58,174	619,184	392,635		768	(1,016,961)	2,064,513
Total Assets	<u>\$ 1,876,397</u>	<u>\$ -</u>	<u>\$ 242,665</u>	<u>\$ 110,349</u>	<u>\$ 633,184</u>	<u>\$ 5,050,496</u>	<u>\$ 573,801</u>	<u>\$ 108,717</u>	<u>\$ (1,016,961)</u>	<u>\$ 27,617,795</u>
LIABILITIES AND FUND BALANCE										
Liabilities:										
Accounts payable	\$	\$ 800	\$	\$ 59,798	\$	\$ 42	\$	\$	\$	\$ 1,012,292
Accrued liabilities										335,851
Due to other funds		420,777							(1,016,961)	7,191,245
Unearned revenues					633,779	751,415				8,576,218
Total liabilities	<u>-</u>	<u>421,577</u>	<u>-</u>	<u>59,798</u>	<u>633,779</u>	<u>751,457</u>	<u>-</u>	<u>-</u>	<u>(1,016,961)</u>	<u>17,115,606</u>
Fund balances:										
Restricted				50,551			552,531	108,717		4,592,021
Committed	1,876,397		242,665			4,299,039	21,270			6,439,371
Unassigned		(421,577)			(595)					(529,203)
Total fund balances	<u>1,876,397</u>	<u>(421,577)</u>	<u>242,665</u>	<u>50,551</u>	<u>(595)</u>	<u>4,299,039</u>	<u>573,801</u>	<u>108,717</u>	<u>-</u>	<u>10,502,189</u>
Total Liabilities and Fund Balances	<u>\$ 1,876,397</u>	<u>\$ -</u>	<u>\$ 242,665</u>	<u>\$ 110,349</u>	<u>\$ 633,184</u>	<u>\$ 5,050,496</u>	<u>\$ 573,801</u>	<u>\$ 108,717</u>	<u>\$ (1,016,961)</u>	<u>\$ 27,617,795</u>

CITY OF BRIDGEPORT, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	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	\$ 897,897	\$ 10,530,512	\$ 38,582	\$ 1,271,712	\$ 5,844,250	\$ 1,229,634	\$ 979,475	\$ 21	\$ 2,346,817
Interest									775
Other	156,501	367,423	1,529,955	138,497			577,522	89,610	314,000
Total revenues	<u>1,054,398</u>	<u>10,897,935</u>	<u>1,568,537</u>	<u>1,410,209</u>	<u>5,844,250</u>	<u>1,229,634</u>	<u>1,556,997</u>	<u>89,631</u>	<u>2,661,592</u>
Expenditures:									
General government									
Health and social services	1,223,515					942,797			
Libraries									
Education									
Special services		10,883,258	187,232	1,409,583	3,731,164		937,059		2,092,612
Total expenditures	<u>1,223,515</u>	<u>10,883,258</u>	<u>187,232</u>	<u>1,409,583</u>	<u>3,731,164</u>	<u>942,797</u>	<u>937,059</u>	<u>-</u>	<u>2,092,612</u>
Net Change in Fund Balances	(169,117)	14,677	1,381,305	626	2,113,086	286,837	619,938	89,631	568,980
Fund Balances at Beginning 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>
Fund Balances at End of Year	<u>\$ 125,679</u>	<u>\$ 669,793</u>	<u>\$ 504,476</u>	<u>\$ (107,031)</u>	<u>\$ 346,605</u>	<u>\$ 292,949</u>	<u>\$ 230,153</u>	<u>\$ 330,777</u>	<u>\$ 1,379,790</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, 2013

	<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>	<u>Education</u>			
Revenues:											
Intergovernmental	\$	\$	\$	\$	\$ 595,341	\$	\$	\$	\$	\$ 23,734,241	
Interest		427	36	4			29,073	16		30,331	
Other		116,867			56,344					3,346,719	
Total revenues		<u>117,294</u>	<u>-</u>	<u>36</u>	<u>4</u>	<u>651,685</u>	<u>-</u>	<u>29,073</u>	<u>16</u>	<u>-</u>	<u>27,111,291</u>
Expenditures:											
General government					652,280						652,280
Health and social services											2,166,312
Libraries		85,161	421,577				55,376				562,114
Education			2,388					32			2,420
Special services				1,160							19,242,068
Total expenditures		<u>85,161</u>	<u>421,577</u>	<u>2,388</u>	<u>1,160</u>	<u>652,280</u>	<u>-</u>	<u>55,376</u>	<u>32</u>	<u>-</u>	<u>22,625,194</u>
Net Change in Fund Balances		32,133	(421,577)	(2,352)	(1,156)	(595)	-	(26,303)	(16)	-	4,486,097
Fund Balances at Beginning 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>-</u>	<u>6,016,092</u>
Fund Balances at End of Year	\$	<u>1,876,397</u>	<u>\$(421,577)</u>	<u>\$ 242,665</u>	<u>\$ 50,551</u>	<u>\$(595)</u>	<u>\$ 4,299,039</u>	<u>\$ 573,801</u>	<u>\$ 108,717</u>	<u>\$ -</u>	<u>\$ 10,502,189</u>

