

CITY OF BRIDGEPORT, CONNECTICUT



COMPREHENSIVE ANNUAL FINANCIAL REPORT

**For the Fiscal Year
July 1, 2008 to June 30, 2009**

Prepared By:
DEPARTMENT OF FINANCE

MICHAEL E. FEENEY
Chief Financial Officer

CITY OF BRIDGEPORT, CONNECTICUT

FINANCIAL REPORT

JUNE 30, 2009

CITY OF BRIDGEPORT, CONNECTICUT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
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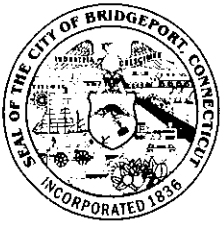
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Introductory Section



CITY OF BRIDGEPORT
CHIEF FINANCIAL OFFICER

45 Lyon Terrace
Bridgeport, Connecticut 06604
Telephone (203) 576-7251 Fax (203) 576-7067

BILL FINCH
Mayor

MICHAEL E. FEENEY
Chief Financial
Officer

December 28, 2009

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, 2009.

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

Blum Shapiro has issued an unqualified (“clean”) opinion on the City of Bridgeport, Connecticut’s financial statements for the year ended June 30, 2009. 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 is located approximately 60 miles east of New York City on the northern shore of Long Island Sound. With a 2000 U.S. Census population of 139,529 residents, Bridgeport is the largest city in Fairfield County and the State of Connecticut, averaging almost 7,200 people per square mile. Encompassing an area of 19.38 square miles (16.0 square miles of land and 3.38 square miles of water), Bridgeport’s 57,000 housing units are unequaled in the State of Connecticut.

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

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

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

Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented on Exhibit V as part of the basic financial statements for the General Fund.

Factors Affecting Financial Condition

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

Local Economy: The Bridgeport economy, like the State economy, continues to be impacted by the effects of the national, regional, and statewide recession that started in 2003. The City's unemployment rate has risen for the fiscal year ended June 30, 2009 to a 10.7% annual average from a 7.6% annual average for the fiscal year ended June 30, 2008. The State unemployment rate has shown an increase to 7.1% annual average for the fiscal year ended June 30, 2009 from an annual average of 4.9% in 2008. The City's taxable base continues to show growth; the October 1, 2008 Grand List increased 17.53%, which represents the fourteenth consecutive year that the grand list has increased. (The significant increase realized in 2008 is a result of the revaluation process per state statute that was initiated in 2007). The increase in the gross taxable grand list has increased 164.1% since 2000.

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.

Examples of recent significant public and private investments in Bridgeport are many.

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 other urban centers of Stamford and Norwalk, and the high incidence of traffic congestion on Interstate-95 and the Merritt Parkway, Bridgeport is increasingly an option for residents and businesses seeking a cost effective and convenient location to live and work. As an ideal location for permanent workforce housing for the region, the City is positioning its downtown to be an important asset in the sustained growth of the Fairfield County economy.

The downtown central business district has been the recipient of significant public sector investment over the last few years, a result of the City's focus on creating amenities and conveniences through intermodal transportation, entertainment and cultural facilities, and a growing middle income residential base.

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

The City recently completed the construction of a \$17 million *Bridgeport ITC Garage* (Intermodal Transportation Center). This 900-car commuter parking facility helps link the various modes of transportation (Amtrak, Metro North, water ferries, airport limousines, inter and intra-city buses and taxis) with downtown Bridgeport and the region. It also serves as additional event parking for the Ballpark at Harbor Yard and the Arena at Harbor Yard at night and on weekends. The garage was funded through Federal and State grants intended to reduce highway congestion. The City has secured the additional funding to add two more parking decks and approximately 500 spaces to the garage. The installation of the new decks has begun and will be completed in the spring of 2010. 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. The college's current enrollment of 4,800 students is an all-time high. The consistently strong growth in student enrollment at the college 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* is currently undergoing a \$10 million renovation, scheduled for completion in early 2010. The renovation is proceeding in tandem with more than \$40 million of other private investment occurring within a block's distance of the hotel.

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

The Lofts 881 adaptive reuse project was completed in the fall of 2008. The project, a conversion of an obsolete and vacant medical office building to 38 residential condominiums and retail space, was undertaken at a cost of approximately \$7 million. Started in 2005, the *Bijou Square Redevelopment Project* consists of the renovation of four historic buildings along Fairfield Avenue in downtown Bridgeport. One of the buildings houses the oldest movie theater in the nation. Approximately 20,000 square feet of restaurant, retail and office space has been renovated and occupied within the development. *Two Boots Pizzeria*, a New York based chain, opened their first restaurant outside of New York City in Bijou Square in December of 2007. *Antinozzi and Associates*, a leading regional architectural firm, moved from a suburban location into Bijou Square.

A new phase of Bijou Square, the construction of a 150,000 square foot mixed-use building began in the fall of 2007, and is expected to be completed in 2010. The \$25 million project will create 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.

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 three private real estate projects make use of the NMTC program. Bridgeport is one of only four cities in the State of Connecticut to utilize this financing tool.

The Forstone Group of Norwalk has recently acquired almost two (2) full city blocks of downtown real estate from People's United Bank and is currently creating a redevelopment reuse plan for these holdings. The Forstone Group has also acquired the former Mechanics & Farmers Bank Complex on State Street from the City and has presented plans for the redevelopment of the property into a mixed-use retail and residential complex.

Industrial Development and Energy Projects

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

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

In 2005, *Lecoq Cuisine Corporation* relocated from Stamford, rehabilitating and expanding a previously abandoned industrial building in the City's East End. The company is a wholesale, high-end bakery that distributes goods throughout the continental United States. The company currently occupies approximately 60,000 square feet, and in October 2009 presented plans to the State and the City for \$10 million of capital investment in plant, machinery and equipment. *United Rentals*, the largest equipment rental company in the world, commenced with the construction on a 40,000 square foot facility in the City in 2009. The facility, once completed, will be the company's largest in New England. The facility will house equipment that is expected to generate more than \$300,000 annually in personal property taxes for the City. The project is being developed on what was formerly the long-dormant Bridgeport Brass property, a Brownfield site that had been idle since 1980.

All-Phase Construction, a fabricator and installer of steel and iron building components constructed 30,000 square feet of modern manufacturing space in the *Seaview Industrial Park* in 2007. The company plans to break ground on a 25,000 square foot warehouse addition in 2010. 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 Clearlight Group, of Wilton, CT, received zoning approval in July 2008 to construct **Clearlight Digital Studios** on Seaview Avenue in the City's East End neighborhood. The \$7.5 million, 67,000 square foot facility is intended to be the most advanced soundstage facility in the Northeast, designed to serve the needs of the Connecticut film industry. The project is expected to begin construction in early 2010.

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.

North East Builders Supply and Home Centers continued the environmental clean-up of a five acre former metal junkyard at 1558 Barnum Avenue in the East End. \$2.3 million of US Environmental Protection Agency funding is being utilized to subsidize the remediation. Approximately 30,000 square feet of industrial warehouse space is currently under construction on the site and it is expected that approximately 90,000 square feet of commercial/industrial space will ultimately be constructed.

WestRock Development is currently renovating the former American Fabrics Complex on Connecticut Avenue in the East End. WestRock has named the project **Bridgeport Commerce Park**. This obsolete and underutilized 1930s manufacturing complex was acquired by the City via property tax foreclosure in 2006. WestRock purchased the property from the City in 2008, and is currently investing approximately \$3 million into renovations, aimed at improving energy efficiency, site circulation and security. The complex currently houses more than 20 business tenants, ranging from military contractors to manufacturers to artisans.

Since 2007, the State of Connecticut has certified 26 of the City's companies for the State-sponsored Urban Jobs property tax incentive program. The participating companies have been responsible for the creation or retention of approximately 600 jobs in the City.

Medical Sector and Senior Living Projects

As the center for hospital care in Eastern Fairfield County, the City's health care industry continues to grow. **Bridgeport Hospital**, an employer of over 2,600 people, has recently completed various upgrades to its 800,000 square foot complex.

St. Vincent's Medical Center, which employs more than 2,000, completed construction in 2009 on a \$140 million expansion project which added parking capacity, 90,000 square feet to its emergency facilities and established a home for the hospital's new cancer center.

The Watermark at 3030 Park, a senior living and assisted living center, completed a \$40 million expansion and rehabilitation project in 2009. The property had been tax exempt and subject to a minimal payment in lieu of taxes under prior ownership, but will pay approximately \$860,000 annually to the City under a payment in lieu of taxes agreement.

Waterfront Development/Steel Pointe

Derecktor Shipyards is a ship building and repair facility that occupies 23 acres of waterfront property on Bridgeport Harbor leased from the Bridgeport Port Authority. In its first year of Bridgeport operations in 2001, Derecktor created 130 full-time jobs. Full-time employment now exceeds 220, with an additional 130 contract employees working on projects at the Bridgeport facility. In 2003, Derecktor installed a \$2.5 million, 600-ton travel lift that is the second largest operating apparatus of its kind in the world, and largest in the western hemisphere. The travel lift has been a major contributor to the annual growth of the company's repair business. Derecktor has established itself as an industry leader in the construction of water taxis, high-speed ferries and other specialty and luxury crafts. The company has obtained local land use approvals for the construction of three new buildings on its property, part of a \$30 million capital expansion it plans to pursue that will allow it to capture a growing customer market and fulfill current contracts. In October 2009, the State of Connecticut committed \$1 million to the project, allowing the company to access approximately \$3 million in federal stimulus funding for the project from the US Department of Transportation Maritime Administration.

In September 2009, the Simon Konover Company ("Konover") announced plans for *Seaview Plaza*, a 152,000 square foot retail development in Bridgeport's East Side neighborhood. The plans include an anchor grocery store, pharmacy, a waterfront restaurant and public access to the waterfront. The City's Port Authority which owns the underlying land and Konover are currently negotiating a Development Agreement. Construction is anticipated to begin in 2010.

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

Upon execution of the new agreement, BLD paid the City \$500,000 in the form of a nonrefundable deposit. The development program calls for an ultimate build-out of approximately 2.8 million square feet of commercial and residential improvement in four separate phases only after demonstrating to the City that tenants and financing have been secured. The agreement requires BLD to acquire a portion of the waterfront real estate and to commence construction there of certain public improvements, infrastructure, and a restaurant in 2011. On an eleven (11) acre parcel of real estate adjacent to Interstate 95, BLD is required to commence construction on 135,000 square feet of retail space prior to 2012. The agreement provides that other phases of the project will proceed following the construction of the first two phases. During 2010, the City will construct a 2,000 square foot refrigerated warehouse on the property for Bloom Shellfish, an oyster farming company. The warehouse will be subject to full property taxation. One hundred percent of the funding for the warehouse's construction has been secured from the State of Connecticut.

The new agreement commits BLD to advance all of the funds necessary to fund the public improvements for the initial retail phase and to advance a minimum of \$3 million in funding for public infrastructure improvements related to the waterfront portion of the project. The City secured this commitment from BLD in light of the anticipated difficulty in issuing property tax incremental financing bonds to fund public improvements in the current economic climate. Pursuant to Public Act 05-289 of the 2005 state legislature session, the City is authorized to create the Steel Pointe Infrastructure Improvement District (the “District”), a special taxing district with the ability to issue as much as \$190 million of bonds secured by property tax incremental financing and additional assessments on property within the District. District bond proceeds would be utilized to create and construct the public improvements on the Steel Pointe site. Upon the issuance of District bonds, BLD would be reimbursed for its eligible expenditures previously advanced for the waterfront public improvements and related infrastructure. If the district bonds are not issued, the City is obligated to reimburse BLD for those advances. District bonds are not expected to be guaranteed by the City.

In addition to the availability of the district bonds, the Connecticut state legislature has authorized up to \$40 million of state sales tax incremental financing for the project, subject to approval by the Connecticut Development Authority, which may potentially subsidize construction of certain retail developments. The sales tax incremental financing also may effectively reduce the project’s dependency on local property tax incremental financing for the construction of necessary public infrastructure.

For more information on current development activity in the city of Bridgeport, please see the City’s web site at: www.ci.bridgeport.ct.us, scroll down on the left side to “Hot Topics” and click on “Bridgeport Development”.

Cash Management Policies and Practices: It is the policy of the City of Bridgeport 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. Idle cash was invested on a short-term basis, during the year, in temporary, legally permitted investments. Money market investments managed by TD Banknorth, US Bank and People’s United Bank comprised the major share of the City’s short-term investments as well as money invested in the Short-Term Investment Fund (STIF) operated by the Office of the State Treasurer.

Risk Management: The City is insured for building and contents in the amount of approximately \$383,123,000 with a \$250,000 deductible. The Sikorsky Memorial Airport is insured for a \$100,000,000 general liability policy with a hangers-keeper liability deductible of \$1,000 on any one occurrence. The City has theft and dishonesty bonds for \$250,000 each for the Police Department and City Hall employees. It also has a Tax Collector’s bond in the amount of \$2,205,000.

The City is self-insured for general liability, professional liability, worker’s compensation and heart and hypertension claims. The City has contracted with an outside company to oversee its workers' compensation and heart and hypertension claims.

The City provides comprehensive life, hospital, and major health benefits for its employees pursuant to various union contracts. The City is self insured for its employees' health and medical benefits and has contracted with HealthNet to act as a third party administrator of the plan.

The benefits officer and safety officer are pro-active in implementing programs to improve employee's health and prevent injuries. Blood pressure screening, flu shots and safety committees for all major departments of the City are examples of some of these programs.

Pension and Other Post-Employment Benefits: All full-time employees of the City, except for the Board of Education personnel, police, firefighters and janitors and engineers, participate in the Connecticut Municipal Employees' Retirement Fund B (CMERF). This is a cost-sharing multiple employer public employee retirement system. The City's payroll for employees covered under this plan for the year ended June 30, 2009 was \$74.9 million, which represents 28.8 percent of the total City payroll of \$260.5 million.

In addition to CMERF, the Board of Education teachers and certified administrators participate in a contributory defined benefit plan that is a State-financed teachers' retirement system. For the year ended June 30, 2009, the City's payroll for employees covered under this plan was \$114.4, which represents 43.9 percent of the total City payroll.

All other full-time employees belong to one of the following single employer defined benefit plans:

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

Pension plans ii and iii above are funded on an actuarial basis. Pension plan iv 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. Plan i is a closed plan with no new enrollments having been allowed since January 1, 1984. During the year ended June 30, 2001, the City issued \$350,000,000 of taxable pension obligation bonds. These assets are invested and, along with the revenues produced, will be used to fund future benefit payments to members of Plan i.

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, 2008. 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 ten years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

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, Internal Audit Department and In-Plant Print Shop. We want to express our appreciation for the cooperation, assistance and support of other City departments.

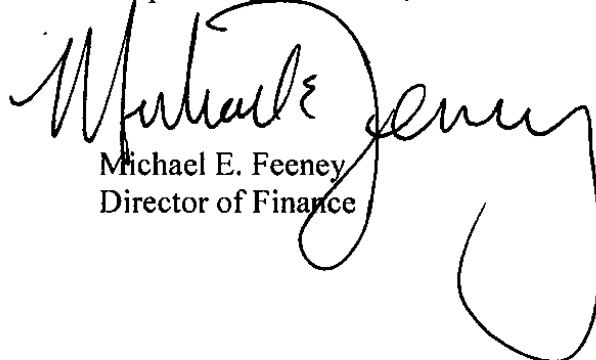
We would like to acknowledge the thorough and professional manner in which our independent auditors, Blum Shapiro, conducted the audit.

The cover photograph is a shot of the City's publically owned D. Fairchild Wheeler Golf Course. Fairchild Wheeler offers two challenging 18 hole golf courses. The Red Golf Course features 6,568 yards of golf from the Championship Tees for a par 72. The course rating is 71.0 and the slope is 124. The Red Golf Course demands accurate tee shots which will leave most golfers with mid to short irons for their approach shots. The Black Golf Course features 6,559 yards of golf from the Championship Tees for a par 71. The course rating is 71.5 and the slope is 123. The Black course has beautiful winding hills, great scenic views and delivers a challenge with newly renovated fairway and greenside bunkers

The cover photograph was taken by Anthony Palumbo, Director of the In-Plant Print Shop.

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

Respectfully submitted,



Michael E. Feeney
Director of Finance

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Bridgeport
Connecticut

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2008

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



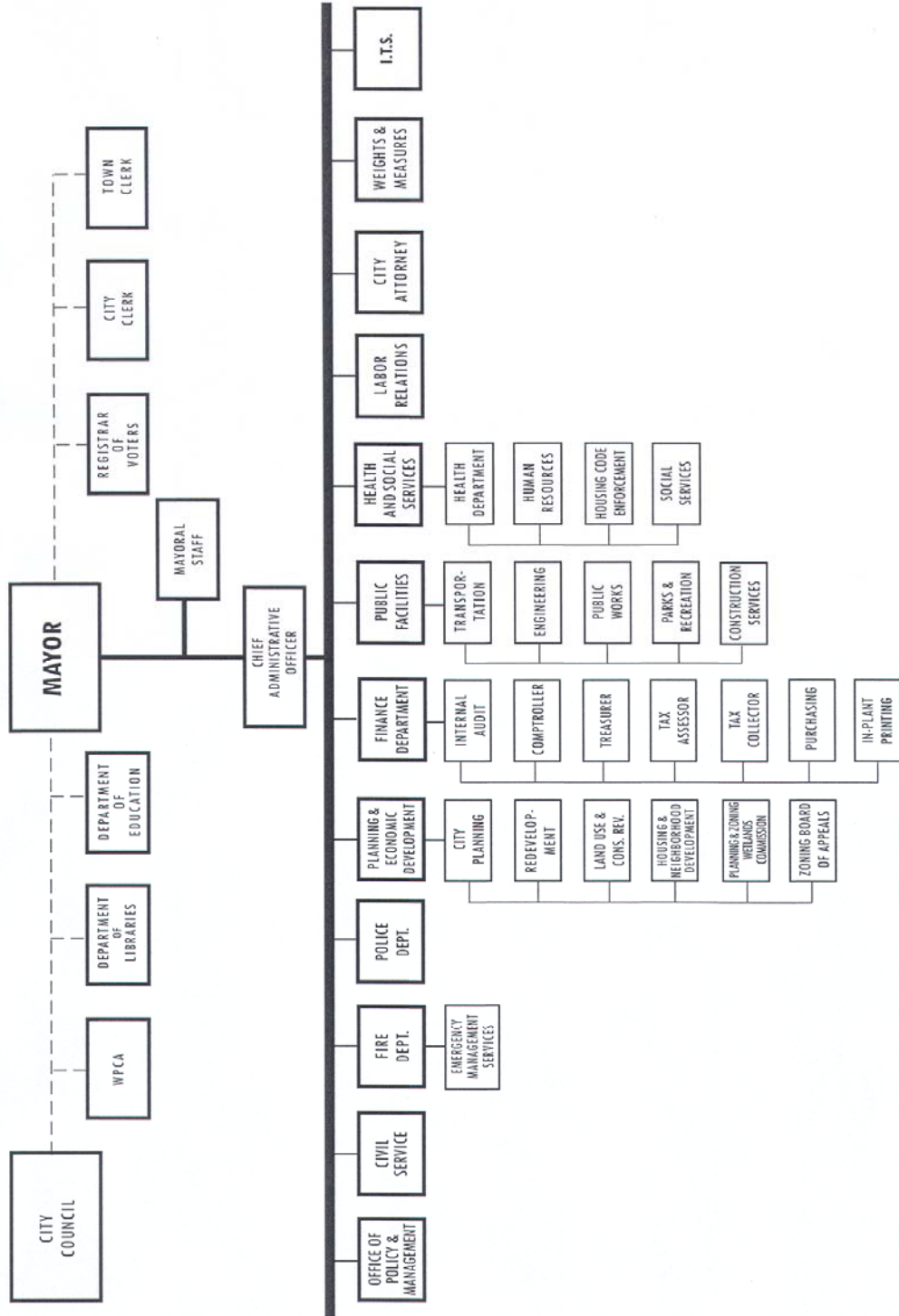
A stylized, handwritten signature in black ink, appearing to be "JHE".

President

A handwritten signature in black ink that reads "Jeffrey R. Emery".

Executive Director

CITY OF BRIDGEPORT TABLE OF ORGANIZATION



CITY OF BRIDGEPORT, CONNECTICUT

LIST OF PRINCIPAL OFFICERS

As of June 30, 2009

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	Michael E. Feeney	Appointed by Mayor
Deputy Director of Finance/Comptroller	Dawn Norton	Appointed by Director of Finance
Treasurer (Acting)	Anne Kelly-Lenz	Appointed by Mayor
City Attorney	Mark Anastasi	Appointed by Mayor
Director of Office of Policy and Management	Thomas Sherwood	Appointed by Mayor
School Superintendent	John J. Ramos, Sr., E.D.D.	Board of Education

Financial Section

BlumShapiro

Accounting | Tax | Business Consulting

Independent Auditors' Report

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Bridgeport, Connecticut, as of and for the year ended June 30, 2009, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Bridgeport, Connecticut's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Bridgeport, Connecticut, as of June 30, 2009, and the respective changes in financial position and cash flows, where applicable, thereof, and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Blum, Shapiro & Company, P.C.