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, 2013

	<u>Balance</u> <u>June 30, 2012</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2013</u>
Student Activities Fund				
Assets:				
Cash and Cash Equivalents	\$ <u>353,036</u>	\$ <u>1,134,401</u>	\$ <u>1,050,801</u>	\$ <u>436,636</u>
Liabilities:				
Due to Student Groups	\$ <u>353,036</u>	\$ <u>1,134,401</u>	\$ <u>1,050,801</u>	\$ <u>436,636</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 POSITION BY COMPONENT

LAST TEN YEARS

(Accrual Basis of Accounting)

	FISCAL YEAR									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Governmental Activities:										
Invested in capital assets, net of related debt	\$ 637,950,314	\$ 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
Restricted	5,161,248	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
Unrestricted	(439,224,801)	(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)
Total Governmental Activities Net Position	<u>203,886,761</u>	<u>154,745,023</u>	<u>140,012,799</u>	<u>150,204,817</u>	<u>144,921,915</u>	<u>120,567,012</u>	<u>44,057,892</u>	<u>(20,681,005)</u>	<u>(64,271,471)</u>	<u>(74,061,645)</u>
Business-type activities:										
Invested in capital assets, net of related debt	83,954,414	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
Restricted			923,098	820,556	1,433,775	1,290,387	582,299	1,005,237	2,513,522	
Unrestricted	<u>8,373,469</u>	<u>8,865,646</u>	<u>6,991,988</u>	<u>6,079,946</u>	<u>4,424,261</u>	<u>566,363</u>	<u>196,996</u>	<u>(531,792)</u>	<u>(2,669,623)</u>	<u>(7,977,022)</u>
Total Business-Type Activities Net Position	<u>92,327,883</u>	<u>89,507,724</u>	<u>83,516,219</u>	<u>80,652,012</u>	<u>80,307,483</u>	<u>75,666,021</u>	<u>72,427,103</u>	<u>70,713,303</u>	<u>69,150,505</u>	<u>58,701,414</u>
Primary Government:										
Invested in capital assets, net of related debt	721,904,728	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
Restricted	5,161,248	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
Unrestricted	<u>(430,851,332)</u>	<u>(391,889,161)</u>	<u>(336,806,296)</u>	<u>(291,822,568)</u>	<u>(298,352,692)</u>	<u>(226,258,570)</u>	<u>(167,996,995)</u>	<u>(151,888,781)</u>	<u>(178,511,207)</u>	<u>(150,988,924)</u>
Total Primary Government Net Position	<u>\$ 296,214,644</u>	<u>\$ 244,252,747</u>	<u>\$ 223,529,018</u>	<u>\$ 230,856,829</u>	<u>\$ 225,229,398</u>	<u>\$ 196,233,033</u>	<u>\$ 116,484,995</u>	<u>\$ 50,032,298</u>	<u>\$ 4,879,034</u>	<u>\$ (15,360,231)</u>

CITY OF BRIDGEPORT, CONNECTICUT

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS

(Accrual Basis of Accounting)

	FISCAL YEAR									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Expenses:										
Governmental activities:										
General government	\$ 50,229,529	\$ 47,585,310	\$ 72,446,991	\$ 59,866,015	\$ 91,804,266	\$ 86,823,753	\$ 40,345,741	\$ 41,722,180	\$ 38,157,661	\$ 35,479,327
Public safety	128,334,652	127,416,487	123,045,441	113,047,552	74,990,792	83,787,624	84,118,885	84,409,628	94,461,547	91,839,086
Public facilities	42,355,324	40,813,295	36,878,325	35,788,530	31,183,603	23,239,850	33,603,711	23,565,756	28,882,305	35,646,905
Parks and recreation	3,804,545	3,630,343	3,610,102		5,898,866	6,024,774	6,716,385	6,583,851	6,521,261	6,616,402
Planning and economic development	7,373,284	7,514,927	11,567,506	3,441,668						
Health and social services	358,684,463	341,738,042	343,046,242	12,951,797	12,656,636	18,589,707	20,437,426	18,690,534	19,301,232	11,974,813
Education	21,196,639	16,736,988	20,432,503	331,514,612	319,481,793	364,900,855	316,003,326	275,174,924	271,053,265	280,498,182
Special services	36,008,703	41,869,525	41,407,157	26,640,656	19,319,483	30,381,114	41,536,847	23,419,505	20,221,443	18,290,399
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
Total governmental activities expenses	647,987,139	627,304,917	652,434,267	621,871,375	601,559,741	653,801,555	583,466,386	515,466,578	519,431,140	521,872,960
Business-type activities:										
Water Pollution Control Authority	28,399,775	26,387,727	26,011,481	27,836,743	24,894,883	25,457,947	23,879,708	22,869,459	22,115,101	20,959,181
Total primary government expenses	676,386,914	653,692,644	678,445,748	649,708,118	626,454,624	679,259,502	607,346,094	538,336,037	541,546,241	542,832,141
Program revenue:										
Governmental activities:										
Charges for services:										
General government	3,766,901	3,632,801	5,681,830	3,728,748	3,330,184	8,914,116	11,067,469	23,874,846	20,788,251	32,370,459
Public safety	6,077,391	6,263,832	6,217,889	5,281,305	7,713,796	9,856,899	4,905,692	4,476,760	4,533,724	5,163,250
Public facilities, parks and recreation	4,217,714	4,008,679	5,225,479	4,350,689	2,792,042	2,985,124	10,182,342	6,647,338	6,697,358	6,266,939
Parks and recreation					2,514,238	2,318,393	1,518,799	1,726,183	1,902,781	1,945,085
Planning and economic development	2,904,860	4,102,402	2,292,655	2,749,419						
Health and social services	2,013,222	865,318	1,502,929	924,169	570,541	817,350	1,991,980	2,155,194	1,529,848	1,570,304
Education	704,164	702,587	756,596	817,448	900,591	1,018,406	1,276,551	1,423,341	654,426	1,297,255
Special services	1,468,921	-	832,216				1,061,769	178,938	1,012,749	1,918,834
Operating grants and contributions:										
General government	704,873	425,724	975,269	773,282	3,152	11,467		14,992	5,093	2,525,000
Public safety	64,006	77,404	530,148	4,148,209			5,698,748	4,380,797	4,302,286	2,679,253
Public facilities	1,619,514	4,279,642	1,560,017	738,415	816,659	1,528,445				
Parks and recreation										
Planning and economic development	12,587,947	12,320,951	7,291,614	20,985,448						
Health and social services	3,892,593	5,916,291	8,662,148	9,402,270	11,890,493	14,951,983				
Education	276,324,293	257,452,149	265,667,950	255,015,046	251,852,265	309,252,770	215,343,447	210,955,679	217,758,757	212,719,622
Special services	8,993,807	3,880,602	6,890,585	1,627,623	25,798,114	25,282,869	41,522,707	20,301,961	12,504,646	12,584,405
Interest on long-term debt	1,526,001	1,570,900	1,703,694	798,503	1,350,146					
Capital grants and contributions:										
General government				849,366						
Education	60,215,806	35,750,724	26,475,637	24,941,420	35,296,564	87,193,304	64,067,911	36,550,562	20,973,871	13,108,097
Public facilities	1,205,943	1,188,554	324,725			8,343,237	16,809,428			
Public safety							2,500,000			
Special services	310,000									
Total governmental activities program revenue	388,597,956	342,438,560	342,591,381	337,131,360	344,828,785	472,474,363	377,946,843	312,686,591	292,663,790	294,148,503

(Continued on next page)