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In accordance with *Government Auditing Standards*, we have also issued our report dated December 28, 2009 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, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management discussion and analysis on pages 3 through 15 is not a required part of the basic financial statements, but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, budgetary detail, combining and individual nonmajor fund 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 budgetary detail, combining and individual nonmajor fund statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Blum, Shapiro & Company, P.C.

December 28, 2009

City of Bridgeport, Connecticut
Management's Discussion and Analysis
June 30, 2009

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, 2009. We encourage readers to consider the information presented here along with additional information we have furnished in our letter of transmittal, as well as the City's basic financial statements that follow this section.

Financial Highlights

- ◆ On a government-wide basis, the assets of the City exceeded its liabilities resulting in total net assets at the close of the fiscal year of \$225,229,398. Total net assets for Governmental Activities at fiscal year-end were \$144,921,915 and total net assets for Business-Type Activities were \$80,307,483. The unrestricted net deficit at June 30, 2009 was \$(298,352,692).
- ◆ On a government-wide basis, during the year, the City's net assets increased by \$28,996,365 from \$196,233,033 to \$225,229,398, due primarily to approximately \$26.9 million in capital grants received for school construction projects. Net assets increased by \$24,354,903 for Governmental Activities and by \$4,641,462 for Business-Type Activities. Government-wide expenses for governmental activities were \$601.6 million, while revenues were \$625.9 million.
- ◆ At the close of the year, the City's governmental funds reported, on a current financial resource basis, combined ending fund balances of \$43.8 million, a decrease of \$53.9 million from the prior fiscal year. Of the total fund balance as of June 30, 2009, \$38.7 million represents the combined unreserved fund balance in the general fund, special revenue funds, capital projects fund and permanent trust fund. Of this balance, only \$10.7 million, \$47 thousand and \$29.8 million which represent the positive unreserved fund balance in the general fund, permanent trust and capital funds are available for spending at the City's discretion.
- ◆ At the end of the current fiscal year, the total fund balance for the General Fund alone was \$10.7 million, an increase of \$147,651 from the prior fiscal year. As of June 30, 2009, the General Fund's unreserved fund balance was \$10.7 million. Unreserved general fund fund balance at year-end represents 4.08% of total general fund expenditures (\$263 million).
- ◆ The City's total debt decreased by \$32.9 million during the current fiscal year.

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 2000.

Government-Wide Financial Statements

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

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

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

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

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

The government-wide financial statements (Statement of Net Assets and Statement of Activities) can be found on Exhibits I and II of this report.

Fund Financial Statements

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

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial

statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The City maintains 28 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, the Board of Education Fund, and the Capital Bond Issue Fund, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation as Nonmajor Governmental Funds. Nonmajor governmental funds for the City include the Education Grant Fund, the Health and Sanitation Fund, the Community Development Fund, the Other Programs 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 State Grant Fund, the Library Fund, the Education Fund, the Parks and Recreation Fund, all of which are considered Special Revenue Funds. In addition, the Education and Library Fund, the Health and Sanitation Fund, the Highway and Parking Fund, the General Government Fund, the Parks and Recreation Fund, the Municipal Airport Fund, the Capital Reduction Fund, the Bond Issue Fund, the School Bond Issue Fund, and the 1997 Bond Issue Fund are all considered Capital Projects Funds. 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 statement of revenues, expenditures and changes in fund balance on a budgetary basis can be found on Exhibit V.

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 insurance system. 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 VI - VIII 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 IX and X 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 28-66 of this report.

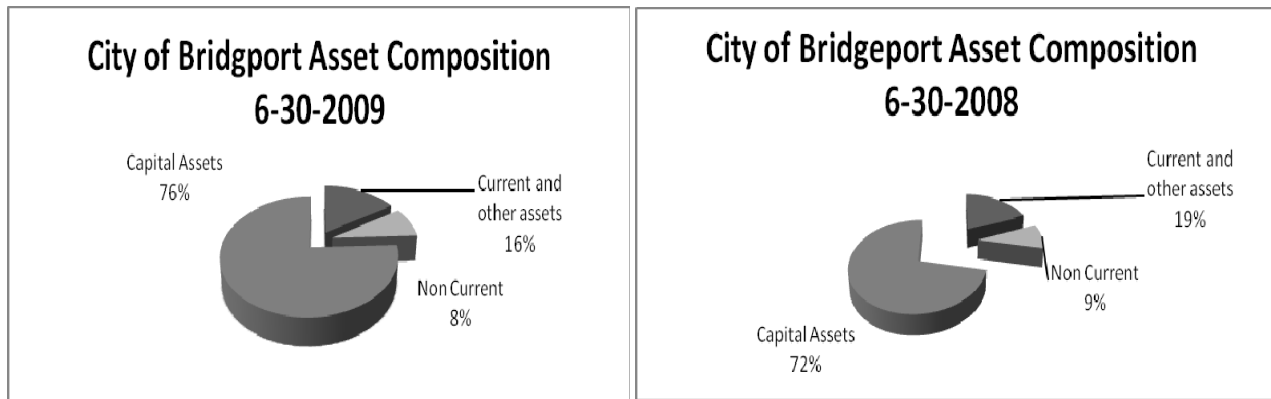
The notes to this report also contain certain information concerning the City's progress in funding its obligation to provide pension benefits to its employees.

Government-Wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position and an important determinant of its ability to finance services in the future. On a government-wide basis, the City's assets exceeded its liabilities by \$225,229,398 at June 30, 2009. This is an increase of \$28,996,365 from last year's net assets of \$196,233,033.

CITY OF BRIDGEPORT, CONNECTICUT NET ASSETS (In Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Current and other assets	\$ 187,072	\$ 219,221	\$ 6,133	\$ 2,905	\$ 193,205	\$ 222,126
Noncurrent	98,677	103,790	1,434	1,290	100,111	105,080
Capital assets	786,938	710,634	124,386	126,522	911,324	837,156
Total assets	<u>1,072,687</u>	<u>1,033,645</u>	<u>131,953</u>	<u>130,717</u>	<u>1,204,640</u>	<u>1,164,362</u>
Other liabilities	178,789	144,122	6,886	7,300	185,675	151,422
Long-term debt outstanding	748,976	768,956	44,760	47,751	793,736	816,707
Total liabilities	<u>927,765</u>	<u>913,078</u>	<u>51,646</u>	<u>55,051</u>	<u>979,411</u>	<u>968,129</u>
Net assets:						
Invested in capital assets net of related debt	444,538	344,231	74,449	73,809	518,987	73,809
Restricted	3,161	3,161	1,434	1,291	4,595	1,291
Unrestricted	<u>(302,777)</u>	<u>(226,825)</u>	<u>4,424</u>	<u>566</u>	<u>(298,353)</u>	<u>121,133</u>
Total net assets	<u>\$ 144,922</u>	<u>\$ 120,567</u>	<u>\$ 80,307</u>	<u>\$ 75,666</u>	<u>\$ 225,229</u>	<u>\$ 196,233</u>



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

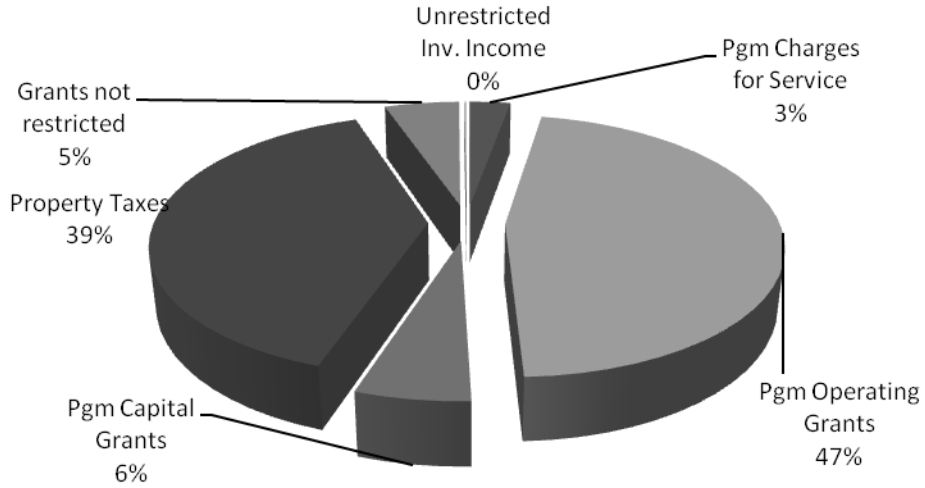
The portion of the City’s net assets of \$518,987,103 reflects its investment in capital assets (e.g., land, buildings, infrastructure, machinery and equipment), net of any outstanding debt related to these assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

- ◆ The portion of the City’s net assets that are restricted, \$4,594,987, represents resources that are subject to external restrictions on how they may be used. Unrestricted net deficits of \$(298,352,692) 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 \$311,800,000. On a government-wide basis, during the year, the City’s net assets increased by \$28,996,365 from \$196,233,033 to \$225,229,398. Net assets increased by \$24,354,903 for Governmental Activities and net assets increased by \$4,641,462 for Business-Type Activities. Government-wide expenses were \$626.5 million, while revenues were \$655.5 million. The increase in net assets can primarily be explained by the increase in grant revenue associated with capital projects.

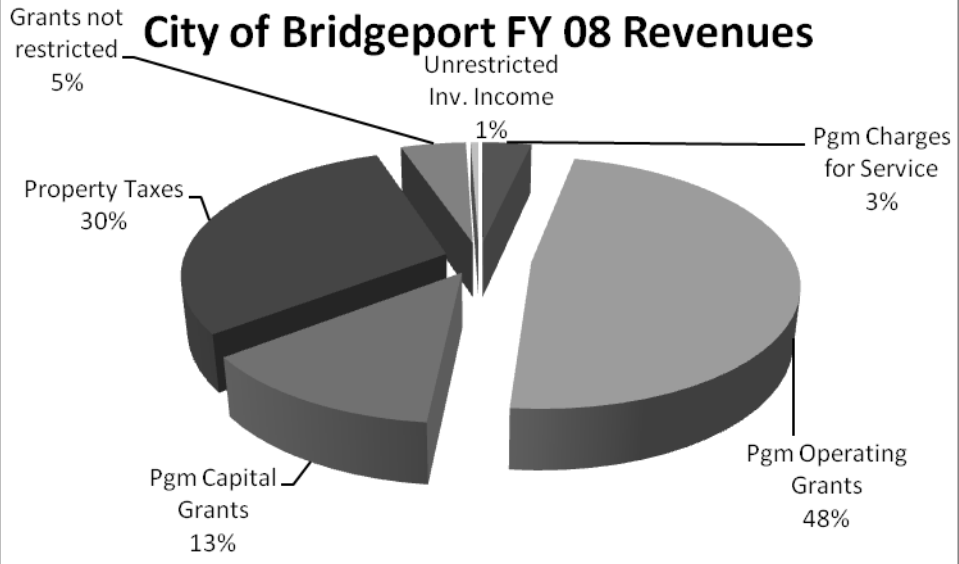
CITY OF BRIDGEPORT, CONNECTICUT
CHANGES IN NET ASSETS
(In Thousands)

	Governmental Activities		Proprietary Activities		Total Government-Wide	
	2009	2008	2009	2008	2009	2008
Revenues:						
Program revenues:						
Charges for services	\$ 17,821	\$ 25,910	\$ 28,099	\$ 27,539	\$ 45,920	\$ 53,449
Operating grants and contributions	291,711	352,005			291,711	352,005
Capital grants and contributions	35,297	95,537	1,404	1,158	36,701	96,695
General revenues:						
Property taxes	247,817	220,435			247,817	220,435
Grants not restricted to specific programs	32,404	31,463			32,404	31,463
Unrestricted investment earnings	865	4,116	33		898	4,116
Total revenues	<u>625,915</u>	<u>729,466</u>	<u>29,536</u>	<u>28,697</u>	<u>655,451</u>	<u>758,163</u>
Expenses:						
General government	91,803	86,824			91,803	86,824
Protection of person and property	74,991	83,787			74,991	83,787
Conservation of health, charities and hospitals	12,657	18,590			12,657	18,590
Public facilities, parks and recreation	37,083	29,265			37,083	29,265
Operations			24,895	25,458	24,895	25,458
Education	319,482	364,901			319,482	364,901
Interest on long-term debt	46,225	40,053			46,225	40,053
Special services	19,319	30,381			19,319	30,381
Total expenses	<u>601,560</u>	<u>653,801</u>	<u>24,895</u>	<u>25,458</u>	<u>626,455</u>	<u>679,259</u>
Change in net assets	24,355	75,665	4,641	3,239	28,996	78,904
Net Assets, beginning	<u>120,567</u>	<u>44,902</u>	<u>75,666</u>	<u>72,427</u>	<u>196,233</u>	<u>117,329</u>
Net Assets, Ending	<u>\$ 144,922</u>	<u>\$ 120,567</u>	<u>\$ 80,307</u>	<u>\$ 75,666</u>	<u>\$ 225,229</u>	<u>\$ 196,233</u>

City of Bridgeport FY09 Revenues

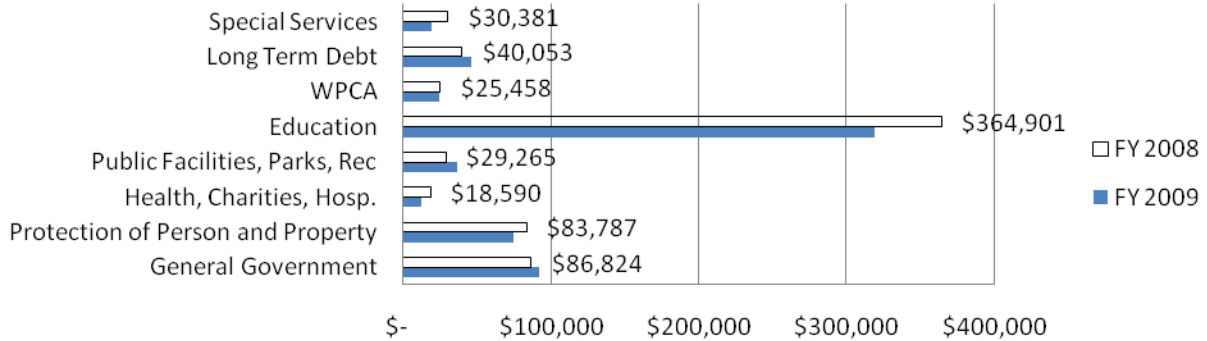


City of Bridgeport FY 08 Revenues

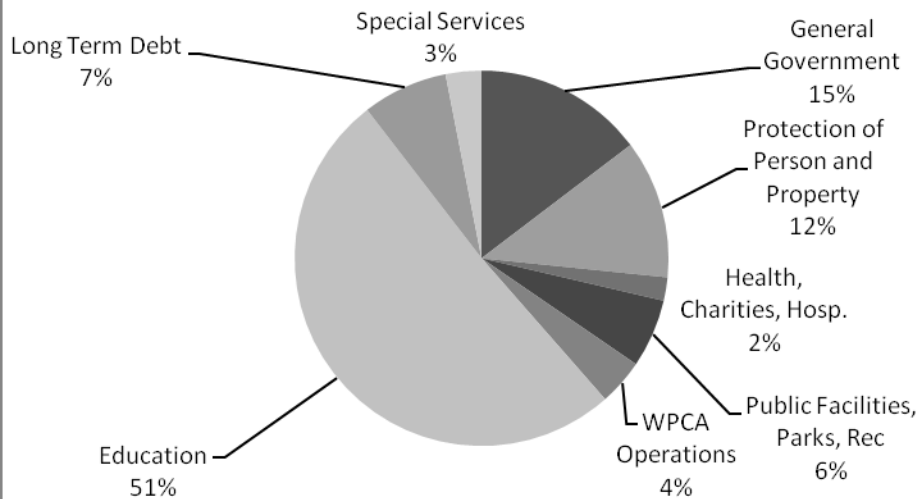


City of Bridgeport Primary Government Expenditures FY09 v FY08

(in millions)



City of Bridgeport Expenses - Primary Government June 30, 2009



Bridgeport's net assets increased by \$28,996,365 during the fiscal year, with the net assets of Governmental Activities increasing by \$24,354,903 million, and net assets of Business-Type Activities increasing by \$4,641,462. The increase in net assets represents the degree to which increases in revenues have outpaced ongoing expenditures.

Governmental Activities

Program revenues represented 56% of total revenues, followed by property taxes at 39%, and other unrestricted grants and investment earnings at 5%.

Major revenue factors included:

- ◆ Property tax revenues recorded for fiscal year 2009 reflect the first year of the State mandated revaluation and increased collection efforts. This represents an increase of \$21,714,968 from the prior fiscal year ended June 30, 2008.
- ◆ Capital grants and contributions decreased in the General Fund from \$87,193,304 in the prior fiscal year to \$35,296,564 for the fiscal year ended June 30, 2009.

For Governmental Activities, 51% of the City's expenditures relate to education; 12% relate to public safety; 3% relate to special services; 7% relate to interest payments on long-term debt; 6% relate to public facilities, parks and recreation; 4% related to WPCA operations; 15% relate to general government; and 2% relate to health and welfare.

Major expenditure factors include:

- ◆ Employee benefit costs rose between 5% and 10% due to rising health insurance costs.
- ◆ During the 2008-2009 budget process, discretionary expenses held stable.
- ◆ Police Overtime remained stable due to new deployment and community policing initiatives.
- ◆ Governmental activities increased the City's net assets by \$78,903,553.

Business-Type Activities

Water Pollution Control Authority (WPCA) revenue for charges for services went from \$27.5 million in fiscal year 2008 to \$28 million in fiscal year 2009.

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, unreserved 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 \$43.8 million, a decrease of \$53.9 million from the prior year. Due to the deficit nature of the total combined unreserved fund balance, only 27.73% of this total amount (which is the \$10.7 million General Fund unreserved fund balance) constitutes unreserved fund balance that is available for spending at the City's discretion. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed: 1) \$4,406,906 million to liquidate contracts and purchase orders of the prior period; 2) \$661,212 for endowments.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unreserved (and total) fund balance of the General Fund was \$10.7 million. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved (and total) fund balance represents 4.08% of total General Fund expenditures. For fiscal year ended June 30, 2009 there were no amounts reserved for General Fund encumbrances.

The Capital Bond Issue Fund has a total fund balance of \$26.9 million down from \$76.7 million in the prior year. The change in fund balance can be explained by the timing of resources into and out of this fund for ongoing capital projects.

The Other Governmental Funds have a total fund balance of \$6.1 million, down from \$7.59 million in the prior year.

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

Net assets of the proprietary fund consisting of the Water Pollution Control Authority were \$80.3 million, as compared to \$75.7 million in the prior year.

The unrestricted net assets of the Water Pollution Control Authority were \$4.4 million. The Water Pollution Control Authority experienced operating revenues of \$26.8 million from user fees. There was a total net gain for the WPCA of \$3.2 million before capital contributions of \$1.4 million. The change in net assets for the fiscal year ended June 30, 2009 was \$4.6 million.

Education fund. Intergovernmental revenues accounted for \$22.7 million while other financing sources accounted for \$222.8 million, of which was transferred into the fund from the General Fund. The net change in the fund balance accounted for \$(2,789,017). The fund balance for fiscal year ended June 30, 2009 was \$0.00.

General Fund Budgetary Highlights

During the year, actual revenues and other financing sources on a budgetary basis were \$480,237,261 million. This was approximately \$11.96 million under the modified budgetary estimate. Actual tax revenues were \$7.7 million under budget. Overall, fees permits and licenses was \$1.6 million under budgetary estimates primarily due to less than anticipated revenues granted to the city through user fees. In addition, certifications under the Town Clerk were \$706 thousand less than the \$1.25 million budgeted due to the reduction of fees associated with property transfers. Some of these underperforming revenues were offset by intergovernmental revenues that came in over the budgeted amount. The Educational Cost Sharing grant came in ahead of schedule by \$588 thousand, School construction refunds were \$413 thousand over while the Federal Breakfast program revenues tracked ahead of schedule by \$559 thousand.

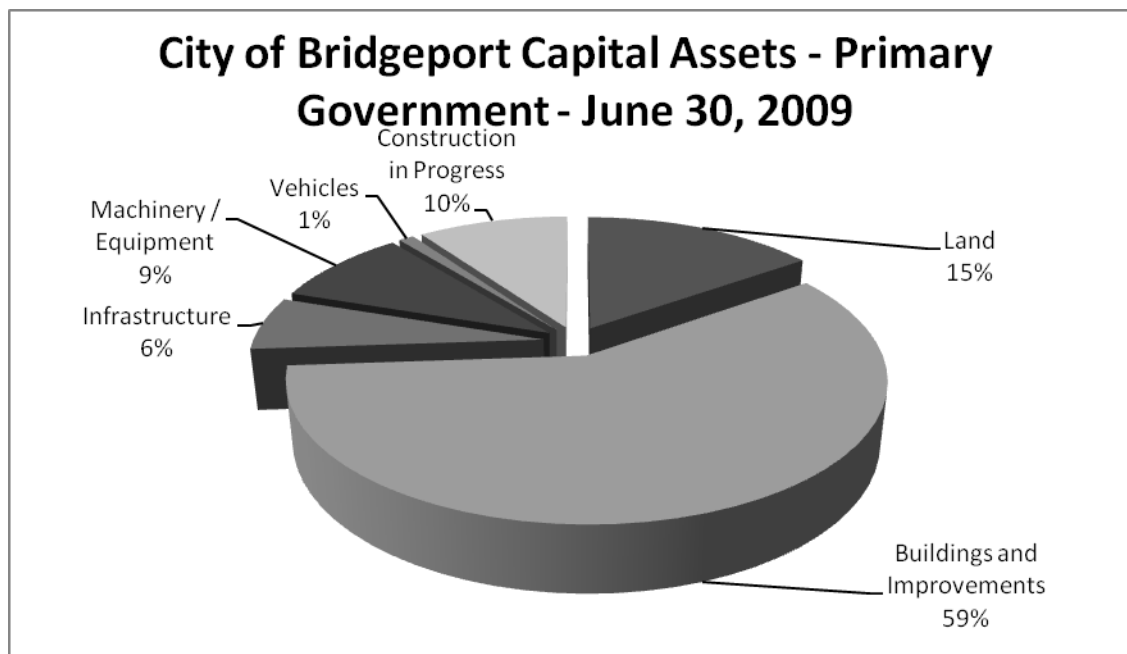
Actual expenditures on a budgetary basis and other financing uses totaled \$480,237,261 million, which were less than actual revenues and other financing sources on a budgetary basis by \$147,651.

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, 2009, amounted to \$911,322 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 \$74.2 million.

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

	Governmental Activities		Proprietary Activities		Total Primary Government	
	2009	2008	2009	2008	2009	2008
Land	\$ 139,235	\$ 138,852	\$	\$	\$ 139,235	\$ 138,852
Buildings and improvements	474,095	320,276	60,119	62,540	534,214	382,816
Infrastructure	56,784	53,549			56,784	53,549
Equipment, distribution and collection systems	20,672	7,666	61,832	59,443	82,504	67,109
Vehicles	8,734	9,199	287	376	9,021	9,575
Construction in progress	87,417	181,092	2,147	4,163	89,564	185,255
Total	\$ 786,937	\$ 710,634	\$ 124,385	\$ 126,522	\$ 911,322	\$ 837,156



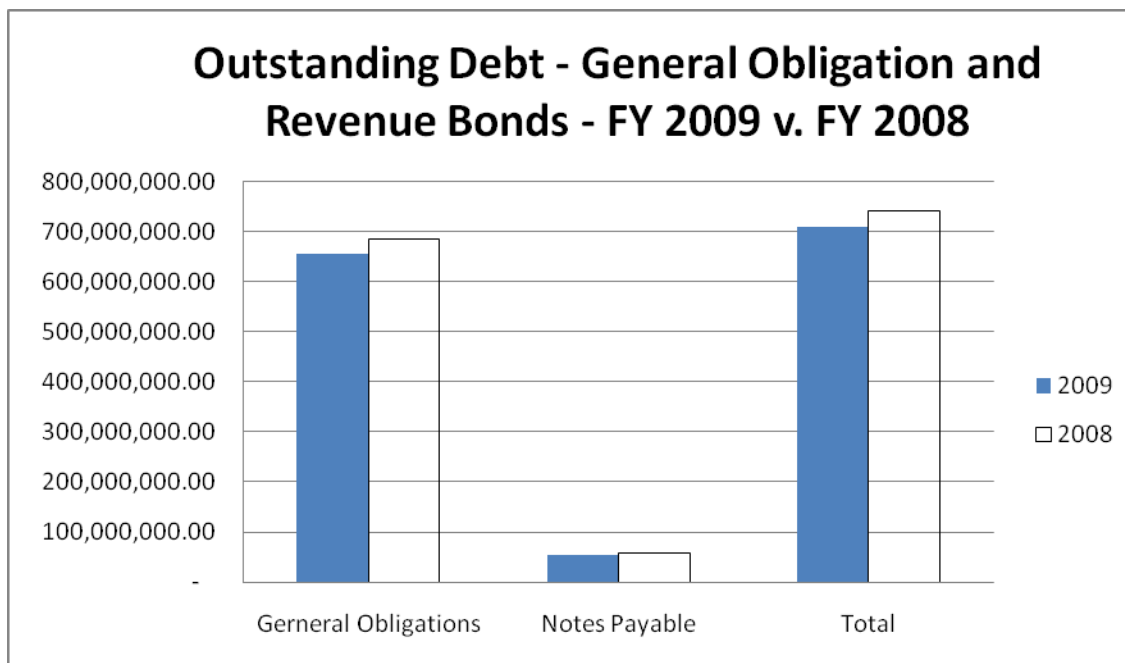
Major capital asset events during the current fiscal year included the following:

- ◆ 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 on pages 43-44 of this report.

**CITY OF BRIDGEPORT, CONNECTICUT
OUTSTANDING DEBT**

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
General obligation bonds	\$ 654,200,000	\$ 684,228,000	\$ 450,000	\$ 490,000	\$ 654,650,000	\$ 684,718,000
Notes payable	4,500,000	5,649,000	49,486,275	51,222,939	53,986,275	56,871,939
Totals	\$ 658,700,000	\$ 689,877,000	\$ 49,936,275	\$ 51,712,939	\$ 708,636,275	\$ 741,589,939



Long-term debt. At the end of the current fiscal year, the City had total bonded debt outstanding of \$654,200,000. 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 \$450,000 through user fee charges, the bonds for WPCA capital projects were issued through the City in June 2007.

The City's total debt decreased by \$32.9 million during fiscal 2008.

Moody's Investors Service, Inc. (Moody's), Standard & Poor's Rating Group (Standard & Poor's) and FitchRatings, Inc (Fitch) have each assigned their municipal bond ratings of "Aaa", "AAA", and "AAA" respectively to the City with the understanding that there is an insurance policy insuring the payment when due of the principal and interest of the bonds. Moody's, Standard & Poor's and Fitch have assigned the underlying ratings for the City's uninsured general obligation debt as "Baa1", "A-" and "BBB+", respectively.

The overall statutory debt limit for the City is equal to seven times annual receipts from taxation or \$1.74 billion. As of June 30, 2009, the City recorded long-term debt of \$658.7 million related to Governmental Activities and \$49.9 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 on pages 45-47 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, 2009, the unemployment rate for the Bridgeport Labor Market Area was 10.7%, up from 7.6% in the prior year. Connecticut's overall unemployment rate increased to 7.1% from 4.9%, compared with the same period for the previous year.

GASB Statements 43 and 45 Requirements

The City is in compliance with the requirements of GASB Statements 43 and 45, which require municipalities and other governmental entities to undertake an actuarial evaluation of their other post-employment benefit (OPEB) plans and include information concerning the valuation of such plans in their financial statements. Currently, the City funds its OPEB costs on a pay-as-you-go basis. For fiscal year ended June 30, 2009, \$30,099,100 was budgeted for OPEB costs. The City has retained an outside actuarial consulting firm to prepare the valuation of its OPEB plans. Based on this assessment, the City's estimated Annual Required Contribution is \$50,744,800 with a net OPEB obligation of \$38,705,900.

Requests for Information

The financial report is designed to provide a general overview of the City's finances for all those with an interest in government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance at 45 Lyon Terrace, Bridgeport, CT 06604.

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Basic Financial Statements

CITY OF BRIDGEPORT, CONNECTICUT

STATEMENT OF NET ASSETS

JUNE 30, 2009

	Governmental Activities	Business-Type Activities	Total
Assets:			
Current assets:			
Cash and cash equivalents	\$ 89,292,511	\$ 2,468,910	\$ 91,761,421
Temporarily restricted cash and cash equivalents	2,500,000		2,500,000
Investments	2,132,565		2,132,565
Receivables, net of allowances for collection losses:			
Property taxes	27,932,592		27,932,592
Sewer user fees and liens		6,484,420	6,484,420
Federal and state governments	52,064,308		52,064,308
Other	9,163,951	1,113,302	10,277,253
Internal balances	3,933,186	(3,933,186)	
Due from fiduciary fund	52,800		52,800
Total current assets	<u>187,071,913</u>	<u>6,133,446</u>	<u>193,205,359</u>
Noncurrent:			
Temporarily restricted cash and cash equivalents		1,433,775	1,433,775
Deferred charges, net of accumulated amortization	14,421,604		14,421,604
Capital assets not being depreciated	226,652,053	2,147,181	228,799,234
Capital assets being depreciated, net of depreciation	560,285,603	122,238,541	682,524,144
Pension assets	84,255,199		84,255,199
Total noncurrent assets	<u>885,614,459</u>	<u>125,819,497</u>	<u>1,011,433,956</u>
Total assets	<u>1,072,686,372</u>	<u>131,952,943</u>	<u>1,204,639,315</u>
Liabilities:			
Current liabilities:			
Accounts payable and accrued expenses	67,572,454	1,709,185	69,281,639
Unearned revenues	8,122,152		8,122,152
Notes payable	23,500,000		23,500,000
Accrued interest payable	19,035,262		19,035,262
Current maturities of long-term obligations	60,558,982	5,175,790	65,734,772
Total current liabilities	<u>178,788,850</u>	<u>6,884,975</u>	<u>185,673,825</u>
Noncurrent liabilities:			
Due in more than one year	748,975,607	44,760,485	793,736,092
Total liabilities	<u>927,764,457</u>	<u>51,645,460</u>	<u>979,409,917</u>
Net Assets:			
Investment in capital assets, net of related debt	444,537,656	74,449,447	518,987,103
Restricted for:			
Debt service and capital improvements		1,433,775	1,433,775
Permanent funds, expendable	108,681		108,681
Permanent funds, nonexpendable	552,531		552,531
Self-insured claims	2,500,000		2,500,000
Unrestricted	(302,776,953)	4,424,261	(298,352,692)
Total Net Assets	<u>\$ 144,921,915</u>	<u>\$ 80,307,483</u>	<u>\$ 225,229,398</u>

The accompanying notes are an integral part of the financial statements

CITY OF BRIDGEPORT, CONNECTICUT

STATEMENT OF ACTIVITIES

JUNE 30, 2009

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government	\$ (91,804,266)	\$ 3,330,184	\$ 3,152	\$	\$ (88,470,930)	\$	\$ (88,470,930)
Protection of person and property	(74,990,792)	7,713,796			(67,276,996)		(67,276,996)
Conservation of health	(12,656,636)	570,541	11,890,493		(195,602)		(195,602)
Public facilities	(31,183,603)	2,792,042	816,659		(27,574,902)		(27,574,902)
Education	(319,481,793)	900,591	251,852,265	35,296,564	(31,432,373)		(31,432,373)
Parks and recreation	(5,898,866)	2,514,238			(3,384,628)		(3,384,628)
Special services	(19,319,483)		25,798,114		6,478,631		6,478,631
Interest on long-term debt	(46,224,302)		1,350,146		(44,874,156)		(44,874,156)
Total governmental activities	<u>(601,559,741)</u>	<u>17,821,392</u>	<u>291,710,829</u>	<u>35,296,564</u>	<u>(256,730,956)</u>		<u>(256,730,956)</u>
Business-type activities:							
Water Pollution Control Authority	(24,894,883)	28,099,203		1,404,430		4,608,750	4,608,750
Total	<u>\$ (626,454,624)</u>	<u>\$ 45,920,595</u>	<u>\$ 291,710,829</u>	<u>\$ 36,700,994</u>	<u>(256,730,956)</u>	<u>4,608,750</u>	<u>(252,122,206)</u>
			General revenues:				
			Property taxes		247,817,417		247,817,417
			Grants and contributions not restricted to specific programs		32,403,834		32,403,834
			Unrestricted investment earnings		864,608	32,712	897,320
			Total general revenues		<u>281,085,859</u>	<u>32,712</u>	<u>281,118,571</u>
			Change in net assets		24,354,903	4,641,462	28,996,365
			Net assets, July 1, 2008		<u>120,567,012</u>	<u>75,666,021</u>	<u>196,233,033</u>
			Net Assets, June 30, 2009		<u>\$ 144,921,915</u>	<u>\$ 80,307,483</u>	<u>\$ 225,229,398</u>

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The accompanying notes are an integral part of the financial statements

CITY OF BRIDGEPORT, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2009

	<u>General</u>	<u>Board of Education</u>	<u>Capital Bond Issue</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and cash equivalents	\$ 46,691,900	\$ -	\$ 33,488,541	\$ 8,136,134	\$ 88,316,575
Investments				2,132,565	2,132,565
Receivables, net of allowances for collection losses:					
Property taxes	27,932,592				27,932,592
Intergovernmental	36,645,958		83,601	15,334,749	52,064,308
Other	2,642,457		1,087,645	4,939,015	8,669,117
Due from other funds	<u>18,236,843</u>		<u>2,274,724</u>	<u>1,778,828</u>	<u>22,290,395</u>
Total Assets	<u>\$ 132,149,750</u>	<u>\$ -</u>	<u>\$ 36,934,511</u>	<u>\$ 32,321,291</u>	<u>\$ 201,405,552</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 36,419,125	\$ -	\$ 5,332,900	\$ 8,286,178	\$ 50,038,203
Accrued liabilities	16,892,652			452,434	17,345,086
Due to other funds	3,464,794		4,660,237	10,231,536	18,356,567
Deferred revenues	41,120,426			7,200,460	48,320,886
Notes payable	<u>23,500,000</u>				<u>23,500,000</u>
Total liabilities	<u>121,396,997</u>	<u>-</u>	<u>9,993,137</u>	<u>26,170,608</u>	<u>157,560,742</u>
Fund balances:					
Reserved for:					
Encumbrances			1,390,002	3,016,904	4,406,906
Reserve for endowments- permanently restricted				661,212	661,212
Unreserved, reported in:					
General fund	10,752,753				10,752,753
Special revenue funds				(1,854,831)	(1,854,831)
Capital projects funds			25,551,372	4,280,216	29,831,588
Permanent trust funds				47,182	47,182
Total fund balances	<u>10,752,753</u>	<u>-</u>	<u>26,941,374</u>	<u>6,150,683</u>	<u>43,844,810</u>
Total Liabilities and Fund Balances	<u>\$ 132,149,750</u>	<u>\$ -</u>	<u>\$ 36,934,511</u>	<u>\$ 32,321,291</u>	<u>\$ 201,405,552</u>

(Continued on next page)

CITY OF BRIDGEPORT, CONNECTICUT

BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)

JUNE 30, 2009

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

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

Fund balances - total governmental funds	\$	43,844,810
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:		
Governmental capital assets	\$	1,012,992,392
Less accumulated depreciation		<u>(226,054,736)</u>
Net capital assets		786,937,656
Other long-term assets are not available to pay for current-period expenditures and, therefore, are not recorded in the funds:		
Net pension asset		84,255,199
Property tax receivables greater than 60 days		12,561,413
Interest receivable on property taxes		14,590,391
Bond issuance costs		14,421,604
Receivable from the state for school construction projects		13,046,930
Internal service funds are used by management to charge the costs of risk management to individual funds. The assets and liabilities of the internal service funds are reported with governmental activities in the statement of net assets.		
		(68,444,020)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:		
Net pension obligation		(2,008,082)
Bonds and notes payable		(658,700,000)
Interest payable on bonds and notes		(19,035,262)
Compensated absences		(26,262,936)
Landfill closure		(203,782)
Deferred for issuance premiums		(11,376,106)
OPEB obligation		<u>(38,705,900)</u>
Net Assets of Governmental Activities (Exhibit I)	\$	<u><u>144,921,915</u></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, 2009

	<u>General</u>	<u>Board of Education</u>	<u>Capital Bond Issue</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:					
Property taxes	\$ 248,743,175	\$	\$	\$	\$ 248,743,175
Intergovernmental	214,369,477	22,735,077	35,296,564	83,030,019	355,431,137
Fees, permits and licenses	16,100,329				16,100,329
Interest	449,655		308,802	106,151	864,608
Other	4,677,782		145,500	2,360,233	7,183,515
Total revenues	<u>484,340,418</u>	<u>22,735,077</u>	<u>35,750,866</u>	<u>85,496,403</u>	<u>628,322,764</u>
Expenditures:					
Current:					
General government	83,218,604			946,679	84,165,283
Protection of person and property	65,494,093				65,494,093
Conservation of health	8,023,104			5,355,765	13,378,869
Public facilities	26,706,098				26,706,098
Charities and hospitals	123,835				123,835
Education		248,391,168		54,421,499	302,812,667
Parks and recreation	5,368,932				5,368,932
Special services	1,834,435			26,091,416	27,925,851
Debt service:					
Principal retirements	30,961,925				30,961,925
Interest and other charges	41,594,667				41,594,667
Capital outlay			83,591,962	127,632	83,719,594
Total expenditures	<u>263,325,693</u>	<u>248,391,168</u>	<u>83,591,962</u>	<u>86,942,991</u>	<u>682,251,814</u>
Excess (Deficiency) of Revenues over Expenditures	<u>221,014,725</u>	<u>(225,656,091)</u>	<u>(47,841,096)</u>	<u>(1,446,588)</u>	<u>(53,929,050)</u>
Other Financing Sources (Uses):					
Transfers in	2,000,000	222,867,074			224,867,074
Transfers out	<u>(222,867,074)</u>		<u>(2,000,000)</u>		<u>(224,867,074)</u>
Total other financing sources (uses)	<u>(220,867,074)</u>	<u>222,867,074</u>	<u>(2,000,000)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	147,651	(2,789,017)	(49,841,096)	(1,446,588)	(53,929,050)
Fund Balances at Beginning of Year	<u>10,605,102</u>	<u>2,789,017</u>	<u>76,782,470</u>	<u>7,597,271</u>	<u>97,773,860</u>
Fund Balances at End of Year	<u>\$ 10,752,753</u>	<u>\$ -</u>	<u>\$ 26,941,374</u>	<u>\$ 6,150,683</u>	<u>\$ 43,844,810</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, 2009

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) \$ (53,929,050)

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	94,185,591
Depreciation expense	(17,881,708)

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:

School building grant receipts	(1,482,362)
Property tax receivable - accrual basis change	(762,464)
Property tax interest and lien revenue - accrual basis change	(163,294)

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

Bond and note principal payments	31,177,000
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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:

Compensated absences	1,818,168
Claims and judgments	60,706,405
Accrued interest	(3,952,235)
Amortization of deferred charge on refunding	(892,475)
OPEB obligation	(20,996,900)
Net pension expense	(2,768,138)
Landfill post closure care	24,806

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.	(60,728,441)
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Change in Net Assets of Governmental Activities (Exhibit II)	\$ 24,354,903
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The accompanying notes are an integral part of the financial statements

CITY OF BRIDGEPORT, CONNECTICUT

EXHIBIT V

STATEMENT OF REVENUES, EXPENDITURES, ENCUMBRANCES AND CHANGES IN UNRESERVED FUND BALANCE - BUDGETARY BASIS - BUDGET AND ACTUAL - GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual	Variance With
	Original	Final		Final Budget
				Positive (Negative)
Revenues and Other Financing Sources:				
Property taxes	\$ 256,473,067	\$ 256,473,067	\$ 248,743,175	\$ (7,729,892)
Intergovernmental	205,573,365	205,573,365	208,169,298	2,595,933
Fees, permits and licenses	17,966,479	17,966,479	16,345,002	(1,621,477)
Interest	1,500,000	1,500,000	449,655	(1,050,345)
Other	9,836,059	9,836,059	4,677,782	(5,158,277)
Transfers in	1,000,000	1,000,000	2,000,000	1,000,000
Total revenue and other financing sources	<u>492,348,970</u>	<u>492,348,970</u>	<u>480,384,912</u>	<u>(11,964,058)</u>
Expenditures, Encumbrances and Other Financing Uses:				
General government	84,819,278	84,819,278	83,218,604	1,600,674
Protection of person and property	70,039,155	70,039,155	65,494,093	4,545,062
Conservation of health	1,893,773	1,893,773	1,822,925	70,848
Public facilities	28,960,573	28,960,573	26,706,098	2,254,475
Charities and hospitals	170,114	170,114	123,835	46,279
Education	227,985,085	227,985,085	223,111,747	4,873,338
Parks and recreation	5,478,938	5,478,938	5,368,932	110,006
Special services	1,895,791	1,895,791	1,834,435	61,356
Debt service	71,106,263	71,106,263	72,556,592	(1,450,329)
Total expenditures, encumbrances and other financing uses	<u>492,348,970</u>	<u>492,348,970</u>	<u>480,237,261</u>	<u>12,111,709</u>
Revenue and other financing sources over (under) expenditures, encumbrances and other financing uses	\$ <u>-</u>	\$ <u>-</u>	147,651	\$ <u>147,651</u>
Unreserved Fund Balance, July 1, 2008			<u>10,605,102</u>	
Unreserved Fund Balance, June 30, 2009			\$ <u>10,752,753</u>	