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

LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	FISCAL YEAR									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Business-type activities:										
Charges for services:										
Water Pollution Control Authority	\$ 28,159,305	\$ 28,083,135	\$ 28,076,908	\$ 26,813,200	\$ 28,099,203	\$ 27,538,494	\$ 24,437,184	\$ 22,715,548	\$ 27,855,870	\$ 19,272,070
Capital grants and contributions:										
Water Pollution Control Authority	3,052,731	4,284,004	775,944	1,342,985	1,404,430	1,158,371	1,156,324	1,557,806	937,936	544,524
Total business-type activities program revenues	<u>31,212,036</u>	<u>32,367,139</u>	<u>28,852,852</u>	<u>28,156,185</u>	<u>29,503,633</u>	<u>28,696,865</u>	<u>25,593,508</u>	<u>24,273,354</u>	<u>28,793,806</u>	<u>19,816,594</u>
Total primary government program revenues	<u>419,809,992</u>	<u>374,805,699</u>	<u>371,444,233</u>	<u>365,287,545</u>	<u>374,332,418</u>	<u>501,171,228</u>	<u>403,540,351</u>	<u>336,959,945</u>	<u>321,457,596</u>	<u>313,965,097</u>
Net (expense) revenue:										
Governmental activities	(259,389,183)	(284,866,357)	(309,842,886)	(284,740,015)	(256,730,956)	(181,327,192)	(205,519,543)	(202,779,987)	(226,767,350)	(227,724,457)
Business-type activities	2,812,261	5,979,412	2,841,371	319,442	4,608,750	3,238,918	1,713,800	1,403,895	6,678,705	(1,142,587)
Total primary government net expense	<u>(256,576,922)</u>	<u>(278,886,945)</u>	<u>(307,001,515)</u>	<u>(284,420,573)</u>	<u>(252,122,206)</u>	<u>(178,088,274)</u>	<u>(203,805,743)</u>	<u>(201,376,092)</u>	<u>(220,088,645)</u>	<u>(228,867,044)</u>
General Revenues and Other Changes in Net Position:										
Governmental activities:										
Property taxes	284,379,599	278,055,567	277,621,119	267,026,434	247,817,417	220,435,186	226,471,874	210,007,626	197,001,706	182,701,969
Grants and contributions not restricted to specific programs	23,820,702	21,237,067	21,546,933	22,625,844	32,403,834	32,440,856	35,588,659	32,127,837	35,361,300	31,099,591
Proceeds from sale of City-owned property	307,620	305,947	468,605						1,231,298	(800,638)
Unrestricted investment earnings				370,639	864,608	4,115,785	8,197,907	4,234,990	2,963,220	491,343
Miscellaneous	23,000									
Transfers			14,211							
Total governmental activities	<u>308,530,921</u>	<u>299,598,581</u>	<u>299,650,868</u>	<u>290,022,917</u>	<u>281,085,859</u>	<u>256,991,827</u>	<u>270,258,440</u>	<u>246,370,453</u>	<u>236,557,524</u>	<u>213,492,265</u>
Business-type activities:										
Investment earnings	7,898	12,093	22,836	25,087	32,712			158,903	108,940	92,229
Total primary government	<u>308,538,819</u>	<u>299,610,674</u>	<u>299,673,704</u>	<u>290,048,004</u>	<u>281,118,571</u>	<u>256,991,827</u>	<u>270,258,440</u>	<u>246,529,356</u>	<u>236,666,464</u>	<u>213,584,494</u>
Changes in Net Position:										
Governmental activities	49,141,738	14,732,224	(10,192,018)	5,282,902	24,354,903	75,664,635	64,738,897	43,590,466	9,790,174	(14,232,192)
Business-type activities	2,820,159	5,991,505	2,864,207	344,529	4,641,462	3,238,918	1,713,800	1,562,798	6,787,645	(1,050,358)
Total Primary Government	<u>\$ 51,961,897</u>	<u>\$ 20,723,729</u>	<u>\$ (7,327,811)</u>	<u>\$ 5,627,431</u>	<u>\$ 28,996,365</u>	<u>\$ 78,903,553</u>	<u>\$ 66,452,697</u>	<u>\$ 45,153,264</u>	<u>\$ 16,577,819</u>	<u>\$ (15,282,550)</u>

CITY OF BRIDGEPORT, CONNECTICUT
PROGRAM REVENUES BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

(Accrual Basis of Accounting)

Function/Program	FISCAL YEAR									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Governmental activities:										
General government	\$ 4,471,774	\$ 4,058,525	\$ 6,657,099	\$ 5,351,396	\$ 3,333,336	\$ 8,925,583	\$ 11,067,469	\$ 23,889,838	\$ 20,793,344	\$ 34,895,459
Public safety	6,141,397	6,341,236	6,748,037	9,429,514	7,713,796	9,856,899	13,104,440	8,857,557	8,836,010	7,842,503
Public facilities	7,043,171	9,476,875	7,110,221	5,089,104	3,608,701	12,856,806	26,991,770	6,647,338	6,697,358	6,266,939
Parks and recreation					2,514,238	2,318,393	1,518,799	1,726,183	1,902,781	1,945,085
Planning and economic development	15,492,807	16,423,353	9,584,269	23,734,867						
Health and social services	5,905,815	6,781,609	10,165,077	10,326,439	12,461,034	15,769,333	1,991,980	2,155,194	1,529,848	1,570,304
Education	337,244,263	293,905,460	292,900,183	280,773,914	288,049,420	397,464,480	280,687,909	248,929,582	239,387,054	227,124,974
Special services	10,772,728	3,880,602	7,722,801	1,627,623	25,798,114	25,282,869	42,584,476	20,480,899	13,517,395	14,503,239
Interest on long-term debt	1,526,001	1,570,900	1,703,694	798,503	1,350,146					
Total governmental activities	388,597,956	342,438,560	342,591,381	337,131,360	344,828,785	472,474,363	377,946,843	312,686,591	292,663,790	294,148,503
Business-type activities:										
⊗ Water Pollution Control Authority	31,212,036	32,367,139	28,852,852	28,156,185	29,503,633	28,696,865	25,593,508	24,273,354	27,855,870	19,272,070
Total Government	\$ 419,809,992	\$ 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