The accompanying notes are an integral part of the financial statements

CITY OF BRIDGEPORT, CONNECTICUT

STATEMENT OF NET ASSETS - PROPRIETARY FUNDS

JUNE 30, 2009

	<u>Business-Type Activities</u>	<u>Governmental Activities</u>
	<u>Enterprise Fund</u>	<u>Internal Service Fund</u>
Assets:		
Current:		
Cash and cash equivalents	\$ 2,468,910	\$ 975,936
Receivables, net of allowances for collection losses:		
Unbilled usage charges	6,484,420	
Other receivables	1,113,302	494,834
Due from other funds		756,866
Total current assets	<u>10,066,632</u>	<u>2,227,636</u>
Noncurrent:		
Restricted cash and cash equivalents	1,433,775	2,500,000
Capital assets not being depreciated	2,147,181	
Capital assets being depreciated, net of accumulated depreciation	122,238,541	
Total noncurrent assets	<u>125,819,497</u>	<u>2,500,000</u>
Total assets	<u>135,886,129</u>	<u>4,727,636</u>
Liabilities:		
Current:		
Current portion of long-term debt	5,175,790	
Accounts payable and accrued expenses	1,339,437	189,165
Accrued interest payable	148,211	
Construction contracts payable	217,537	
Due to other funds	3,933,186	704,708
Deferred revenue	4,000	
Claims payable - current portion		18,835,783
Total current liabilities	<u>10,818,161</u>	<u>19,729,656</u>
Noncurrent:		
Claims payable - noncurrent portion		53,442,000
Long-term debt less current portion	44,760,485	
Total noncurrent liabilities	<u>44,760,485</u>	<u>53,442,000</u>
Total liabilities	<u>55,578,646</u>	<u>73,171,656</u>
Net Assets:		
Invested in capital assets, net of related debt	74,449,447	
Restricted for debt service and capital improvements	1,433,775	
Restricted for self-insured claims		(68,444,020)
Unrestricted	4,424,261	
Total Net Assets	<u>\$ 80,307,483</u>	<u>\$ (68,444,020)</u>

The accompanying notes are an integral part of the financial statements

CITY OF BRIDGEPORT, CONNECTICUT

EXHIBIT VII

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

FOR THE YEAR ENDED JUNE 30, 2009

	<u>Business-Type Activities</u>	<u>Governmental Activities</u>
	<u>Enterprise Fund</u>	<u>Internal Service Fund</u>
Operating revenues:		
Sewer user fees	\$ 26,846,272	\$
Charges for services		90,669,665
Total operating revenues	<u>26,846,272</u>	<u>90,669,665</u>
Operating expenses:		
Operation and maintenance	17,757,346	
Depreciation	6,208,486	
Claims		151,398,106
Total operating expenses	<u>23,965,832</u>	<u>151,398,106</u>
Operating income (loss)	<u>2,880,440</u>	<u>(60,728,441)</u>
Nonoperating revenue (expense):		
Interest income	32,712	
Interest expense	(929,051)	
Other income	1,252,931	
Total nonoperating revenue	<u>356,592</u>	<u>-</u>
Income (loss) before capital contributions	3,237,032	(60,728,441)
Capital contributions	<u>1,404,430</u>	<u>-</u>
Change in Net Assets	4,641,462	(60,728,441)
Total Net Assets, July 1, 2008	<u>75,666,021</u>	<u>(7,715,579)</u>
Total Net Assets, June 30, 2009	<u>\$ 80,307,483</u>	<u>\$ (68,444,020)</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, 2009

	<u>Business-Type Activities Enterprise Fund</u>	<u>Governmental Activities Internal Service Fund</u>
Cash flows from operating activities:		
Receipts from customers and users	\$ 26,657,602	\$
Payments to suppliers	(17,289,476)	
Payments to employees	(648,818)	
Cash received (paid) for interfund services used	(1,482,428)	(2,640,754)
Other income	1,252,931	
Cash received from charges for services		90,767,007
Cash paid to vendors and beneficiaries		(87,941,649)
Net cash provided by operating activities	<u>8,489,811</u>	<u>184,604</u>
Cash flows from capital and related financing activities:		
Principal payments on debt	(4,986,017)	
Interest paid on debt	(883,800)	
Proceeds from notes payable	2,209,353	
Proceeds received on capital grants	1,404,430	
Purchase of capital assets	(4,564,684)	
Net cash used in capital and related financing activities	<u>(6,820,718)</u>	<u>-</u>
Cash flows from investing activities:		
Interest received on investments		
Net cash provided by investing activities	<u>32,712</u>	<u>-</u>
Net increase in cash and cash equivalents	1,701,805	184,604
Cash and cash equivalents at beginning of year	<u>2,200,880</u>	<u>3,291,332</u>
Cash and Cash Equivalents at End of Year	<u>\$ 3,902,685</u>	<u>\$ 3,475,936</u>
Reconciliation to Statement of Net Assets:		
Cash and cash equivalents	\$ 2,468,910	\$ 975,936
Restricted cash and cash equivalents	<u>1,433,775</u>	<u>2,500,000</u>
	<u>\$ 3,902,685</u>	<u>\$ 3,475,936</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:		
Operating income (loss)	\$ 2,880,440	\$ (60,728,441)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Other income	1,252,931	
Depreciation	6,208,486	
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable and unbilled usage charges	29,140	
(Increase) decrease in other receivables	(37,807)	97,342
(Increase) decrease in due from other funds		(756,866)
Increase (decrease) in provision for uncollectible accounts	(179,503)	
Increase (decrease) in due to other funds	(1,482,428)	(1,883,888)
Increase (decrease) in accounts payable and accrued expenses	(180,948)	(2,226,731)
Increase (decrease) in deferred revenues	(500)	
Increase (decrease) in claims payable		<u>65,683,188</u>
Net Cash Provided by Operating Activities	<u>\$ 8,489,811</u>	<u>\$ 184,604</u>

The accompanying notes are an integral part of the financial statements

CITY OF BRIDGEPORT, CONNECTICUT

STATEMENT OF FIDUCIARY NET ASSETS - FIDUCIARY FUNDS

JUNE 30, 2009

	<u>Pension Trust Funds</u>	<u>Agency Fund</u>
Assets:		
Cash and cash equivalents	\$ 15,719,202	\$ 300,318
Investments:		
U.S. Government Agency Bonds	24,675,482	
U.S. Government Security Bonds	20,790,427	
Corporate Bonds	30,545,886	
Common Stocks	120,668,539	
Private Hedge Fund	33,384,311	
Mutual Funds - Equities	40,861,364	
Equity Securities	540,200	
Total investments	<u>271,466,209</u>	<u>-</u>
Contributions receivable	<u>11,965,339</u>	<u>-</u>
Total assets	<u>299,150,750</u>	<u>300,318</u>
Liabilities:		
Due to other funds	52,800	
Other liabilities	185	
Due to student groups		300,318
Total liabilities	<u>52,985</u>	<u>300,318</u>
Net Assets	\$ <u>299,097,765</u>	\$ <u>-</u>

The accompanying notes are an integral part of the financial statements

CITY OF BRIDGEPORT, CONNECTICUT

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS - FIDUCIARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2009

	<u>Pension Trust Funds</u>
Additions:	
Contributions:	
Employer	\$ 15,082,678
Plan members	2,574,489
Annuity proceeds	3,074,663
Total contributions	<u>20,731,830</u>
Investment income (loss):	
Net depreciation in fair value of investments	(78,882,713)
Interest and dividends	10,107,874
	<u>(68,774,839)</u>
Less investment expenses:	
Investment management fees	<u>(915,719)</u>
Net investment loss	<u>(69,690,558)</u>
Total reductions	(48,958,728)
Deductions:	
Benefits	<u>38,645,824</u>
Net decrease	(87,604,552)
Net assets held in trust for pension benefits, beginning of year	<u>386,702,317</u>
Net Assets Held in Trust for Pension Benefits, End of Year	<u>\$ 299,097,765</u>

The accompanying notes are an integral part of the financial statements

CITY OF BRIDGEPORT, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

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

B. Government-Wide and Fund Financial Statements

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

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

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

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period, or soon enough thereafter, to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, except for debt service expenditures, and expenditures related to compensated absences and claims and judgments 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 Board of Education Fund accounts for operations of the Board of Education, except those required to be accounted for in another fund.

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

The City reports the following major proprietary fund:

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

Additionally, the City reports the following fund types:

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

The agency fund accounts for monies held as a custodian for outside groups.

The internal service fund accounts for the revenues and related expenses for the health, workers compensation and heart and hypertension self-insurance plan for the employees and retirees of the City.

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the WPCA and various

other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

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

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

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. The majority of the City's investments are in the General Fund and Pension Trust Funds. The Connecticut State Treasurer's Short-Term Investment Fund is an investment pool managed by the State of Connecticut Office of the State Treasurer. Investments must be made in instruments authorized by Connecticut General Statutes 3-27c through 3-27e. Investment guidelines are adopted by the State Treasurer. The fair value of the position in the pool is the same as the value of the pool shares.

The balance of the pooled fixed income investments were invested in a pool similar to a 2a-7 investment pool. The fair value of the position in the pool is the same as the value of the pool shares. These investments are stated at amortized cost.

The City also invests in hedge funds, commonly known as alternative investments. The City's investment policy allows for such investments. All assets are carried at fair value based upon the underlying assets of the funds. Losses are incurred only up to the assets invested.

Property taxes

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

Capital assets

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

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. The total interest expense incurred by the WPCA during the current fiscal year was approximately \$1,252,931. Of this amount, \$79,850 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. Starting with the fiscal year ended June 30, 2009, the liability is paid out of the Internal Service Fund.

Compensated absences

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

Long-term obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

The governmental fund financial statements recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Pension accounting

Pension Trust Funds:

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

Governmental Funds:

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

Fund equity and net assets

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

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

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

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

In the fund financial statements, fund balances of governmental funds are classified in two separate categories. The two categories, and their general meanings, are as follows:

Reserved fund balance - indicates that portion of fund equity which is not available for appropriation or has been legally segregated for specific purposes.

Unreserved fund balance - indicates that portion of fund equity which is available for appropriation and expenditure in future periods or the deficiency that will require funding from future operations.

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 a reservation of fund balance 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, 2009. 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 and Board of Education 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 and Board of Education 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 and Board of Education Fund operations and fund balance presented in the statement of revenues, expenditures and changes in fund balance and the amounts presented on the budgetary basis is as follows:

	<u>Revenues and Transfers In</u>	<u>Expenditures and Transfers Out</u>
Balance, GAAP basis fund financial statements	\$ 509,075,495	\$ 511,716,861
State Teachers' Retirement payments made by State Department of Education on behalf of the City, not recognized for budgetary purposes	(17,420,898)	(17,420,898)
On-behalf payments, paid directly by the Department of Public Health to WIC recipients, not recognized for budgetary purposes	(6,200,179)	(6,200,179)
Excess cost payments made by State Department of Education on behalf of the City, not recognized for budgetary purposes	(5,314,179)	(5,314,179)
Encumbrances:		
June 30, 2008		(2,789,017)
June 30, 2009		
Prior year encumbrances cancelled	<u>244,673</u>	<u>244,673</u>
Balance, Budgetary Basis	<u>\$ 480,384,912</u>	<u>\$ 480,237,261</u>

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

During the year ended June 30, 2009, the following line items overexpended their appropriations:

	<u>Final Appropriations</u>	<u>Expenditures, Encumbrances and Other Financing Uses</u>	<u>Balance Overexpended</u>
City attorney	\$ 3,410,728	\$ 4,624,023	\$ 1,213,295
Pensions	14,039,903	14,728,265	688,362
Fringe benefits	4,038,409	4,241,805	203,396
Labor relations	499,383	609,961	110,578
School based health	269,550	337,068	67,518
Dental hygiene	170,314	179,090	8,776
Health clinics	78,874	84,186	5,312
School nursing		21,947	21,947
Construction management services		482,916	482,916
BOE administration	1,959,528	1,971,602	12,074
Parks	1,985,353	2,296,069	310,716
Debt service	71,106,263	72,556,592	1,450,329

Special Revenue Funds

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

Capital Projects Fund

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

3. CASH, CASH EQUIVALENTS AND INVESTMENTS

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

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

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

Deposits

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

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$97,753,231 of the City's bank balance of \$101,259,871 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 87,636,562
Uninsured and collateral held by the pledging bank's trust department, not in the City's name	<u>10,116,669</u>
Total Amount Subject to Custodial Credit Risk	<u>\$ 97,753,231</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, 2009 the City's cash equivalents amounted to \$24,854,090. 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 and Poor's</u>
State Short-Term Investment Fund (STIF)	AAAm
State Tax Exempt Proceeds Fund (TEPF)*	

*Not rated

Cash and cash equivalents are restricted for the following uses at June 30, 2009:

Proprietary Fund:	
Self Insurance Programs	\$ 2,500,000
Enterprise Fund:	
Debt Service and Capital Improvements	<u>1,433,775</u>
Total	<u>\$ 3,933,775</u>

B. Investments

The investment and credit risk policies of the City conform to the policies as set forth by the State of Connecticut. The City policy allows investments in the pension funds in the following: 1) equity securities, including exchange-traded and over-the-counter common and preferred stocks, warrants, rights, convertible securities, depository receipts and shares, trust certificates, limited partnership interests, shares of other investment companies and real estate investment trusts and equity participations; 2) securities of certain foreign entities and securities quoted or denominated in foreign currencies; 3) fixed income securities, including bonds, notes, mortgage-related and asset-backed securities, CMOs, convertible securities, Eurodollar and Yankee dollar instruments, preferred stocks and money market instruments subject to approved issuance requirements and credit and diversification restrictions; 4)* fixed income securities that are within approved credit ratings; 5)* unrated securities of the U.S. Treasury and U.S. Government Agencies are permitted; 6)* money market funds and money market instruments of an investment grade commonly held in money market funds such as repurchase agreements, banker's 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 City and the pension funds do not have a custodial credit risk policy for investments.

The pension fund asset allocation parameters are as follows:

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

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

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

Custodial Credit Risk: This is the risk that in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

Investments of the City consist of the following at June 30, 2009:

Investments:

Permanent Trust Fund:

Mutual Funds	\$ 97,196
U.S. Government Securities	502,597 *
	<u>599,793</u>

Special Revenue Fund:

U.S. Government Securities	378,640 *
Mutual Funds	1,154,132 *
	<u>1,532,772</u>

Pension Trust Funds:

U.S. Government Agencies	24,675,482 *
Corporate Bonds	30,545,886 *
U.S. Government Securities	20,790,427 *
Equity Securities	540,200 *
Common and Preferred Stocks	120,668,539 *
Mutual Funds	40,861,364
Private Hedge Fund	33,384,311
	<u>271,466,209</u>

Total Investments \$ 273,598,774

* These investments are uninsured and unregistered, with securities held by the counterparty's trust department or agent, but not in the City's name.

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

Statement of net assets:

Cash and cash equivalents	\$ 91,761,421
Restricted cash and cash equivalents	3,933,775
Investments	2,132,565
	<u>97,827,761</u>

Fiduciary funds:

Cash and cash equivalents	16,019,520
Investments	271,466,209
	<u>287,485,729</u>

Total Cash and Investments \$ 385,313,490

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. Information about the exposure of the City's debt type investments to this risk using the segmented time distribution model is as follows:

	Fair Value	Investment Maturities (in Years)			
		Less Than 1 Year	1-5 Years	6-10 Years	Over 10 Years
Type of Investment:					
U.S. Government Agencies	\$ 24,675,482	\$ 447,893	\$ 22,755,354	\$	\$ 1,472,235
Corporate Bonds	30,545,886	966,632	12,172,055	14,074,361	3,332,838
U.S. Government Securities	21,671,664	1,266,810	7,607,589	3,982,077	8,815,188
Total	\$ 76,893,032	\$ 2,681,335	\$ 42,534,998	\$ 18,056,438	\$ 13,620,261

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.

Average Rating	Corporate Bonds	U.S. Government Agency Obligation
AAA	\$ 2,343,287	\$ 24,675,482
AA+	1,256,438	
AA	1,205,050	
AA-	463,491	
A+	1,618,590	
A	5,452,673	
A-	1,215,034	
BBB+	2,437,113	
BB+	1,713,042	
BB	1,930,129	
BBB	1,389,235	
BB-	1,986,042	
BBB-	476,743	
Unrated	7,059,019	
	\$ 30,545,886	\$ 24,675,482

4. RECEIVABLES - FUND BASIS

Receivables at June 30, 2009 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>Capital Bond Issue</u>	<u>Enterprise</u>	<u>Nonmajor and Other Funds</u>	<u>Totals</u>
Property taxes	\$ 37,290,344	\$	\$	\$	\$ 37,290,344
Interest on property taxes	14,590,391				14,590,391
Contributions				11,965,339	11,965,339
Sewer user fees			10,894,000		10,894,000
Intergovernmental	36,645,958	83,601		15,334,749	52,064,308
Other	<u>2,642,457</u>	<u>1,087,645</u>	<u>1,113,302</u>	<u>5,433,849</u>	<u>10,277,253</u>
Gross receivables	91,169,150	1,171,246	12,007,302	32,733,937	137,081,635
Less allowance for collection losses	<u>23,948,143</u>		<u>4,409,580</u>		<u>28,357,723</u>
Net Receivables	<u>\$ 67,221,007</u>	<u>\$ 1,171,246</u>	<u>\$ 7,597,722</u>	<u>\$ 32,733,937</u>	<u>\$ 108,723,912</u>

5. INTERFUND ACCOUNTS

As of June 30, 2009, amounts due from and to other funds were as follows:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$ 18,236,843	\$ 3,464,794
Capital Bond Issue Fund	<u>2,274,724</u>	<u>4,660,237</u>
Special revenue funds:		
Education grants	260,400	2,235,255
Health and sanitation	243,408	
Community development	146,250	
Other programs	820,952	653,035
Social services	190,094	202,315
Community Development Block Grant	90,772	871,958
Housing Opportunities AIDS		2,548
HOME Program		499,745
Section 108 Loan Guarantee		403,320
Development administration state grant		5,411,994
Parks and recreation	19,335	
Total special revenue funds	<u>1,771,211</u>	<u>10,280,170</u>
Capital projects funds:		
Education and library		199,025
Capital reduction	392,635	
Bond issue	5,346	
1997 bond issue	2,271	144,976
Total capital projects funds	<u>400,252</u>	<u>344,001</u>
Enterprise funds:		
WPCA	<u>-</u>	<u>3,933,186</u>
Pension trust funds:		
Public Safety Plan A	<u>-</u>	<u>52,800</u>
Internal service fund:		
City health insurance	<u>756,866</u>	<u>704,708</u>
Nonmajor governmental fund elimination	<u>(392,635)</u>	<u>(392,635)</u>
Total	<u>\$ 23,047,261</u>	<u>\$ 23,047,261</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, 2009 were as follows:

	Transfers In		
	<u>General Fund</u>	<u>Board of Education</u>	<u>Total</u>
Transfers out:			
General Fund	\$	\$ 222,867,074	\$ 222,867,074
Capital Bond Issue Fund	<u>2,000,000</u>	<u> </u>	<u>2,000,000</u>
	<u>\$ 2,000,000</u>	<u>\$ 222,867,074</u>	<u>\$ 224,867,074</u>

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. The Board of Education fund transfer represents unrestricted revenues collected by the General Fund to finance unreimbursed education expenditures.

6. BULK LIEN SALES

During the year ended June 30, 2009, the City executed a bulk sale of property tax liens and collected proceeds of approximately \$8,726,600. 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, 2009 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Transfers</u>	<u>Ending Balance</u>
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 138,851,793	\$ 383,500	\$ -	\$ -	\$ 139,235,293
Construction in progress	181,091,885	25,136,675	-	(118,811,800)	87,416,760
Total capital assets not being depreciated	<u>319,943,678</u>	<u>25,520,175</u>	<u>-</u>	<u>(118,811,800)</u>	<u>226,652,053</u>
Capital assets being depreciated:					
Buildings and improvements	422,451,645	48,159,935	-	116,915,853	587,527,433
Machinery and equipment	19,864,688	12,316,324	-	1,928,647	34,109,659
Infrastructure	122,487,608	6,293,436	-	-	128,781,044
Vehicles	34,059,182	1,895,721	-	(32,700)	35,922,203
Total capital assets being depreciated	<u>598,863,123</u>	<u>68,665,416</u>	<u>-</u>	<u>118,811,800</u>	<u>786,340,339</u>
Less accumulated depreciation for:					
Buildings and improvements	102,175,663	11,256,395	-	-	113,432,058
Machinery and equipment	12,198,757	1,238,759	-	-	13,437,516
Vehicles	24,859,657	2,328,790	-	-	27,188,447
Infrastructure	68,938,951	3,057,764	-	-	71,996,715
Total accumulated depreciation	<u>208,173,028</u>	<u>17,881,708</u>	<u>-</u>	<u>-</u>	<u>226,054,736</u>
Total capital assets being depreciated, net	<u>390,690,095</u>	<u>50,783,708</u>	<u>-</u>	<u>118,811,800</u>	<u>560,285,603</u>
Governmental Activities Capital Assets, Net	<u>\$ 710,633,773</u>	<u>\$ 76,303,883</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 786,937,656</u>

	<u>Beginning Balance</u>	<u>Additions/ Transfers</u>	<u>Disposals/ Transfers</u>	<u>Ending Balance</u>
Business-type activities:				
Capital assets not being depreciated:				
Construction in progress	\$ 4,163,006	\$ 3,203,782	\$ (5,219,607)	\$ 2,147,181
Capital assets being depreciated:				
Buildings and improvements	99,629,344	1,598,121	-	101,227,465
Machinery and equipment	13,897,183	231,967	-	14,129,150
Distribution and collection systems	64,797,031	4,257,735	-	69,054,766
Vehicles	2,327,389	-	-	2,327,389
Total capital assets being depreciated	<u>180,650,947</u>	<u>6,087,823</u>	<u>-</u>	<u>186,738,770</u>
Less accumulated depreciation for:				
Buildings and improvements	37,089,191	4,018,834	-	41,108,025
Machinery and equipment	7,865,750	670,057	-	8,535,807
Distribution and collection systems	11,385,920	1,429,940	-	12,815,860
Vehicles	1,950,882	89,655	-	2,040,537
Total accumulated depreciation	<u>58,291,743</u>	<u>6,208,486</u>	<u>-</u>	<u>64,500,229</u>
Total capital assets being depreciated, net	<u>122,359,204</u>	<u>(120,663)</u>	<u>-</u>	<u>122,238,541</u>
Business-Type Activities Capital Assets, Net	<u>\$ 126,522,210</u>	<u>\$ 3,083,119</u>	<u>\$ (5,219,607)</u>	<u>\$ 124,385,722</u>

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

Governmental Activities:	
General government	\$ 3,045,280
Protection of person and property	1,849,014
Conservation of health	18,263
Public facilities, including depreciation of general infrastructure assets	4,408,400
Education	7,987,667
Parks and recreation	<u>573,084</u>
 Total Depreciation Expense - Governmental Activities	 \$ <u><u>17,881,708</u></u>
 Business-Type Activities:	
WPCA	\$ <u><u>6,208,486</u></u>

8. UNEARNED REVENUE/DEFERRED REVENUE

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

	<u>Deferred Revenue</u>	<u>Unearned Revenue</u>
General Fund:		
Taxes and accrued interest on delinquent property taxes	\$ 27,151,804	\$
School construction receivable	13,046,930	
Other		921,692
 Nonmajor Funds:		
Grants	<u> </u>	<u>7,200,460</u>
 Total Unavailable/Unearned Revenue for Governmental Funds	 \$ <u><u>40,198,734</u></u>	 \$ <u><u>8,122,152</u></u>

9. LONG-TERM DEBT AND SUBSEQUENT EVENT

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2009 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	\$ 684,745,000	\$	\$ 30,545,000	\$ 654,200,000	\$ 32,375,000
Notes payable	5,132,000		632,000	4,500,000	677,000
Deferred amounts:					
For issuance premium	<u>12,652,338</u>		<u>1,276,232</u>	<u>11,376,106</u>	<u>1,276,232</u>
Total bonds and notes payable	<u>702,529,338</u>		<u>32,453,232</u>	<u>670,076,106</u>	<u>34,328,232</u>
Capital leases					
Claims and judgments	60,706,405	102,263,079	90,691,701	72,277,783	18,835,783
Compensated absences	28,081,104	5,202,108	7,020,276	26,262,936	7,394,967
Landfill closure costs	228,588		24,806	203,782	
OPEB obligation	17,709,000	20,996,900		38,705,900	
Net pension obligation	<u>2,184,748</u>		<u>176,666</u>	<u>2,008,082</u>	
Governmental Activity Long-Term Liabilities	<u><u>\$ 811,439,183</u></u>	<u><u>\$ 128,462,087</u></u>	<u><u>\$ 130,366,681</u></u>	<u><u>\$ 809,534,589</u></u>	<u><u>\$ 60,558,982</u></u>
Business-type activities:					
Bonds and notes payable:					
General obligation bonds	\$ 490,000	\$	\$ 40,000	\$ 450,000	\$ 40,000
Notes payable	<u>52,222,939</u>	<u>2,209,353</u>	<u>4,946,017</u>	<u>49,486,275</u>	<u>5,135,790</u>
Business-Type Activity Long-Term Liabilities	<u><u>\$ 52,712,939</u></u>	<u><u>\$ 2,209,353</u></u>	<u><u>\$ 4,986,017</u></u>	<u><u>\$ 49,936,275</u></u>	<u><u>\$ 5,175,790</u></u>

Notes Payable

Notes payable as of June 30, 2009 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 \$ 4,500,000

Business-Type Activities:

Clean Water Program, due in varying installments,
plus interest at 2% through 2021 49,486,275

Total \$ 53,986,275

General Obligation Bonds

As of June 30, 2009, the City had the following general obligation bonds outstanding:

Governmental Activities:		
General purpose, 4.0% to 8.6%	\$	221,740,750
School, 4.0% to 9.5%		120,659,250
Pension, 6.9% to 7.6%		<u>311,800,000</u>
	\$	<u>654,200,000</u>
Business-Type Activities:		
General purpose, 4.0% to 6.0%	\$	<u>450,000</u>

Prior Year's In-Substance Defeasance

In prior years, the City defeased various bond issues. As of June 30, 2009, the amount of defeased debt outstanding but removed from the governmental activities column of the statement of net assets amounted to \$141,140,000.

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

Year Ending June 30,	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2010	\$ 33,052,000	\$ 37,961,876	\$ 71,013,876	\$ 5,175,790	\$ 983,240	\$ 6,159,030
2011	33,109,000	36,306,695	69,415,695	5,121,851	830,823	5,952,674
2012	31,849,000	34,748,227	66,597,227	4,987,144	858,276	5,845,420
2013	31,902,000	33,066,535	64,968,535	4,872,859	658,598	5,531,457
2014	31,306,000	31,426,791	62,732,791	4,704,356	561,109	5,265,465
2015	32,115,000	29,723,427	61,838,427	4,675,861	465,900	5,141,761
2016	32,784,000	27,965,882	60,749,882	4,643,044	371,321	5,014,365
2017	34,873,000	26,124,150	60,997,150	3,003,642	290,462	3,294,104
2018	33,905,000	24,225,400	58,130,400	2,740,572	232,476	2,973,048
2019	35,955,000	22,264,966	58,219,966	2,525,744	178,272	2,704,016
2020	38,135,000	20,185,363	58,320,363	2,370,916	129,950	2,500,866
2021	31,390,000	18,269,727	49,659,727	834,070	94,881	928,951
2022	33,295,000	16,487,410	49,782,410	769,264	79,159	848,423
2023	29,750,000	14,716,318	44,466,318	759,188	62,808	821,996
2024	31,625,000	12,970,998	44,595,998	582,634	51,398	634,032
2025	29,770,000	11,190,576	40,960,576	567,788	38,317	606,105
2026	29,170,000	9,432,438	38,602,438	492,419	27,552	519,971
2027	26,200,000	7,720,984	33,920,984	386,358	18,664	405,022
2028	24,270,000	5,998,546	30,268,546	345,901	11,114	357,015
2029	26,125,000	4,144,318	30,269,318	205,676	5,269	210,945
2030	28,120,000	2,148,368	30,268,368	90,746	2,563	93,309
2031				80,452	794	81,246
Total	\$ <u>658,700,000</u>	\$ <u>427,078,994</u>	\$ <u>1,085,778,994</u>	\$ <u>49,936,275</u>	\$ <u>5,952,946</u>	\$ <u>55,889,221</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, 2009 was approximately

\$2,425,870. Additional principal and interest reimbursements approximating \$16,811,645 are expected to be received through the bonds' maturity dates.

Legal Debt Limit

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

<u>Category</u>	<u>Debt Limit</u>	<u>Net Indebtedness</u>	<u>Balance</u>
General purpose	\$ 559,691,168	\$ 294,092,750	\$ 265,598,418
Unfunded pension benefit obligation	746,254,890	401,800,000	344,454,890
Schools	1,119,382,335	175,310,320	944,072,015
Sewers	932,818,613	49,936,275	882,882,338
Urban renewal	808,442,798	4,500,000	803,942,798

The total overall statutory debt limit for the City is equal to seven times annual receipts from taxation, or \$1,741,261,410. 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	\$ 72,352,000
Unfunded Pension Benefit Obligation	90,000,000
Schools	<u>67,698,000</u>
	<u>\$ 230,050,000</u>

Tax Anticipation Notes Payable

On June 8, 2009, the City issued a tax anticipation note in the amount of \$23,500,000 to fund cash flows for operating expenses. The notes matured and were paid in full on August 7, 2009 with an interest rate of 3.69%.

On October 22, 2009, the City issued a tax anticipation note in the amount of \$71,500,000 to fund cash flows for operating expenses. The notes mature on February 5, 2010 with an interest rate of 2.50%.

10. COMMITMENTS AND CONTINGENCIES

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

Personal Injury and Other Actions

There are presently certain major personal injury and other claims and lawsuits that the City is actively defending for which, in the event the City is held liable, the amount of recovery could under certain circumstances total between \$5 and \$10 million dollars in the aggregate. Any recovery under such actions will be paid by the City, which is self-insured for such risks.

Steel Point Peninsula Suit - Conroy Development Co.

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

On or about January 14, 2004, Conroy filed a related complaint against the City and various other parties, including the former Bridgeport Mayor, in Connecticut State court. The City and various co-defendants filed motions to dismiss, which were granted in part and denied in part. Trial has concluded with jury verdicts for the defendant City as to all counts. Conroy appealed the judgment entered in favor of the City, as well as those judgments entered for and against the co-defendants, and the trial court's rulings banning Conroy's anti-trust claims. In October 2009, Conroy withdrew its appeal of the judgment in favor of the City. The anti-trust appeal to which the City is a party defendant is still pending, and based upon court scheduling orders and calendars is likely to remain so.

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

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

The City has assessed the property at the following assessed values (70% of FMV): for 2007 - \$256 million for real property, and \$12 million for personal property; for 2008 - \$281 million for real property, and \$7.5 million for personal property; and for 2009 - yet to be determined. These assessed valuations formed the basis for tax bills as follows: 2007 - \$5,704,847 for real property, and \$538,415 for personal property; 2008 - \$10,891,256 for real property, and \$286,353 for personal property; and 2009 - yet to be determined. In prior years, Wheelabrator paid a fixed escalating contractual payment in lieu of taxes, most recently in an amount of approximately \$3 million per annum.

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

the City would be required to refund to Wheelabrator any amount above the court ordered reduction in taxes previously paid to the City by Wheelabrator.

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 \$1,163,000 during the year ended June 30, 2009, 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 \$405,000 was received for the year ended June 30, 2009. 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.

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

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 \$198,000,000. As of June 30, 2009, approximately \$158,000,000 relating to these projects, including capitalized interest, have been incurred and included in property and equipment. Based on current engineering estimates, completion of these projects will be within the next six years. Funding for these improvements is being provided by the State of Connecticut's Clean Water Fund in the form of loans and grants. As of June 30, 2009, the State is committed to providing the WPCA additional funding in the form of loans and grants of approximately \$4,400,000 and \$1,000,000, respectively.

Municipal Solid Waste Service Agreement

The City executed a Municipal Service Agreement dated as of August 30, 1985 (the 1985 MSA) with the Connecticut Resources Recovery Authority (the Authority) for the disposal of solid waste through the Greater Bridgeport Resource Recovery System (the System), including a solid waste disposal and processing facility (the Facility) located in Bridgeport and operated by Bridgeport Resco Company, L.P. (the Company). The Facility began commercial operation in July 1988 and is designed to process up to 2,250 tons of solid waste per day. The 1985 MSA expired at the end of December 2008.

Bridgeport is one of twelve municipalities that has entered into a 2009 Successor Municipal Service Agreement (the 2009 MSA) with the Authority for the disposal of solid waste through the System. Each municipality which has signed such 2009 MSA (a Participating Municipality) has agreed to deliver or cause to be delivered to the System all Acceptable Waste, as defined in the 2009 MSA, generated within its boundaries.

For fiscal year ending June 30, 2010, the Authority will bill each Participating Municipality a fixed charge of \$63 per ton of Acceptable Waste actually delivered by or on behalf of each Participating Municipality. Each Participating Municipality has agreed to pay Municipal Disposal Fees to the Authority for the acceptance and processing and/or disposing of Acceptable Waste. The Municipal Disposal Fees, which are payable on a monthly basis, include (i) disposal fees of the Authority to the Company under a Solid Waste Disposal Agreement, and (ii) an Authority Administrative Fee.

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

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

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

11. PENSION PLANS

Connecticut Municipal Employees' Retirement Fund

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

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

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

CMERF also provides death and disability benefits.

Benefits and other plan provisions are established by State statute. Covered employees are required by Connecticut statute to contribute 2-1/4% of earnings upon which social security tax is paid plus 5% of earnings upon which no social security tax is paid. The City is required to make contributions as set by the State Retirement Commission to fund the remaining cost. The employer contribution represents 7.00% of covered payroll. The City's contributions for the years ended June 30, 2009, 2008, and 2007 were \$ 5,187,641, \$5,410,000 and \$5,312,000, respectively, equal to the required contributions for each year.

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

State Teachers' Retirement System

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

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

of the plan as a whole, which does not provide actuarial information on an individual municipality basis.

In addition, the City has recognized revenues and expenditures for on-behalf payments for pension contributions paid directly to the Connecticut State Teachers' Retirement System by the State of Connecticut. Such on-behalf payments were approximately \$17,420,898 for the year ended June 30, 2009. This was a significant decrease from the prior year. In fiscal year ended June 30, 2008, the State of Connecticut issued pension obligation bonds to partially fund the plan. In the current year the State is funding at normal levels.

Single Employer Defined Benefit Plans

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

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

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

In August 1985, the City purchased an annuity contract for approximately \$75 million to fund a portion of the net pension obligation for Plan A. The plan assets available for benefits and the net pension obligation amounts for Plan A excludes the plan assets and pension obligations covered by the above mentioned annuity contract. For the year ended June 30, 2009, approximately \$3,074,663 of benefits were provided through this annuity contract.

In August 2000, the City issued \$350,000,000 of taxable general obligation pension funding bonds. The proceeds of these bonds were transferred into Plans A's Investment Trust (the "A Trust"). The proceeds and any future investment earnings are to be used to make contributions to the Plan A or to pay benefits on behalf of the Plan. The City can, however, withdraw from the Plan A Trust the greater of: 1) 20% of the amount by which the Plan A Trust assets exceed the present value of accrued Plan benefits (\$355,017,090 based on the July 1, 2008 actuarial valuation) or 2) the amount of the Plan A Trust assets in excess of 110% of the present value of accrued Plan benefits.

Under State statutes regarding pension obligation bonds, the City is required to make its "Actuarially Recommended Contribution," defined as the lesser of the Employer's Normal Cost or the Annual Required Contribution as defined by GASB Statement No. 25. In addition, the City could have to make additional contributions as it is required to fund Plan A at approximately the same funding level as immediately following the bond issuance (79%).

Provisions of Pension Plans	Public Safety Plan A	Police Plan B	Firefighters' Plan B	Janitors' and Engineers' Retirement Fund
Employees covered	All police and fire employed before 6/4/81 and 1/1/84, respectively	All police employed on or after 6/4/81	All firefighters employed on or after 1/1/84	All employees hired before 1985
Number of retirees receiving benefits	926	83	41	48
Terminated employees entitled to future benefits	-	13	18	-
Current employees:				
Fully vested	40	419	252	-
Nonvested	-	-	37	-
Total number of participants	<u>966</u>	<u>515</u>	<u>348</u>	<u>48</u>
Benefit provisions	50% of compensation plus 2-1/2% for each year of service in excess of 20 years, maximum 75%	2% of annual salary for each full year of service plus 50% of subsequent compensation increase, maximum 70%	2% of annual salary for each year of service plus 50% of subsequent compensation increase, maximum 70%	2% of 3 year average compensation for each year of service, up to 33 years plus 1% of 3 year compensation thereafter
Definition of "Compensation"	Maximum yearly compensation currently being paid to members in the department in the same position that the employee held at the time of retirement	Maximum yearly compensation currently being paid to members in the department in the same position which the employee held at the time of retirement	Maximum yearly compensation currently being paid to members in the department in the same position which the employee held at the time of retirement	Average of three highest years
Eligibility requirements	Vest after 10 years of service	Vest after 5 years of service	Vest after 5 years of service	Vest after the earlier of 10 years of continuous or 15 years of aggregate service
Obligation to contribute in accordance with funding policy:				
Employee	8% of earnings	6% of earnings	6% of earnings	5% of earnings
Employer	\$9,621,019 (Normal Cost)	\$3,544,117	\$2,505,264	"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, 2008	July 1, 2008	July 1, 2008	July 1, 2008
Significant actuarial assumptions				
• Investment rate of return	8.25%	8.25%	8.25%	8.25%
• Projected annual salary increases	3.5%	3.5%	3.5%	N/A
• Inflation	3.0%	3.0%	3.0%	3.5%
• 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 20% of the difference between expected actuarial value and market value	Asset smoothing plus/minus 20% of the difference between expected actuarial value and market value	Asset smoothing plus/minus 20% 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 payments for unfunded liability	Level payments for unfunded liability	Level payments for remaining unfunded liability	Level Dollar Amount Closed
Period for amortizing any unfunded actuarial liability	30 years	10 years	10 years	30 years
Authority under which contributions are established	City Council	City Council	City Council	City Council

	Public Safety Plan A	Janitors' and Engineers' Retirement Fund
	<u> </u>	<u> </u>
Annual required contribution	\$ 9,621,019	\$ 877,018
Interest on net pension obligation	(6,662,896)	180,242
Adjustment to annual required contribution	<u>(7,477,997)</u>	<u>202,291</u>
Annual pension cost	10,436,120	854,969
Contributions made	<u>(8,219,906)</u>	<u>1,031,635</u>
Increase (decrease) in net pension obligation	2,216,214	(176,666)
Net pension obligation (asset), July 1, 2008	<u>(80,762,372)</u>	<u>2,184,748</u>
Net Pension Obligation (Asset), June 30, 2009	<u>\$ (78,546,158)</u>	<u>\$ 2,008,082</u>
	Police Plan B	Firefighters' Plan B
	<u> </u>	<u> </u>
Annual required contribution	\$ 3,544,117	\$ 2,505,264
Interest on net pension obligation	(350,791)	(180,066)
Adjustment to annual required contribution	<u>(688,029)</u>	<u>(353,174)</u>
Annual pension cost	3,881,355	2,678,372
Contributions made	<u>3,396,479</u>	<u>2,434,658</u>
Increase in net pension obligation	484,876	243,714
Net pension obligation (asset), July 1, 2008	<u>(4,255,017)</u>	<u>(2,182,614)</u>
Net Pension Obligation (Asset), June 30, 2009	<u>\$ (3,770,141)</u>	<u>\$ (1,938,900)</u>

TREND INFORMATION

Fiscal Year	Annual Pension Cost (APC) (\$000)	Percentage of APC Contributed	Net Pension Obligation (Asset) (\$000)
Public Safety			
Plan A:			
2009	\$ 10,436	78.8%	\$ (78,546)
2008	9,670	47.1%	(80,762)
2007	8,825	35.4%	(85,882)
Police Retirement			
Plan B:			
2009	\$ 3,881	87.5%	\$ (3,770)
2008	3,856	119.0%	(4,255)
2007	3,435	92.8%	(3,517)
Firefighters' Retirement			
Plan B:			
2009	\$ 2,678	90.9%	\$ (1,939)
2008	2,292	108.4%	(2,183)
2007	2,018	87.9%	(1,990)
Janitors' and Engineers' Retirement Plan:			
2009	\$ 855	120.7%	\$ 2,008
2008	876	115.7%	2,185
2007	876	116.4%	2,322

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

Year Ended June 30,	Public Safety Plan A		Janitors' and Engineers' Retirement Plan	
	Annual Required Contribution	Percentage Contributed	Annual Required Contribution	Percentage Contributed
2009	\$ 9,621	85.4%	\$ 877	117.7%
2008	8,876	51.3%	897	112.9%
2007	8,115	38.5%	897	113.7%
2006	6,473	1.1%	939	113.6%
2005	4,645	1.1%	939	112.4%
2004	4,402	3.0%	1,033	98.1%

Year Ended June 30,	Police Retirement Plan B		Firefighters' Retirement Plan B	
	Annual Required Contribution	Percentage Contributed	Annual Required Contribution	Percentage Contributed
2009	\$ 3,544	95.8%	\$ 2,505	106.9%
2008	3,617	126.9%	2,157	115.2%
2007	3,212	99.2%	1,885	94.0%
2006	3,047	98.0%	1,644	93.1%
2005	2,989	34.2%	1,556	13.0%
2004	2,655	104.0%	1,155	102.4%

**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, 2008	\$ 251,075	\$ 355,017	\$ (103,942)	70.7	\$ 3,070	3,385.7
July 1, 2007	263,902	360,619	(96,717)	73.2	3,617	2,674.1
July 1, 2006	269,319	358,287	(88,968)	75.2	4,326	2,056.7
July 1, 2005	281,397	353,022	(71,625)	80.0	4,569	1,567.5
July 1, 2004	293,358	344,937	(51,579)	85.0	3,890	1,325.9
July 1, 2003	303,816	351,964	(48,148)	86.3	5,538	869.5
Police Retirement Plan B						
July 1, 2008	\$ 104,661	\$ 113,453	\$ (8,792)	92.3	\$ 24,832	35.4
July 1, 2007	94,546	105,973	(11,427)	89.2	22,511	50.8
July 1, 2006	84,683	93,711	(9,029)	90.3	22,296	40.5
July 1, 2005	76,148	84,596	(8,448)	90.0	21,825	38.7
July 1, 2004	68,187	76,263	(8,076)	89.4	22,137	36.5
July 1, 2003	60,903	67,191	(6,288)	90.7	20,733	30.3
Firefighters' Retirement Plan B						
July 1, 2008	\$ 62,016	\$ 69,277	\$ (7,261)	89.5	\$ 16,017	45.3
July 1, 2007	56,504	62,960	(6,457)	89.7	14,364	45.0
July 1, 2006	51,132	56,146	(5,013)	91.1	13,727	36.5
July 1, 2005	46,820	50,187	(3,367)	93.0	13,674	24.6
July 1, 2004	43,037	45,810	(2,773)	94.0	13,631	20.3
July 1, 2003	39,637	39,717	(80)	99.8	12,872	0.6
Janitors' and Engineers' Retirement Plan						
July 1, 2009	\$ 3	\$ 9,478	\$ (9,478)	.04	-	-
July 1, 2006	3	9,870	(9,867)	.03	-	-
July 1, 2005	*	*	*	*	*	*
July 1, 2004	3	10,449	(10,446)	.30	29	36,417.7
July 1, 2003	*	*	*	*	*	*
July 1, 2002	3	10,575	(10,572)	.03	156	-
July 1, 2001	3	*	*	*	*	*
July 1, 2000	3	9,895	(9,892)	0.1	160	6,182.5

* Information not available.