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

	FISCAL YEAR									
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
General Fund:										
Reserved	\$	\$	\$	\$ 30,876	\$	\$	\$	\$ 4,127,588	\$ 2,500,000	\$ 2,727,423
Unreserved				15,611,351	10,752,753	10,605,102	29,241,106	24,686,939	29,800,885	33,004,687
Nonspendable	350,000	350,000	350,000							
Restricted										
Committed										
Assigned		3,222,700	5,222,700							
Unassigned	<u>12,574,082</u>	<u>9,147,814</u>	<u>10,987,910</u>							
Total General Fund	<u>\$ 12,924,082</u>	<u>\$ 37,949,944</u>	<u>\$ 16,560,610</u>	<u>\$ 15,642,227</u>	<u>\$ 10,752,753</u>	<u>\$ 10,605,102</u>	<u>\$ 29,241,106</u>	<u>\$ 28,814,527</u>	<u>\$ 32,300,885</u>	<u>\$ 35,732,110</u>
All Other Governmental Funds:										
Reserved	\$	\$	\$	\$ 10,068,125	\$ 5,068,118	\$ 114,188,749	\$ 101,323,449	\$ 132,000,973	\$ 142,385,942	\$ 27,148,738
Unreserved, reported in:										
Special revenue funds				(5,968,762)	(1,854,831)	(14,537,239)	(8,379,055)	(19,480,868)	(8,817,211)	1,173,237
Capital projects funds				53,320,116	29,831,588	(12,518,325)	14,104,079	(13,936,725)	(60,633,269)	43,316,930
Permanent fund				59,770	47,182	35,573	3,126	661,212	707,234	655,609
Restricted	4,592,021	1,910,141	1,398,998							
Committed	67,334,090	97,217,290	60,355,682							
Unassigned	<u>(1,132,864)</u>	<u>(2,933,603)</u>	<u>(4,216,210)</u>							
Total All Other Governmental Funds	<u>\$ 70,793,247</u>	<u>\$ 42,088,130</u>	<u>\$ 57,538,470</u>	<u>\$ 57,479,249</u>	<u>\$ 33,092,057</u>	<u>\$ 87,168,758</u>	<u>\$ 107,051,599</u>	<u>\$ 99,244,592</u>	<u>\$ 73,642,696</u>	<u>\$ 72,294,514</u>

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

LAST TEN FISCAL YEARS

(Modified Accrual Basis of Accounting)

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

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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
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
2013	237,452,454	28,608,729	20,026,111	286,087,294
Change 2003-2013	<u>79.31%</u>	<u>14.67%</u>	<u>17.12%</u>	<u>63.97%</u>

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

CITY OF BRIDGEPORT, CONNECTICUT

TABLE 7

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN FISCAL YEARS
(In Thousands)

(Unaudited)

Fiscal Year	Residential Property	Commercial Property	Industrial Property	Miscellaneous Land	Personal Property	Motor Vehicle	Total Taxable Assessed Value	Percent Growth	Total Direct Tax Rate	Estimated Actual Taxable Value	Value as a Percentage of Actual Value
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%
2013	4,082,205	1,225,399	587,398	125,387	698,880	419,227	7,138,496	0.2%	41.86	10,197,851	70.00%

Source: City of Bridgeport Tax Assessor's Office

Note: The City of Bridgeport has no Overlapping Property Tax Rates

CITY OF BRIDGEPORT, CONNECTICUT

PRINCIPAL PROPERTY TAXPAYERS

FY 2012 and 2003

(Unaudited)

Taxpayer	2012			2004		
	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%	42,423,428	4	1.22%
PSEG Power Connecticut LLC*	152,689,120	3	0.85%	82,622,832	1	2.37%
People's United Bank	59,729,464	4	0.85%	63,876,471	3	1.84%
Connecticut Light & Power	55,423,829	5	0.79%			
Bridgeport Energy LLC	36,166,277	6	0.51%	76,241,958	2	2.19%
Southern CT Gas Co.-Energy EA	34,364,683	7	0.49%	25,196,002	6	0.72%
Watermark 3030 Park LLC*	30,809,473	8	0.44%			
AT&T Mobility LLC	29,750,520	9	0.42%	40,433,403	5	1.16%
Success Village Apts Inc.	24,276,970	10	0.35%			
Aquarian Water Co. of CT*				23,697,220	7	0.68%
Shoreline Star Greyhound				13,122,469	8	0.38%
Bridgeport Health Care				12,153,753	9	0.04%
1000 Lafayette				11,474,942	10	0.37%
TOTAL	\$ 956,155,724		11.47%	\$ 391,242,478		10.97%