SCHEDULE OF PLAN NET ASSETS
JUNE 30, 2009

	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	\$ 10,496,040	\$ 1,896,633	\$ 3,323,096	\$ 3,433	\$ 15,719,202
Investments, at fair value					
U.S. Government Agency Bonds	21,154,019	2,342,640	1,178,823		24,675,482
U.S. Government Security Bonds	5,782,680	13,345,466	1,662,281		20,790,427
Corporate bonds	5,766,622	19,588,966	5,190,298		30,545,886
Common stocks	63,019,348	27,084,995	30,564,196		120,668,539
Private hedge fund	33,384,311				33,384,311
Mutual funds - equities	18,124,484	18,150,154	4,586,726		40,861,364
Equity securities		540,200			540,200
Total investments	<u>147,231,464</u>	<u>81,052,421</u>	<u>43,182,324</u>	<u>-</u>	<u>271,466,209</u>
Contributions receivable	<u>8,469,513</u>	<u>2,299,144</u>	<u>1,196,682</u>	<u>-</u>	<u>11,965,339</u>
Total assets	<u>166,197,017</u>	<u>85,248,198</u>	<u>47,702,102</u>	<u>3,433</u>	<u>299,150,750</u>
Liabilities					
Due to other funds of the City of Bridgeport	52,800				52,800
Other liabilities	<u>185</u>				<u>185</u>
Total liabilities	<u>52,985</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>52,985</u>
Net Assets Held in Trust for Pension Benefits					
	<u>\$ 166,144,032</u>	<u>\$ 85,248,198</u>	<u>\$ 47,702,102</u>	<u>\$ 3,433</u>	<u>\$ 299,097,765</u>

**SCHEDULE OF CHANGES IN
PLAN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2009**

	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	\$ 8,219,906	\$ 3,396,479	\$ 2,434,658	\$ 1,031,635	\$ 15,082,678
Plan members	226,412	1,421,207	926,870		2,574,489
Annuity proceeds	3,074,663				3,074,663
Total contributions	<u>11,520,981</u>	<u>4,817,686</u>	<u>3,361,528</u>	<u>1,031,635</u>	<u>20,731,830</u>
Investment income:					
Net depreciation in fair value of investments	(46,585,174)	(19,561,955)	(12,735,584)		(78,882,713)
Interest and dividends	6,948,175	2,065,921	1,093,778		10,107,874
	<u>(39,636,999)</u>	<u>(17,496,034)</u>	<u>(11,641,806)</u>	-	<u>(68,774,839)</u>
Less investment management fees	(915,719)				(915,719)
Net investment income	<u>(40,552,718)</u>	<u>(17,496,034)</u>	<u>(11,641,806)</u>	-	<u>(69,690,558)</u>
Total additions	(29,031,737)	(12,678,348)	(8,280,278)	1,031,635	(48,958,728)
Deductions:					
Benefits	<u>33,026,455</u>	<u>3,040,834</u>	<u>1,546,900</u>	<u>1,031,635</u>	<u>38,645,824</u>
Change in net assets	(62,058,192)	(15,719,182)	(9,827,178)	-	(87,604,552)
Net assets held in trust for pension benefits, beginning of year	<u>228,202,224</u>	<u>100,967,380</u>	<u>57,529,280</u>	<u>3,433</u>	<u>386,702,317</u>
Net Assets Held in Trust for Pension Benefits, End of Year	<u>\$ 166,144,032</u>	<u>\$ 85,248,198</u>	<u>\$ 47,702,102</u>	<u>\$ 3,433</u>	<u>\$ 299,097,765</u>

12. OTHER POSTEMPLOYMENT BENEFITS

A. Plan Description

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

At July 1, 2008 plan membership consisted of the following:

Number of members:	
Active	4,195
Retired members	<u>3,020</u>
Total Participants	<u><u>7,215</u></u>

B. Funding Policy

The City currently pays for postemployment health care benefits on a pay-as-you-go basis. As of June 30, 2009 the City has not established a trust fund to irrevocably segregate assets to fund the liability associated with the post employment benefits, which would require the reporting of a trust fund in accordance with GASB guidelines. The contribution requirements of plan members and the Town are also negotiated with the various unions representing the employees. Retired plan members and beneficiaries currently receiving benefits are required to contribute specified amounts monthly towards the cost of health insurance premiums as follows:

Eligibility:

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

Medical Benefit:

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

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

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

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

Annual OPEB Cost and Net OPEB Obligations

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

Annual required contribution (ARC)	\$ 50,744,800
Interest on net OPEB obligation	-
Adjustment to annual required contribution	<u>351,200</u>
Annual OPEB cost (expense)	51,096,000
Contributions made	<u>30,099,100</u>
Increase in net OPEB obligation	20,996,900
Net OPEB obligation, beginning of year	<u>17,709,000</u>
Net OPEB Obligation, End of Year	<u>\$ 38,705,900</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 fiscal years ending June 30, 2008 and 2009 is presented below. Data is only presented for two fiscal years, due to the year ending June 30, 2009 being the second year of implementation.

<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>
6/30/2008	\$ 47,314,000	\$ 29,605,000	62.6%	\$ 17,709,000
6/30/2009	51,096,000	30,099,100	58.9	38,705,900

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

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Underfunded AAL (OAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	OAAL as a Percentage of Covered Payroll ((b-a)/c)
7/1/2007	\$ -	\$ 874,661,900	\$ 874,661,900	0.0%	\$ 239,783,000	364.8%
7/1/2008	-	861,812,200	861,812,200	0.0	221,789,000	388.6

Schedule of Employer Contributions

Year Ended	Annual Required Contribution	Percentage Contributed
2008	\$ 47,314,000	65.5%
2009	50,744,800	59.3

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, 2008 actuarial valuation, the entry age normal cost method was used. The annual required contribution (ARC) effects a 30-year, level amortization of the unfunded actuarial accrued liability (AAL). The actuarial assumptions include a 5.5% investment rate. The medical assumption begins at 11.5% and decreases to a 5.0% long-term trend rate for all healthcare benefits after thirteen years. The dental assumption begins at 6% and decreases to 5.0% per year after two years.

13. LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

A portion of the Bridgeport Seaside Landfill was used for disposal of materials classified as hazardous waste from 1974 until late 1981 when it stopped accepting waste. The hazardous waste area of the landfill is subject to federal and state laws and regulations which required that the City close the facility in a manner that minimizes the need for further maintenance; and controls, minimizes or eliminates, to the extent necessary to protect human health and the environment, post-closure escape of hazardous waste, hazardous constituents, leachate, contaminated run-off, or hazardous waste decomposition products to the ground or surface waters or to the atmosphere. In addition, the City is required to perform certain maintenance and monitoring functions at the hazardous waste site for thirty years after closure. The estimated total current cost of the postclosure care of \$203,782 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, 2009. The actual cost of postclosure care costs may be higher due to inflation, changes in technology or changes in federal, state or local laws and regulations.

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

14. RISK MANAGEMENT

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

Workers' Compensation

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

Group Health Insurance

The City maintains a group health and dental self-insurance plan to pay for medical claims of current and retired City employees and their covered dependents. Approximately 4,200 active employees and 3,600 retirees receive their health coverage through this plan. Payments related to these claims are made by outside administrators under administrative services contracts and are accounted for in the Internal Service Fund. The contract requires the City to maintain a \$2,500,000 certificate of deposit which is recorded as restricted cash in the accompanying balance sheet.

Reconciliation of Liabilities

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

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

		Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	End of Fiscal Year Liability
2008	\$	65,740,860	\$ 88,167,399	\$ 86,607,259	\$ 67,301,000
2009		67,301,000	102,263,079	90,691,701	72,277,783

The current portion of claims incurred but not reported as of June 30, 2009 is \$18,835,783, which relates to Group Health Insurance Claims of \$6,177,783 and \$12,658,000 of general liability and workmen's compensation claims and is reported in the Internal Service Fund. The remaining liability for general liability and workmen's compensation claims of \$53,442,000 is recorded as long-term obligations.

15. FUND DEFICITS

The following funds have fund deficits as of June 30, 2009:

Nonmajor Governmental Funds:

Special Revenue:

Community Development	\$	197,952
Social Services		239,624
Community Development Block Grant		504,498
HOME Program		224,098
Development Administration State Grant		1,109,023

Capital Projects:

1997 Bond Issue		18,820
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Proprietary:

Internal service		68,444,020
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The City anticipates eliminating the fund deficits through future grants and revenues.

Supplementary Information

General Fund

GENERAL FUND

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

CITY OF BRIDGEPORT, CONNECTICUT

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNRESERVED FUND
BALANCE - BUDGETARY BASIS - BUDGET AND ACTUAL - GENERAL FUND**

FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues and Other Financing Sources:				
Property taxes:				
Current taxes	\$ 241,048,067	\$ 241,048,067	\$ 243,126,090	\$ 2,078,023
Interest - current	1,850,000	1,850,000	2,356,592	506,592
Arrears - principal	9,700,000	9,700,000	1,654,485	(8,045,515)
Arrears - interest	3,700,000	3,700,000	1,414,126	(2,285,874)
Lien fees	175,000	175,000	191,882	16,882
Total property taxes	<u>256,473,067</u>	<u>256,473,067</u>	<u>248,743,175</u>	<u>(7,729,892)</u>
Intergovernmental:				
Elderly exemption refund	754,000	754,000	754,453	453
Elderly freeze program	40,000	40,000	28,000	(12,000)
DCA tax abatement			128,251	128,251
Distressed municipalities	206,294	206,294	325,527	119,233
Education cost sharing	160,777,762	160,777,762	161,366,656	588,894
School construction refunds	2,419,331	2,419,331	2,832,508	413,177
Transportation	2,985,941	2,985,941	2,921,003	(64,938)
Aid to non-public schools	255,433	255,433	193,642	(61,791)
Town aid roads	674,174	674,174	671,159	(3,015)
Legally blind	358,599	358,599	240,947	(117,652)
PILOT	1,331,000	1,331,000	1,356,169	25,169
Miscellaneous PILOTS	870,288	870,288	1,444,056	573,768
PILOT/entitlements state aid				
Tax exempt colleges and hospitals	11,214,677	11,214,677	11,200,500	(14,177)
Breakfast program:				
State	162,479	162,479	161,868	(611)
Federal	1,988,772	1,988,772	2,548,061	559,289
Nutrition Center:				
Federal	169,613	169,613	153,992	(15,621)
State	7,813,892	7,813,892	8,106,701	292,809
Mashantucket Pequot funds	9,570,789	9,570,789	9,559,715	(11,074)
Manufacturing Machinery & Equipment	915,000	915,000	1,094,322	179,322
Beardsley Zoo subsidy	400,000	400,000	405,000	5,000
State-owned property	2,665,321	2,665,321	2,676,768	11,447
Total intergovernmental	<u>205,573,365</u>	<u>205,573,365</u>	<u>208,169,298</u>	<u>2,584,486</u>
Fees, permits and licenses:				
Parks and recreation:				
Golf course revenues	1,700,000	1,700,000	1,716,744	16,744
Wonderland of Ice	132,957	132,957		(132,957)
90 Acre			2,250	2,250
Kennedy Stadium			39,000	2,250
Leases/W.I.C.C.	10,500	10,500	10,500	
Flea market/ballfield	41,000	41,000	49,626	8,626
Miscellaneous	1,000	1,000		(1,000)
Parking stickers	161,000	161,000	235,618	74,618
Apartment rental	1,500	1,500	1,375	(125)
Fairchild Wheeler restaurant	50,000	50,000	50,125	125
City concessions	8,000	8,000	4,000	(4,000)
Total parks and recreation	<u>2,105,957</u>	<u>2,105,957</u>	<u>2,109,238</u>	<u>3,281</u>

(Continued on next page)

CITY OF BRIDGEPORT, CONNECTICUT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNRESERVED FUND BALANCE -
BUDGETARY BASIS - BUDGET AND ACTUAL - GENERAL FUND (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Building Department:				
Building permits	\$ 2,109,500	\$ 2,109,500	\$ 1,970,289	\$ (139,211)
Sign permits	12,000	12,000	9,930	(2,070)
Certificate of occupancy fees	500	500	276	(224)
Total building department	<u>2,122,000</u>	<u>2,122,000</u>	<u>1,980,495</u>	<u>(141,505)</u>
Police Department:				
Traffic violations	1,200,000	1,200,000	1,228,275	28,275
Photocopy fees	50,000	50,000	24,488	(25,512)
Outside overtime	3,575,000	3,575,000	3,283,911	(291,089)
Overtime surcharge	950,000	950,000	783,850	(166,150)
Police reports	300	300	22	(278)
Reclaimed dog fees	1,700	1,700	1,527	(173)
Vendor annual registration fees	25,000	25,000	53,630	28,630
Towing fines	125,000	125,000	83,294	(41,706)
Alarms	52,000	52,000	16,292	(35,708)
Ordinance violations	4,000	4,000	28,560	24,560
Block party permits	8,000	8,000	8,765	765
Other			8,655	8,655
Total police department	<u>5,991,000</u>	<u>5,991,000</u>	<u>5,521,269</u>	<u>(469,731)</u>
Public facilities:				
Dump license fees	23,000	23,000	20,475	(2,525)
Commercial dump fees	100,000	100,000	57,322	(42,678)
Street excavation license	88,000	88,000	84,500	(3,500)
Public facility enforcement	20,000	20,000	18,350	(1,650)
Sewer permits	2,000	2,000	2,025	25
CRRA host revenue	145,000	145,000		(145,000)
Congress Plaza			(5,865)	(5,865)
Annual rent	509,000	509,000	671,637	162,637
PILOT	300,000	300,000	208,330	(91,670)
Parking meters	400,000	400,000	442,865	42,865
Engineering map sales	4,600	4,600	4,829	229
Contractors license	10,000	10,000	10,550	550
Vendor registration license	250,000	250,000	157,404	(92,596)
Parking	201,000	201,000	71,761	(129,239)
Zoning appeals fees	60,000	60,000	34,214	(25,786)
Tavern zoning permits	95,700	95,700	186,941	91,241
Total public facilities	<u>2,208,300</u>	<u>2,208,300</u>	<u>1,965,338</u>	<u>(242,962)</u>
Finance:				
Comptroller Copies/Books/Miscellaneous	525,100	525,100	83,757	(441,343)
Comptroller Court Fine/CARC	95,000	95,000	9,537	(85,463)
Information Technology Services	250	250	159	(91)
Total finance	<u>620,350</u>	<u>620,350</u>	<u>93,453</u>	<u>(526,897)</u>
Civil service:				
Label/Admin fees			3,317	3,317

(Continued on next page)

CITY OF BRIDGEPORT, CONNECTICUT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNRESERVED FUND BALANCE -
BUDGETARY BASIS - BUDGET AND ACTUAL - GENERAL FUND (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Town Clerk:				
Dog licenses	\$ 20,000	\$ 20,000	\$ 4,041	\$ (15,959)
Fishing licenses	23,000	23,000	1,047	(21,953)
Combination licenses	1,000	1,000	518	(482)
Hunting licenses	2,500	2,500	308	(2,192)
Liquor licenses	700	700	807	107
Town Fund	30,000	30,000		(30,000)
Notaries/late fees	2,500	2,500	2,851	351
Farm fund	35,000	35,000	17,865	(17,135)
Assignments	1,050,000	1,050,000	1,214,717	164,717
Certification	1,250,000	1,250,000	543,655	(706,345)
Other licenses	67,150	67,150	136,504	69,354
Total town clerk	<u>2,481,850</u>	<u>2,481,850</u>	<u>1,922,313</u>	<u>(559,537)</u>
Health Department:				
Vital statistics	327,500	327,500	205,582	(121,918)
Clinic programs	25,000	25,000		(25,000)
Business license	291,350	291,350	304,303	12,953
Copies			15,267	15,267
Housing code	91,530	91,530	40,891	(50,639)
Total health department	<u>735,380</u>	<u>735,380</u>	<u>566,043</u>	<u>(169,337)</u>
Education and Nutrition Center:				
Cafeteria	504,566	504,566	826,854	322,288
School based health			73,737	73,737
Prior year encumbrance cancelled			244,673	244,673
Total Education and Nutrition Center	<u>504,566</u>	<u>504,566</u>	<u>1,145,264</u>	<u>640,698</u>
Sikorsky Airport:				
Airport fees	77,391	77,391	55,657	(21,734)
Shared revenue	110,000	110,000	117,848	7,848
Airport leases	859,280	859,280	652,735	(206,545)
Total Sikorsky Airport	<u>1,046,671</u>	<u>1,046,671</u>	<u>826,240</u>	<u>(220,431)</u>
Fire Department:				
Firewatch reimbursement	89,050	89,050	146,559	57,509
Copies	1,500	1,500	493	(1,007)
Permit	57,355	57,355	63,525	6,170
Tank installation	2,500	2,500	1,455	(1,045)
Total fire department	<u>150,405</u>	<u>150,405</u>	<u>212,032</u>	<u>61,627</u>
Total fees, permits and licenses	<u>17,966,479</u>	<u>17,966,479</u>	<u>16,345,002</u>	<u>(1,621,477)</u>
Interest	<u>1,500,000</u>	<u>1,500,000</u>	<u>449,655</u>	<u>(1,050,345)</u>

(Continued on next page)

CITY OF BRIDGEPORT, CONNECTICUT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNRESERVED FUND BALANCE -
BUDGETARY BASIS - BUDGET AND ACTUAL - GENERAL FUND (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual	Variance With
	Original	Final		Final Budget
				Positive (Negative)
Other:				
Property rentals	\$ 25,000	\$ 25,000	\$ 127,560	\$ 102,560
Telephone access lines	400,000	400,000	474,074	74,074
O.T.B. income	700,000	700,000	524,140	(175,860)
State Bingo	200	200	57	(143)
Comptroller reimbursement	330,000	330,000	246,959	(83,041)
Percent of profit	75,000	75,000		(75,000)
WPCA revenues	635,000	635,000	565,867	(69,133)
Weights and measures	84,000	84,000	71,465	(12,535)
State conservation	500	500	464	(36)
Sale of City-owned property	2,850,000	2,850,000	2,567,658	(282,342)
Health and social reimbursement	146,359	146,359	1,181	(145,178)
Foreclosure cost recovery	55,000	55,000	23,582	(31,418)
Restitution			5,615	5,615
Comptroller miscellaneous revenue	4,535,000	4,535,000	69,160	(4,465,840)
Total other	9,836,059	9,836,059	4,677,782	(5,158,277)
Total revenues	491,348,970	491,348,970	478,384,912	(12,964,058)
Other financing sources:				
Transfers in	1,000,000	1,000,000	2,000,000	1,000,000
Total revenues and other financing sources	492,348,970	492,348,970	480,384,912	(11,964,058)
Expenditures, encumbrances and other financing uses:				
General government:				
Central grants office	349,010	349,010	242,941	106,069
Mayor's office	624,751	624,751	545,408	79,343
Civil service commission	992,266	992,266	786,731	205,535
Benefits administration	42,917,550	42,917,550	42,615,933	301,617
City attorney	3,410,728	3,410,728	4,624,023	(1,213,295)
City clerk and city council	314,140	314,140	281,574	32,566
City Wide Membership	24,000	24,000	23,092	908
Registrar of voters	534,846	534,846	494,850	39,996
Legislative department	357,416	357,416	151,678	205,738
Libraries	3,843,775	3,843,775	3,345,438	498,337
Office of policy and management	447,680	447,680	426,734	20,946
Archives and records	54,678	54,678	43,441	11,237
Pensions	14,039,903	14,039,903	14,728,265	(688,362)
Fringe benefits	4,038,409	4,038,409	4,241,805	(203,396)
Town Clerk	627,833	627,833	565,973	61,860
Supportive contributions	1,063,338	1,063,338	738,254	325,084
Chief administrative officer	760,990	760,990	647,284	113,706
Finance department	383,878	383,878	352,185	31,693
Comptroller's office	1,179,842	1,179,842	819,126	360,716
Treasurer's office	269,256	269,256	165,362	103,894

(Continued on next page)

CITY OF BRIDGEPORT, CONNECTICUT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNRESERVED FUND BALANCE -
BUDGETARY BASIS - BUDGET AND ACTUAL - GENERAL FUND (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual	Variance With
	Original	Final		Final Budget
				Positive (Negative)
General government (continued):				
Tax assessor	\$ 2,085,346	\$ 2,085,346	\$ 1,756,696	\$ 328,650
Information technology services	3,540,000	3,540,000	2,970,188	569,812
Tax collector	1,235,929	1,235,929	1,089,353	146,576
Purchasing	457,534	457,534	366,127	91,407
Print shop	713,724	713,724	578,797	134,927
Labor relations	499,383	499,383	609,961	(110,578)
Employee org. & development	49,573	49,573	5,599	43,974
Ethics commission	3,500	3,500	1,786	1,714
Total general government	84,819,278	84,819,278	83,218,604	1,600,674
Protection of person and property:				
Police department	43,552,058	43,552,058	40,099,995	3,452,063
Fire department	24,128,533	24,128,533	23,098,406	1,030,127
Emergency Operation Center	2,250,415	2,250,415	2,241,875	8,540
Weights and measures	108,149	108,149	53,817	54,332
Total protection of person and property	70,039,155	70,039,155	65,494,093	4,545,062
Conservation of health:				
Office and administrative	198,773	198,773	178,909	19,864
Registrar of vital statistics	243,711	243,711	234,709	9,002
Communicable diseases	275,603	275,603	235,294	40,309
School based health	269,550	269,550	337,068	(67,518)
Dental hygiene	170,314	170,314	179,090	(8,776)
Environmental health	443,833	443,833	415,624	28,209
Health clinics	78,874	78,874	84,186	(5,312)
Housing code enforcement	205,115	205,115	129,419	75,696
Lead poisoning	8,000	8,000	6,679	1,321
School nursing			21,947	(21,947)
Total conservation of health	1,893,773	1,893,773	1,822,925	70,848
Public facilities:				
City Engineer	343,913	343,913	267,750	76,163
Zoning Commission	488,168	488,168	351,156	137,012
Zoning Board of Appeals	63,558	63,558	60,893	2,665
Building Department	968,979	968,979	880,660	88,319
Harbor Master	65,260	65,260	50,282	14,978
Transfer station	2,279,883	2,279,883	2,018,992	260,891
Sanitation	6,158,351	6,158,351	6,047,289	111,062
Roadway maintenance	2,398,550	2,398,550	2,309,746	88,804
Planning and development	1,960,296	1,960,296	1,534,628	425,668
Public facilities administration	1,073,834	1,073,834	1,009,536	64,298
Sikorsky Airport	1,051,319	1,051,319	943,095	108,224
Municipal garage	1,728,643	1,728,643	1,616,490	112,153
Maintenance	10,379,819	10,379,819	9,132,665	1,247,154
Construction management services			482,916	(482,916)
Total public facilities	28,960,573	28,960,573	26,706,098	2,254,475
Charities and hospitals:				
Social services	170,114	170,114	123,835	46,279

(Continued on next page)

CITY OF BRIDGEPORT, CONNECTICUT

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN UNRESERVED FUND BALANCE -
BUDGETARY BASIS - BUDGET AND ACTUAL - GENERAL FUND (CONTINUED)**

FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Education:				
Instruction	\$ 156,515,948	\$ 153,185,017	\$ 151,884,755	\$ 1,300,262
Pupil services	13,527,119	13,900,051	13,246,501	653,550
BOE administration	2,240,984	1,959,528	1,971,602	(12,074)
Support services	42,067,107	45,431,459	42,943,336	2,488,123
School improvement initiatives	1,492,737	1,367,840	1,364,448	3,392
Nutrition center	12,141,190	12,141,190	11,701,105	440,085
Total education	<u>227,985,085</u>	<u>227,985,085</u>	<u>223,111,747</u>	<u>4,873,338</u>
Parks and recreation:				
Recreation	770,171	770,171	534,388	235,783
Parks and recreation administration	319,748	319,748	196,916	122,832
Parks	1,985,353	1,985,353	2,296,069	(310,716)
Fairchild Wheeler	1,227,089	1,227,089	1,178,615	48,474
Beardsley zoo	1,176,577	1,176,577	1,162,944	13,633
Total parks and recreation	<u>5,478,938</u>	<u>5,478,938</u>	<u>5,368,932</u>	<u>110,006</u>
Special services:				
Youth services	1,401,592	1,401,592	1,396,319	5,273
Human services	75,057	75,057	71,054	4,003
Department on aging	242,614	242,614	242,417	197
Office for disabilities	67,487	67,487	35,142	32,345
Parent aid program	47,960	47,960	37,297	10,663
Veterans affairs	61,081	61,081	52,206	8,875
Total special services	<u>1,895,791</u>	<u>1,895,791</u>	<u>1,834,435</u>	<u>61,356</u>
Debt service	<u>71,106,263</u>	<u>71,106,263</u>	<u>72,556,592</u>	<u>(1,450,329)</u>
Total expenditures, encumbrances and other financing uses	<u>492,348,970</u>	<u>492,348,970</u>	<u>480,237,261</u>	<u>12,111,709</u>
Revenues and other financing sources over expenditures, encumbrances and other financing uses	<u>\$ -</u>	<u>\$ -</u>	147,651	<u>\$ 147,651</u>
Unreserved fund balance, July 1, 2008			<u>10,605,102</u>	
Unreserved Fund Balance, June 30, 2009			<u>\$ 10,752,753</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.

Education Grants Fund - is used to account for U.S. Department of Education grants, as well as local grants relating to education.

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.

Community Development Fund - is used to account for state and local grants used for such programs as labor-management cooperation, harbor management planning and economic development.

Other Programs Fund - is used to account for Connecticut Office of Policy and Management grants for such programs as Drug Enforcement and Local Capital Improvement (LOCIP), as well as other miscellaneous federal and state grants.

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

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

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

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

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

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

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

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

Parks and Recreation Fund - is used to account for donations and income from donations and endowments restricted for activities mainly related to parks and recreation.

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.

Education and Library Fund - is used to account for certain education and library capital projects funded through state grants.

Health and Sanitation Fund - is used to account for the construction of the Bridgeport-Trumbull Intercept Sewer Project.

Highway and Parking Fund - is used to account for the undertaking of special street paving projects.

General Government Fund - is used to account for small construction projects funded out of local grants.

Parks and Recreation Fund - is used to account for acquisition and construction of recreational facilities located at the various city parks.

Municipal Airport Fund - is used to account for federal, state and local grants used for construction, renovation and other improvements at Sikorsky Airport.

Capital Reduction Fund - is used to account for the miscellaneous construction and renovation projects approved by the City Council not accounted for in other capital project funds.

Bond Issue Fund - is used to account for various school construction and capital equipment acquisition projects that are funded out of bond proceeds.

School Bond Issue Fund - is used to account for various school construction that is funded out of proceeds from the 1995 bond issue.

1997 Bond Issue Fund - is used to account for various construction projects that are funded out of proceeds from the 1997 bond issue.

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

EXHIBIT B-1

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2009

Special Revenue Funds

	<u>Education Grants</u>	<u>Health and Sanitation</u>	<u>Community Development</u>	<u>Other Programs</u>	<u>Social Services</u>	<u>Community Development Block Grant</u>	<u>Housing Opportunities AIDS</u>	<u>HOME Program</u>
ASSETS								
Cash and cash equivalents	\$	\$	\$	\$ 475,118	\$	\$	\$ 32,119	\$ 152,140
Investments								
Receivables:								
Intergovernmental	4,599,871	664,305		4,712,090			989	
Other	1,045,120	19,041	161,469	2,689	244,235	1,541,605		816,282
Due from other funds	<u>260,400</u>	<u>243,408</u>	<u>146,250</u>	<u>820,952</u>	<u>190,094</u>	<u>90,772</u>		
Total Assets	<u>\$ 5,905,391</u>	<u>\$ 926,754</u>	<u>\$ 307,719</u>	<u>\$ 6,010,849</u>	<u>\$ 434,329</u>	<u>\$ 1,632,377</u>	<u>\$ 33,108</u>	<u>\$ 968,422</u>
LIABILITIES AND FUND BALANCE								
Liabilities:								
Accounts payable	\$ 1,700,085	\$ 167,586	\$ 156,270	\$ 2,139,685	\$ 279,762	\$ 925,484	\$	\$ 111,460
Accrued liabilities	78,648					339,433	30,560	3,793
Due to other funds	2,235,255			653,035	202,315	871,958	2,548	499,745
Unearned revenues	<u>1,880,974</u>	<u>550,132</u>	<u>349,401</u>	<u>2,623,046</u>	<u>191,876</u>			<u>577,522</u>
Total liabilities	<u>5,894,962</u>	<u>717,718</u>	<u>505,671</u>	<u>5,415,766</u>	<u>673,953</u>	<u>2,136,875</u>	<u>33,108</u>	<u>1,192,520</u>
Fund balance:								
Reserved for endowments - permanently restricted								
Reserved for encumbrances					32,501	487,353		859,995
Unreserved and undesignated	<u>10,429</u>	<u>209,036</u>	<u>(197,952)</u>	<u>595,083</u>	<u>(272,125)</u>	<u>(991,851)</u>		<u>(1,084,093)</u>
Total fund balance	<u>10,429</u>	<u>209,036</u>	<u>(197,952)</u>	<u>595,083</u>	<u>(239,624)</u>	<u>(504,498)</u>	<u>-</u>	<u>(224,098)</u>
Total Liabilities and Fund Balance	<u>\$ 5,905,391</u>	<u>\$ 926,754</u>	<u>\$ 307,719</u>	<u>\$ 6,010,849</u>	<u>\$ 434,329</u>	<u>\$ 1,632,377</u>	<u>\$ 33,108</u>	<u>\$ 968,422</u>

CITY OF BRIDGEPORT, CONNECTICUT

EXHIBIT B-1

COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2009

	Special Revenue Funds					Capital Projects				
	Section 108	Development				Education	Health	Highway	General	
	Loan	Administration	Library	Education	Parks and	and	and	and	Government	
	Guarantee	State Grant			Recreation	Library	Sanitation	Parking		
ASSETS										
Cash and cash equivalents	\$ 43,520	\$ 742,711	\$ 129,542	\$ 249,923	\$ 1,771,374	\$ 32,462	\$ 1,202,938	\$ 101,330	\$ 1,890	
Investments			1,532,772							
Receivables:										
Intergovernmental	459,737	4,567,152				214,234				
Other	579,500	239,514			40,000					
Due from other funds					19,335					
Total Assets	<u>\$ 1,082,757</u>	<u>\$ 5,549,377</u>	<u>\$ 1,662,314</u>	<u>\$ 249,923</u>	<u>\$ 1,830,709</u>	<u>\$ 246,696</u>	<u>\$ 1,202,938</u>	<u>\$ 101,330</u>	<u>\$ 1,890</u>	
LIABILITIES AND FUND BALANCE										
Liabilities:										
Accounts payable	\$ 32,409	\$ 970,312	\$	\$	\$ 1,767,254	\$	\$	\$	\$	
Accrued liabilities										
Due to other funds	403,320	5,411,994				199,025				
Unearned revenues		276,094								
Total liabilities	<u>435,729</u>	<u>6,658,400</u>	<u>-</u>	<u>-</u>	<u>1,767,254</u>	<u>199,025</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Fund balance:										
Reserved for endowments - permanently restricted										
Reserved for encumbrances	579,430	1,057,625								
Unreserved and undesignated	67,598	(2,166,648)	1,662,314	249,923	63,455	47,671	1,202,938	101,330	1,890	
Total fund balance	<u>647,028</u>	<u>(1,109,023)</u>	<u>1,662,314</u>	<u>249,923</u>	<u>63,455</u>	<u>47,671</u>	<u>1,202,938</u>	<u>101,330</u>	<u>1,890</u>	
Total Liabilities and Fund Balance	<u>\$ 1,082,757</u>	<u>\$ 5,549,377</u>	<u>\$ 1,662,314</u>	<u>\$ 249,923</u>	<u>\$ 1,830,709</u>	<u>\$ 246,696</u>	<u>\$ 1,202,938</u>	<u>\$ 101,330</u>	<u>\$ 1,890</u>	

CITY OF BRIDGEPORT, CONNECTICUT

EXHIBIT B-1

COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2009

	Capital Projects					Permanent Trusts		Interfund Eliminations	Total Nonmajor Governmental Funds
	Parks and Recreation	Municipal Airport	Capital Reduction	Bond Issue	School Bond Issue	1997 Bond Issue	Library		
ASSETS									
Cash and cash equivalents	\$ 490,710	\$ 196,663	\$ 2,080,912	\$ 253,268	\$ 71,681	\$	\$	\$ 107,833	\$ 8,136,134
Investments							599,793		2,132,565
Receivables:									
Intergovernmental		90,874	2,093	400		23,004			15,334,749
Other	11,704	125,020				112,068		768	4,939,015
Due from other funds			392,635	5,346		2,271		(392,635)	1,778,828
Total Assets	<u>\$ 502,414</u>	<u>\$ 412,557</u>	<u>\$ 2,475,640</u>	<u>\$ 259,014</u>	<u>\$ 71,681</u>	<u>\$ 137,343</u>	<u>\$ 599,793</u>	<u>\$ 108,601</u>	<u>\$ 32,321,291</u>
LIABILITIES AND FUND BALANCE									
Liabilities:									
Accounts payable	\$	\$ 23,136	\$	\$ 1,548	\$	\$ 11,187	\$	\$	\$ 8,286,178
Accrued liabilities									452,434
Due to other funds						144,976		(392,635)	10,231,536
Unearned revenues			751,415						7,200,460
Total liabilities	<u>-</u>	<u>23,136</u>	<u>751,415</u>	<u>1,548</u>	<u>-</u>	<u>156,163</u>	<u>-</u>	<u>(392,635)</u>	<u>26,170,608</u>
Fund balance:									
Reserved for endowments - permanently restricted							552,531	108,681	661,212
Reserved for encumbrances									3,016,904
Unreserved and undesignated	502,414	389,421	1,724,225	257,466	71,681	(18,820)	47,262	(80)	2,472,567
Total fund balance	<u>502,414</u>	<u>389,421</u>	<u>1,724,225</u>	<u>257,466</u>	<u>71,681</u>	<u>(18,820)</u>	<u>599,793</u>	<u>108,601</u>	<u>6,150,683</u>
Total Liabilities and Fund Balance	<u>\$ 502,414</u>	<u>\$ 412,557</u>	<u>\$ 2,475,640</u>	<u>\$ 259,014</u>	<u>\$ 71,681</u>	<u>\$ 137,343</u>	<u>\$ 599,793</u>	<u>\$ 108,601</u>	<u>\$ 32,321,291</u>

CITY OF BRIDGEPORT, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

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	Special Revenue							
	Education Grants	Health and Sanitation	Community Development	Other Programs	Social Services	Community Development Block Grant	Housing Opportunities AIDS	HOME Program
Revenues:								
Intergovernmental	\$ 53,013,997	\$ 5,684,187	\$ 1,525,741	\$ 11,243,759	\$ 1,455,594	\$ 4,211,415	\$ 717,594	\$ 637,367
Interest				1,639				8,802
Other	651,268	6,127	242,733	116,494	811,436			113,328
Total revenues	<u>53,665,265</u>	<u>5,690,314</u>	<u>1,768,474</u>	<u>11,361,892</u>	<u>2,267,030</u>	<u>4,211,415</u>	<u>717,594</u>	<u>759,497</u>
Expenditures:								
General government								270,324
Conservation of health		4,638,171					717,594	
Education	54,416,539							
Special services			1,297,639	12,470,267	2,198,497	3,552,357		347,633
Capital outlay								
Total expenditures	<u>54,416,539</u>	<u>4,638,171</u>	<u>1,297,639</u>	<u>12,470,267</u>	<u>2,198,497</u>	<u>3,552,357</u>	<u>717,594</u>	<u>617,957</u>
Excess (deficiency) of revenues over expenditures	(751,274)	1,052,143	470,835	(1,108,375)	68,533	659,058	-	141,540
Fund Balance at Beginning of Year	<u>761,703</u>	<u>(843,107)</u>	<u>(668,787)</u>	<u>1,703,458</u>	<u>(308,157)</u>	<u>(1,163,556)</u>	<u>-</u>	<u>(365,638)</u>
Fund Balance at End of Year	<u>\$ 10,429</u>	<u>\$ 209,036</u>	<u>\$ (197,952)</u>	<u>\$ 595,083</u>	<u>\$ (239,624)</u>	<u>\$ (504,498)</u>	<u>\$ -</u>	<u>\$ (224,098)</u>

(Continued on next page)

CITY OF BRIDGEPORT, CONNECTICUT

EXHIBIT B-2

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

FOR THE YEAR ENDED JUNE 30, 2009

	Special Revenue					Capital Projects			
	Section 108 Loan Guarantee	Development Administration State Grant	Library	Education	Parks and Recreation	Education and Library	Health and Sanitation	Highway and Parking	General Government
Revenues:									
Intergovernmental	\$ 3,658	\$ 4,533,555	\$ 3,152	\$	\$	\$	\$	\$	\$
Interest	2,275	1,750	42,410	1,073	8		8,024	1,319	
Other	108,101	77,339	174,078		59,315	14			
Total revenues	<u>114,034</u>	<u>4,612,644</u>	<u>219,640</u>	<u>1,073</u>	<u>59,323</u>	<u>14</u>	<u>8,024</u>	<u>1,319</u>	<u>-</u>
Expenditures:									
General government	435,410		240,905						
Conservation of health									
Education				4,960					
Special services		6,225,023							
Capital outlay									
Total expenditures	<u>435,410</u>	<u>6,225,023</u>	<u>240,905</u>	<u>4,960</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(321,376)	(1,612,379)	(21,265)	(3,887)	59,323	14	8,024	1,319	
Fund Balance at Beginning of Year	<u>968,404</u>	<u>503,356</u>	<u>1,683,579</u>	<u>253,810</u>	<u>4,132</u>	<u>47,657</u>	<u>1,194,914</u>	<u>100,011</u>	<u>1,890</u>
Fund Balance at End of Year	<u>\$ 647,028</u>	<u>\$ (1,109,023)</u>	<u>\$ 1,662,314</u>	<u>\$ 249,923</u>	<u>\$ 63,455</u>	<u>\$ 47,671</u>	<u>\$ 1,202,938</u>	<u>\$ 101,330</u>	<u>\$ 1,890</u>

(Continued on next page)

CITY OF BRIDGEPORT, CONNECTICUT

EXHIBIT B-2

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

FOR THE YEAR ENDED JUNE 30, 2009

	Capital Projects					Permanent Trusts		Interfund Eliminations	Total Nonmajor Governmental Funds
	Parks and Recreation	Municipal Airport	Capital Reduction	Bond Issue	School Bond Issue	1997 Bond Issue	Library		
Revenues:									
Intergovernmental	\$	\$	\$	\$	\$	\$	\$	\$	\$ 83,030,019
Interest	6,545	2,559	12,957	3,346	937	898	11,140	469	106,151
Other									2,360,233
Total revenues	<u>6,545</u>	<u>2,559</u>	<u>12,957</u>	<u>3,346</u>	<u>937</u>	<u>898</u>	<u>11,140</u>	<u>469</u>	<u>85,496,403</u>
Expenditures:									
General government				40					946,679
Conservation of health									5,355,765
Education									54,421,499
Special services									26,091,416
Capital outlay	8,159					119,473			127,632
Total expenditures	<u>8,159</u>	<u>-</u>	<u>-</u>	<u>40</u>	<u>-</u>	<u>119,473</u>	<u>-</u>	<u>-</u>	<u>86,942,991</u>
Excess (deficiency) of revenues over expenditures	(1,614)	2,559	12,957	3,306	937	(118,575)	11,140	469	(1,446,588)
Fund Balance at Beginning of Year	<u>504,028</u>	<u>386,862</u>	<u>1,711,268</u>	<u>254,160</u>	<u>70,744</u>	<u>99,755</u>	<u>588,653</u>	<u>108,132</u>	<u>7,597,271</u>
Fund Balance at End of Year	<u>\$ 502,414</u>	<u>\$ 389,421</u>	<u>\$ 1,724,225</u>	<u>\$ 257,466</u>	<u>\$ 71,681</u>	<u>\$ (18,820)</u>	<u>\$ 599,793</u>	<u>\$ 108,601</u>	<u>\$ 6,150,683</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, 2009