* 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
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%
2013	2011	286,087,294	278,613,368	97.39%	2,826,411	281,439,779	98.38%

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	Net General Bonded Debt			Loan Payable	General Obligation Bonds			
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
2013	654,330	654,330	6.38%	4,493	44,866	3,874	703,070	24.00%	4,828

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CITY OF BRIDGEPORT, CONNECTICUT

DIRECT GOVERNMENTAL ACTIVITIES DEBT

FOR THE YEAR ENDED JUNE 30, 2013

(Unaudited)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>
General obligation debt	\$ 672,958,406
Less school construction grants receivable - principal portion only	<u>(8,105,375)</u>
Total Direct Debt	<u>\$ 664,853,031</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)

	FISCAL YEAR									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Debt limit	\$ 1,277,556	\$ 1,421,441	\$ 1,514,400	\$ 1,575,702	\$ 1,595,640	\$ 1,741,261	\$ 1,741,508	\$ 1,909,787	\$ 1,918,226	\$ 1,975,977
Total net debt applicable to limit	825,160	892,013	945,365	934,990	957,601	925,639	959,344	717,376	755,691	870,367
Legal debt margin	\$ <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>2,627,163</u>	\$ <u>2,673,917</u>	\$ <u>2,846,344</u>
Total net debt applicable to the limit as a percentage of debt limit	<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>	<u>44.05%</u>

CITY OF BRIDGEPORT, CONNECTICUT
COMPUTATION OF LEGAL DEBT LIMITATION
JUNE 30, 2013

Total tax collections (including interest and lien fees) for the year ended June 30, 2013					\$ 284,685,059
Reimbursement for revenue loss:					
Tax relief for the elderly					<u>810,220</u>
Base					<u>\$ 285,495,279</u>
Debt Limit					<u>\$ 1,998,466,953</u>
				Unfunded Past Benefit Obligation	
	General Purpose	Schools	Sewer	Urban Renewal	Unfunded Past Benefit Obligation
Debt Limitation					
2-1/4 times base	\$ 642,364,378	\$	\$	\$	\$
4-1/2 times base		1,284,728,756			
3-3/4 times base			1,070,607,296		
3-1/4 times base				927,859,657	
3 times base					856,485,837
Total debt limitation	<u>642,364,378</u>	<u>1,284,728,756</u>	<u>1,070,607,296</u>	<u>927,859,657</u>	<u>856,485,837</u>
Debt as Defined by Statute:					
Bonds and notes payable	249,296,848	125,368,152	45,080,981	2,396,000	282,850,000
Tax anticipation notes	25,000,000				
Bonds authorized but unissued ¹	44,158,540	89,312,325	16,348,343		
Less: school construction grants		<u>(8,105,375)</u>			
Total indebtedness	<u>318,455,388</u>	<u>206,575,102</u>	<u>61,429,324</u>	<u>2,396,000</u>	<u>282,850,000</u>
Debt Limitation in Excess of Indebtedness	<u>\$ 323,908,990</u>	<u>\$ 1,078,153,654</u>	<u>\$ 1,009,177,972</u>	<u>\$ 925,463,657</u>	<u>\$ 573,635,837</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>
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	12.57%
2013	144,229	48,088	18,721	32.1	20,320	12.37%

CITY OF BRIDGEPORT, CONNECTICUT

PRINCIPAL EMPLOYERS

2013 AND 2004

(Unaudited)

Employer	2013			2004*		
	Employees	Rank	Percentage of Total City Employment	Employees*	Rank	Percentage of Total City Employment
St. Vincent's Medical Center	2,224	1	3.84%	2,200	3	3.81%
Bridgeport Hospital, Inc.	2,017	2	3.84%	2,700	1	4.67%
People's United Bank	1,155	3	2.00%	2,400	2	4.15%
University of Bridgeport	725	4		-		
Bridgeport Health Care Center	550	5	1.25%	1,100	4	1.90%
Sikorsky Aircraft (United Technologies)	550*	5	0.95%	600	5	1.04%
Prime Line Resources	496	7	0.86%	-		
Lacey Manufacturing Company	350	8	0.60%	350	8	0.61%
Watermark	204	9	0.35%	-		
Housatonic Community College	200	10	0.35%	-		
AT & T				450	6	0.78%
RBS National Bank				425	7	0.74%
Bodine Assembly				275	9	0.48%
Pitney Bowes				220	10	0.38%

* = 2006 Data

* = 2011 Data

Sources: City of Bridgeport - Bridgeport CitiStat Office - Put note

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									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
General government:										
Central grants office	5	6	6	6	6	6	6	6	6	4
Office of The Mayor	9	8	8	8	9	9	8	8	8	6
Constituent Services	-	-	-	-	-	-	-	-	-	-
Civil service	7	9	9	8	8	9	8	7	8	8
Grants personnel/Benefits	14	11	11	9	7	7	7	7	10	10
City attorney	18	21	21	21	21	22	21	22	24	23
City clerk	6	5	6	6	6	6	6	7	6	6
Registrar of voters/Elections	5	5	5	5	6	6	6	6	6	6
Legislative department	-	2	1	2	2	2	2	1	2	1
Libraries	53	53	52	52	60	69	69	68	68	68
Office of policy and management	6.5	6.5	6.5	5.5	5.5	5.5	5.5	6	7	8
Archives and records	0.5	0.5	0.5	0.5	0.5	1	1	1	1	1
Town Clerk	7	7	7	7	8	8	8	8	8	8
CitiStat	4	4	4	4	5	-	-	-	-	-
Chief administrative officer	4	3	3	3	3	3	3	3	3	1
Minority Business Resource CTR.	3	2	2	2	-	-	-	-	-	-
Finance department	4	4	4	4	4	5	4	5	5	4
Comptroller's office	11	14.5	14.5	14.5	15	15	15	15	17	17
Treasurer's office	3.5	2	2	2	2	3	3	3	3	3
Tax assessor	11	13	13	13	14	15	15	15	15	14
Information technology services	15	16	15	15	19	21	20	21	24	25
Tax collector	16	18	18	18	18	19	18	16	15	15
Purchasing	5	6	6	6	7	8	8	8	8	7
Print shop	7.5	7.5	7.5	7.5	7.5	7.5	7	7	7	6
Labor relations	6	6	6	6	6	7	8	8	8	8
Barnum Institute	-	-	-	-	-	-	-	-	-	-
Employee org. & development	-	-	-	-	-	-	-	-	2	2
Protection of person and property:										
Police department / Animal Shelter	471	479	473	486	532	538	554	544	574	548
Fire department	281	295	299	310	329	330	326	326	370	375
Weights and measures	2	2	2	2	2	2	2	2	2	2
Emergency Operations Center	57	59	60	60	48	42	43	-	-	-
Conservation of health:										
Health administrative	2	2	2	2	3	3	3	4	5	4
Vital statistics	5	5	5	5	5	4	4	4	4	4
Communicable diseases	5.2	5	5	5	4	5	4	4	5	5
Public health nursing	-	-	-	-	-	37	37	37	39	39
Dental hygiene	-	-	-	-	7	7	7	7	8	8
Environmental health	8	8	7	7	7	7	7	8	9	9
Dental Clinic	-	-	-	-	-	-	-	-	-	-
Housing code enforcement	6	5	5	1	3	3	3	3	4	3
Laboratory	-	-	-	-	-	-	-	-	-	1
Lead Program	2	-	-	-	-	-	-	-	3	3
Clinics	-	-	-	-	1	6	6	6	4	2
School based health clinics	-	-	-	-	19	26	26	26	26	26

(Continued on next page)
 CITY OF BRIDGEPORT, CONNECTICUT

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

LAST TEN FISCAL YEARS

(Unaudited)

Function/Program	FISCAL YEAR									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Public facilities:										
City Engineer	5	6	6	6	5	6	6	6	6	6
Zoning commission	6	6	5	4	7	7	6	6	6	5
Zoning Board of Appeals	1	1	1	1	1	1	1	1	1	1
Building Department	11	13	13	13	14	14	10	-	10	10
Harbor Master	1	1	1	1	1	1	1	1	1	1
Transfer station	1	1	1	1	1	1	1	1	1	1
Public Facilities Administration	16	15.5	15.5	15.5	17	15	15	15	16	13
Sanitation/Recycling	29	34	34	34	36	36	36	36	36	36
Landfill operation	-	-	-	-	-	-	-	-	-	-
Recycling	-	-	-	-	-	-	-	-	-	-
Roadway maintenance	44	45	45	45	43	43	43	46	48	48
Clean & Green	-	-	-	-	-	-	-	-	-	-
Planning & Economic Development	20.5	19.5	18.5	20	22	18	16	16	20	19
Sikorsky Airport	13	14	14	14	15	15	15	15	15	15
Municipal garage	10	10	10	10	10	10	10	10	11	8
Maintenance	31	31	31	31	37	34	34	34	37	38
Construction Division	-	-	-	-	-	-	-	-	-	-
97 Charities and hospitals:										
Social Services	1.8	1	2	2	2	2	2	2	1	1
Parks and recreation:										
Recreation	3	3	3	3	3	3	3	3	3	3
Parks & Rec. Administration	4	4	4	4	5	6	6	6	3	3
Parks department	15	16	17	17	17	23	23	31	30	28
Park Mounted Unit / Stable	-	-	-	-	-	-	-	-	-	2
Beardsley Zoological Gardens	12	13	13	13	13	13	13	13	13	13
Fairchild Wheeler G.C.	2	3	3	3	3	3	2	-	-	-
Special services:										
Lighthouse/Youth services	6	4	4	4	4	4	4	3	2	2
Human Services Administration	2	2	2	2	2	2	2	2	3	4
Department on aging	7	6	6	6	6	6	6	6	6	6
Office for disabilities	1	0.5	0	0	1	1	1	-	1	1
Veterans Affairs	2	2	1	1	1	1	1	-	-	-
Parent Aide Program	-	-	-	-	1	1	-	-	-	-
Affirmative Action	-	-	-	-	-	-	-	-	-	-
Total	1,305	1,342	1,336	1,354	1,467	1,530	1,527.5	1,465	1,580	1,539

CITY OF BRIDGEPORT, CONNECTICUT
OPERATING INDICATORS BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

(Unaudited)

Function/Program	FISCAL YEAR									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Police:										
Calls for service	127,347	118,047	123,901	120,655	116,640	111,765	109,523	109,919	114,115	114,780
Adult arrest	6,959	5,927	5,295	7,751	6,505	5,317	4,397	4,237	4,230	6,422
Juvenile arrest	1,353	1,413	1,114	1,406	1,081	1,013	740	553	574	800
Fire:										
Total fire runs	10,619	10,507	10,094	10,064	9,239	10,263	11,260	14,136	13,373	15,770
Total rescue runs	918	1,049	931	831	868	868	1,217	1,135	2,066	1,222
Property loss	\$ 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	\$ 3,649,017
Building safety:										
Total building permits	2,466	2,381	2,724	2,386	2,454	2,683	2,522	2,425	N/A	3,127
Total value all permits	\$ 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	\$ 91,501,839.00
Library, volumes in collection										
	525,000	525,000	525,000	499,662	395,561	530,000	550,851	537,580	533,600	538,600
Public service:										
Garbage collected (ton)	66,841	69,171	65,055	67,093	59,533	58,543	59,756	60,436	58,736	55,698
Recycle collected (ton)	4,110	3,864	3,496	2,992	3,055	3,128	3,194	3,217	4,762	5,339
Parks and recreation:										
Recreation program attendance	1,897	2,100	2,375	2,575	2,550	1,500	1,850	1,950	2,000	2,000
Aquatics program attendance	750	900	600	600	800	900	600	700	700	750
Golf rounds played	60,249	53,375	23,436***	45,007***	49,708	53,706	60,059	54,776	59,286	50,703
Street trees maintained	675	405	490	615	1,430	1,430	1,430	1,800	1,800	1,700

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

(Unaudited)

Function/Program	FISCAL YEAR									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Police:										
Stations	3	3	3	3	3	2	2	1	1	1
Police Officer Sector Terminals (POST)	5	5	5	5	3	3	3	4	3	3
Number of personnel and officers	574	574	574	574	574	574	557	469	456	473
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	315	337	366	366	366	296	283
Equipment (pieces)	23	24	25	28	28	28	28	28	28	30
Refuse collection:										
Collection Trucks	15	15	15	15	15	15	15	15	15	18
Paul Catino										
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	1,700	1,750	1,750	1,750
Parks and recreation:										
Playgrounds	19	19	19	19	19	19	19	19	21	21
Parks	47	47	47	47	44	45	45	45	46	46
Park Acreage	1,330	1,330	1,330	1,330	1,330	1,330	1,330	1,330	1,330	1,330
Golf Courses	2	2	2	2	2	2	2	2	2	2
Swimming Pools	3	3	3	3	-	2	2	3	3	2
Tennis Courts	24	24	24	24	22	24	23	25	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	31	31	30	30
Ice Skating Rinks	1	1	2	2	2	1	1	1	1	1
Soccer/Football Fields	18	17	17	17	17	17	19	21	26	28
Library:										
Facilities	5	5	5	4	4	5	5	5	5	5
Volumes	525,000	525,000	525,000	499,662	395,561	530,000	550,851	537,580	533,600	538,600
Water:										
Average Daily Consumption (MGPD)	13,446	13,382	13,286	12,821	12,800	12,359	12,021	12,318	11,716	11,447
Wastewater:										
Sanitary Sewers (miles)	152	154	154	157	160	160	160	160	170	170
Storm Sewers (miles)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Combination Sanitary and Storm (miles)	131	129	129	126	123	123	123	123	113	113
Number of sewer wells	55,050	55,050	55,050	55,050	55,050	55,050	55,050	55,050	55,050	55,050
Number of Treatment Plants	2	2	2	2	2	2	2	2	2	2

Source: City Records

Note: n/a - Indicator not available