	<u>Balance</u> <u>June 30, 2008</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2009</u>
Student Activities Fund				
Assets:				
Cash and cash equivalents	\$ 321,467	\$ 1,155,618	\$ (1,176,767)	\$ 300,318
Liabilities:				
Due to student groups	\$ 321,467	\$ 1,155,618	\$ (1,176,767)	\$ 300,318

**Capital Assets Used in the
Operation of Governmental Funds**

CITY OF BRIDGEPORT, CONNECTICUT

**SCHEDULE OF CAPITAL ASSETS USED IN THE
OPERATION OF GOVERNMENTAL FUNDS -
SCHEDULE BY SOURCE**

JUNE 30, 2009

Governmental funds capital assets:

Land	\$ 139,235,293
Buildings	587,527,433
Furniture and equipment	34,109,659
Infrastructure	128,781,044
Vehicles	35,922,203
Construction in progress	<u>87,416,760</u>
Total	\$ <u>1,012,992,392</u>

Investment in governmental funds capital assets by source:

Capital Projects Funds	\$ 533,863,398
General Fund	177,628,438
Tax Foreclosed Property	9,499,706
Economic Development	3,058,210
Donated Property	2,773,300
Other Special Revenue Funds	<u>286,169,340</u>
Total	\$ <u>1,012,992,392</u>

CITY OF BRIDGEPORT, CONNECTICUT

SCHEDULE OF CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS -
BY FUNCTION AND ACTIVITY

JUNE 30, 2009

	<u>Land</u>	<u>Buildings</u>	<u>Furniture and Equipment</u>	<u>Vehicles</u>	<u>Infrastructure</u>	<u>Totals</u>
General Government						
City Clerk	\$	\$	\$	\$	\$	-
Mayor				124,881		124,881
Chief Administrator						-
Office of Policy/Management			49,269	19,817		69,086
Registrar of Voters						-
Finance				67,592		67,592
Tax Assessor			118,730	37,488		156,218
Tax Collector	8,492,560	1,743,175				10,235,735
Treasurers						-
Information Technology Services			2,885,396			2,885,396
Print Shop			167,915	13,297		181,212
Labor Relations						-
Barnum Institute		448,869				448,869
Klein Memorial Auditorium	55,415	2,995,245				3,050,660
Archives and Records			29,680			29,680
City Attorney				30,320		30,320
Sikorsky Memorial Airport	4,908,731	1,561,972	682,724	1,121,596		8,275,023
Harbor Master			178,706	42,591		221,297
Railroad Station	472,585	1,106,985				1,579,570
Offstreet Parking	517,816					517,816
Building Department				88,976		88,976
Planning and Development	75,846,295	102,580,715	5,889,782	92,224		184,409,016
Fair Housing	240,000					240,000
Zoning Commission				12,496		12,496
Town Clerk			720,321			720,321
Employee & Organizational Development						-
Bus Station		23,151,495				23,151,495
Purchasing				15,320		15,320
City Hall Committee						-
Total general government	<u>90,533,402</u>	<u>133,588,456</u>	<u>10,722,523</u>	<u>1,666,598</u>	<u>-</u>	<u>236,510,979</u>
Protection of Person and Property						
Police	91,850	3,955,029	3,003,460	9,077,646		16,127,985
Dog Warden	2,700,000	2,944,832				5,644,832
Fire	599,819	6,380,630	811,880	8,539,337		16,331,666
Weights and Measures				18,863		18,863
Total protection of person and property	<u>3,391,669</u>	<u>13,280,491</u>	<u>3,815,340</u>	<u>17,635,846</u>	<u>-</u>	<u>38,123,346</u>
Conservation of Health						
Administration			46,000	38,301		84,301
Communicable diseases				12,496		12,496
Clinics		13,122				13,122
Laboratories			75,000			75,000

(Continued on next page)

CITY OF BRIDGEPORT, CONNECTICUT

SCHEDULE OF CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS -
BY FUNCTION AND ACTIVITY (CONTINUED)

JUNE 30, 2009

	<u>Land</u>	<u>Buildings</u>	<u>Furniture and Equipment</u>	<u>Vehicles</u>	<u>Infrastructure</u>	<u>Totals</u>
Conservation of Health, Continued						
Environmental Health	\$	\$	\$	\$ 90,082	\$	\$ 90,082
Housing Code Enforcement				143,569		143,569
Women, Infants and Children				28,996		28,996
Social Services			250,000	12,496		262,496
Relief of Outside Poor						-
Human Resources						-
Youth Services				13,297		13,297
Mounted unit						-
School Based Health						-
Office for Persons with Disabilities						-
Community Dental Clinic						-
Department of Aging				49,715		49,715
Total conservation of health	<u>-</u>	<u>13,122</u>	<u>371,000</u>	<u>388,952</u>	<u>-</u>	<u>773,074</u>
Public Facilities						
Director of Public Facilities	3,775,000			147,183		3,922,183
Miscellaneous	14,285		112,824	412,710		539,819
City Yard				23,375		23,375
Municipal Garage		1,149,441	55,818			1,205,259
Maintenance Department			159,026	352,649		511,675
Roadways and Maintenance		34,995	1,995,637	4,188,870	128,781,044	135,000,546
Ash and Garbage			253,555	4,678,302		4,931,857
Recycling				1,282,994		1,282,994
City Hall	170,597	12,066,271	123,720			12,360,588
Humane Affairs Building	192,343	3,617,898				3,810,241
Senior Citizens Building	30,000	395,246	24,460			449,706
Hall of Records	600,000	579,998				1,179,998
Transfer Station	849,745	902,329	70,950	21,431		1,844,455
City Engineer				77,649		77,649
Construction Management Services				25,793		25,793
Total public facilities	<u>5,631,970</u>	<u>18,746,178</u>	<u>2,795,990</u>	<u>11,210,956</u>	<u>128,781,044</u>	<u>167,166,138</u>
Education						
Administration	24,106,130	390,006,392	12,697,100	1,387,613		428,197,235
Instruction				795,138		795,138
Support Services		1,174,543	11,660	677,407		1,863,610
Pupil Services				19,444		19,444
Total education	<u>24,106,130</u>	<u>391,180,935</u>	<u>12,708,760</u>	<u>2,879,602</u>	<u>-</u>	<u>430,875,427</u>
Parks and Recreation						
Parks Administration	15,444,298	21,643,099	2,570,098	1,341,475		40,998,970
Fairchild Wheeler		197,057	331,693			528,750
Park Checkpoints				23,375		23,375
Total parks and recreation	<u>15,444,298</u>	<u>21,840,156</u>	<u>2,901,791</u>	<u>1,364,850</u>	<u>-</u>	<u>41,551,095</u>
Library						
	<u>127,825</u>	<u>8,878,095</u>	<u>116,200</u>	<u>30,787</u>	<u>-</u>	<u>9,152,907</u>

(Continued on next page)

CITY OF BRIDGEPORT, CONNECTICUT

SCHEDULE OF CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS -
BY FUNCTION AND ACTIVITY (CONTINUED)

JUNE 30, 2009

	<u>Land</u>	<u>Buildings</u>	<u>Furniture and Equipment</u>	<u>Vehicles</u>	<u>Infrastructure</u>	<u>Totals</u>
Nutrition Center	\$ -	\$ -	\$ 678,054	\$ 744,612	\$ -	\$ 1,422,666
Miscellaneous						
BSA-Block Grant	-	-	-	-	-	-
Total fixed assets placed in use	139,235,294	587,527,433	34,109,658	35,922,203	128,781,044	925,575,632
Construction in Progress	-	87,416,760	-	-	-	87,416,760
Total capital assets	<u>\$ 139,235,294</u>	<u>\$ 674,944,193</u>	<u>\$ 34,109,658</u>	<u>\$ 35,922,203</u>	<u>\$ 128,781,044</u>	<u>\$ 1,012,992,392</u>

CITY OF BRIDGEPORT, CONNECTICUT

SCHEDULE OF CHANGES IN CAPITAL ASSETS USED IN THE OPERATION OF
GOVERNMENTAL FUNDS - SCHEDULE OF CHANGES BY FUNCTION

FOR THE YEAR ENDED JUNE 30, 2009

	<u>Balance</u> <u>June 30, 2008</u>	<u>Additions</u>	<u>Disposals</u>	<u>Transfers</u>	<u>Balance</u> <u>June 30, 2009</u>
General Government					
City Clerk	\$ -	\$ -	\$ -	\$ -	\$ -
Mayor	124,881				124,881
Chief Administrator	-				-
Office of Policy/Management	69,086				69,086
Registrar of Voters	-				-
Finance	37,693	29,899			67,592
Tax Assessor	37,488	118,730			156,218
Tax Collector	10,235,734				10,235,734
Treasurers	-				-
Information Technology Services	2,800,978	84,418			2,885,396
Print Shop	181,212				181,212
Labor Relations	-				-
Barnum Institute	448,869				448,869
Klein Memorial Auditorium	3,050,660				3,050,660
Archives and Records	29,680				29,680
City Attorney	30,320				30,320
Sikorsky Memorial Airport	8,381,015				8,381,015
Harbor Master	221,297				221,297
Railroad Station	1,579,570				1,579,570
Offstreet Parking	517,816				517,816
Building Department	88,976				88,976
Planning and Development	183,172,603	486,040		750,372	184,409,015
Fair Housing	240,000				240,000
Zoning Commission	12,496				12,496
Bus Terminal	22,743,812	407,683			23,151,495
Zoning Board of Appeals	-				-
Town Clerk	-	720,321			720,321
Purchasing	15,320				15,320
City Hall Committee	-				-
Total general government	<u>234,019,506</u>	<u>1,847,091</u>	<u>-</u>	<u>750,372</u>	<u>236,616,969</u>
Protection of Person and Property					
Police	15,078,004	1,049,982			16,127,986
Dog Warden	2,700,000	158,567		2,786,265	5,644,832
Fire	15,376,218	436,030		519,418	16,331,666
Building Department	-				-
Weights and Measures	18,863				18,863
Total protection of person and property	<u>33,173,085</u>	<u>1,644,579</u>	<u>-</u>	<u>3,305,683</u>	<u>38,123,347</u>

(Continued on next page)

CITY OF BRIDGEPORT, CONNECTICUT

**SCHEDULE OF CHANGES IN CAPITAL ASSETS USED IN THE OPERATION OF
GOVERNMENTAL FUNDS - SCHEDULE OF CHANGES BY FUNCTION (CONTINUED)**

FOR THE YEAR ENDED JUNE 30, 2009

	<u>Balance</u> <u>June 30, 2008</u>	<u>Additions</u>	<u>Disposals</u>	<u>Transfers</u>	<u>Balance</u> <u>June 30, 2009</u>
Conservation of Health					
Administration	\$ 84,301	\$	\$	\$	\$ 84,301
Communicable diseases	12,496				12,496
Clinics	13,122				13,122
Laboratories	75,000				75,000
Environmental Health	90,082				90,082
Housing Code Enforcement	143,569				143,569
Women, Infants and Children	28,996				28,996
Social Services	262,496				262,496
Relief of Outside Poor	-				-
Human Resources	-				-
Mounted Unit	13,297				13,297
School Based Health	-				-
Office for Persons with Disabilities	-				-
Dental Hygiene	-				-
Community Dental Clinic	-				-
Department of Aging	49,715				49,715
Total conservation of health	<u>773,074</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>773,074</u>
Public Facilities					
Director of Public Facilities	3,892,284	29,899			3,922,183
Miscellaneous	539,819				539,819
City Yard	23,375				23,375
Municipal Garage	1,149,441	55,819			1,205,260
Maintenance Department	511,675				511,675
Roadways and Maintenance	124,247,965	6,880,234			131,128,199
Ash and Garbage	3,609,916	1,321,940			4,931,856
Recycling	1,282,994				1,282,994
City Hall	12,360,588				12,360,588
Humane Affairs Building	3,810,241				3,810,241
Senior Citizens Building	449,706				449,706
Hall of Records	1,179,998				1,179,998
Transfer Station	1,844,455				1,844,455
City Engineer	77,649				77,649
Construction Management Services	25,793				25,793
Total public facilities	<u>155,005,899</u>	<u>8,287,892</u>	<u>-</u>	<u>-</u>	<u>163,293,791</u>

(Continued on next page)

CITY OF BRIDGEPORT, CONNECTICUT

**SCHEDULE OF CHANGES IN CAPITAL ASSETS USED IN THE OPERATION OF
GOVERNMENTAL FUNDS - SCHEDULE OF CHANGES BY FUNCTION (CONTINUED)**

FOR THE YEAR ENDED JUNE 30, 2009

	<u>Balance</u> <u>June 30, 2008</u>	<u>Additions</u>	<u>Disposals</u>	<u>Transfers</u>	<u>Balance</u> <u>June 30, 2009</u>
Education					
Administration	\$ 268,446,357	\$ 52,859,970	\$ -	\$ 106,890,907	\$ 428,197,234
Instruction	795,138				795,138
Support Services	689,067	841,726		332,818	1,863,611
Pupil Services	19,444				19,444
Total education	<u>269,950,006</u>	<u>53,701,696</u>	<u>-</u>	<u>107,223,725</u>	<u>430,875,427</u>
Parks and Recreation					
Parks Administration	37,378,443	1,515,369		5,605,156	44,498,968
Fairchild Wheeler	760,467	34,640			795,107
Park Checkpoints	23,375				23,375
Total parks and recreation	<u>38,162,285</u>	<u>1,550,009</u>	<u>-</u>	<u>5,605,156</u>	<u>45,317,450</u>
Library	<u>5,230,045</u>	<u>1,995,999</u>		<u>1,926,864</u>	<u>9,152,908</u>
Nutrition Center	<u>1,401,016</u>	<u>21,650</u>	<u>-</u>	<u>-</u>	<u>1,422,666</u>
Miscellaneous					
BJA-Block Grant	-	-	-	-	-
Total fixed assets placed in use	<u>737,714,916</u>	<u>69,048,916</u>	<u>-</u>	<u>118,811,800</u>	<u>925,575,632</u>
Construction in Progress	<u>181,091,885</u>	<u>25,136,675</u>	<u>-</u>	<u>(118,811,800)</u>	<u>87,416,760</u>
Total Capital Assets	<u>\$ 918,806,801</u>	<u>\$ 94,185,591</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,012,992,392</u>

Other Schedules

CITY OF BRIDGEPORT, CONNECTICUT

SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED AND OUTSTANDING

FOR THE YEAR ENDED JUNE 30, 2009

Grand List Year	Balance Uncollected July 1, 2008	Current Levy	Net Adjustments	Transfers to Suspense	Adjusted Taxes Collectible	Collections				Balance Uncollected June 30, 2009
						Taxes	Interest	Lien Fees	Total	
1993	\$ 1,307,504		\$ (1,301,721)	\$ (386)	\$ 5,397	\$ 5,041	\$ 11,589	\$ 201	\$ 16,831	\$ 356
1994	1,367,410		(6,320)	(336)	1,360,754	10,695	19,930	186	30,811	1,350,059
1995	1,690,153		(11,032)		1,679,121	19,042	29,322	339	48,703	1,660,079
1996	1,858,979		(6,970)	(365)	1,851,644	28,953	44,444	591	73,988	1,822,691
1997	1,901,965		(17,858)	(1,310)	1,882,797	41,071	53,545	847	95,463	1,841,726
1998	1,982,418		(24,240)	(831)	1,957,347	43,924	59,200	165	103,289	1,913,423
1999	2,379,923		(40,893)	(186)	2,338,844	67,952	73,996	1,939	143,887	2,270,892
2000	2,279,022		(19,839)	(659)	2,258,524	68,686	66,864	773	136,323	2,189,838
2001	2,749,685		75,942	(821)	2,824,806	101,521	95,076	1,937	198,534	2,723,285
2002	2,622,591		57,155	(483)	2,679,263	103,911	87,627	3,165	194,703	2,575,352
2003	2,191,462		(174,780)	(827)	2,015,855	161,825	165,004	4,007	330,836	1,854,030
2004	3,023,851		(276,831)	(1,135)	2,745,885	177,657	116,950	6,317	300,924	2,568,228
2005	3,979,490		(340,280)	(4,031)	3,635,179	419,371	182,326	12,156	613,853	3,215,808
2006	6,569,471		(1,830,423)	(6,365)	4,732,683	385,291	408,252	62,237	855,780	4,347,392
2007		249,163,815	925,599	(6,138)	250,083,276	243,126,091	2,356,592	97,022	245,579,705	6,957,185
	<u>\$ 35,903,924</u>	<u>\$ 249,163,815</u>	<u>\$ (2,992,491)</u>	<u>\$ (23,873)</u>	<u>\$ 282,051,375</u>	<u>\$ 244,761,031</u>	<u>\$ 3,770,717</u>	<u>\$ 191,882</u>	<u>\$ 248,723,630</u>	<u>\$ 37,290,344</u>

Statistical Section

Statistical Section

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

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

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

CITY OF BRIDGEPORT, CONNECTICUT

NET ASSETS BY COMPONENT

LAST EIGHT FISCAL YEARS

(Accrual Basis of Accounting)

	FISCAL YEAR							
	2009	2008	2007	2006	2005	2004	2003	2002
Governmental Activities:								
Invested in capital assets, net of related debt	\$ 444,537,656	\$ 344,230,733	\$ 209,090,671	\$ 127,514,772	\$ 108,362,879	\$ 65,794,648	\$ 153,863,281	\$ 107,062,330
Restricted	3,161,212	3,161,212	3,161,212	3,161,212	3,207,234	3,155,609	49,347,524	59,043,555
Unrestricted	(302,776,953)	(226,824,933)	(168,193,991)	(151,356,989)	(175,841,584)	(143,011,902)	(262,854,254)	(230,487,265)
Total Governmental Activities Net Assets	<u>144,921,915</u>	<u>120,567,012</u>	<u>44,057,892</u>	<u>(20,681,005)</u>	<u>(64,271,471)</u>	<u>(74,061,645)</u>	<u>(59,643,449)</u>	<u>(64,381,380)</u>
Business-type activities:								
Invested in capital assets, net of related debt	74,449,447	73,809,271	71,647,808	70,239,858	69,306,606	66,678,436	66,006,733	63,259,238
Restricted	1,433,775	1,290,387	582,299	1,005,237	2,513,522		4,842,442	1,841,023
Unrestricted	4,424,261	566,363	196,996	(531,792)	(2,669,623)	(7,977,022)	(7,435,957)	(1,300,676)
Total Business-Type Activities Net Assets	<u>80,307,483</u>	<u>75,666,021</u>	<u>72,427,103</u>	<u>70,713,303</u>	<u>69,150,505</u>	<u>58,701,414</u>	<u>63,413,218</u>	<u>63,799,585</u>
Primary Government:								
Invested in capital assets, net of related debt	518,987,103	418,040,004	280,738,479	197,754,630	177,669,485	132,473,084	219,870,014	170,321,568
Restricted	4,594,987	4,451,599	3,743,511	4,166,449	5,720,756	3,155,609	54,189,966	60,884,578
Unrestricted	(298,352,692)	(226,258,570)	(167,996,995)	(151,888,781)	(178,511,207)	(150,988,924)	(270,290,211)	(231,787,941)
Total Primary Government Net Assets	<u>\$ 225,229,398</u>	<u>\$ 196,233,033</u>	<u>\$ 116,484,995</u>	<u>\$ 50,032,298</u>	<u>\$ 4,879,034</u>	<u>\$ (15,360,231)</u>	<u>\$ 3,769,769</u>	<u>\$ (581,795)</u>

NOTE: GASB Statement No. 34 Implemented in Fiscal Year 2002

CITY OF BRIDGEPORT, CONNECTICUT

CHANGES IN NET ASSETS

LAST EIGHT FISCAL YEARS

(Accrual Basis of Accounting)

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

(Continued on next page)

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

		FISCAL YEAR							
		2009	2008	2007	2006	2005	2004	2003	2002
Business-type activities:									
Charges for services:									
	Water Pollution Control Authority	\$ 28,099,203	\$ 27,538,494	\$ 24,437,184	\$ 22,715,548	\$ 27,855,870	\$ 19,272,070	\$ 19,746,578	\$ 14,445,410
Capital grants and contributions:									
	Water Pollution Control Authority	1,404,430.00	1,158,371	1,156,324	1,557,806	937,936	544,524	1,853,300	1,232,373
	Total business-type activities program revenues	29,503,633	28,696,865	25,593,508	24,273,354	28,793,806	19,816,594	21,599,878	15,677,783
	Total primary government program revenues	374,332,418	501,171,228	403,540,351	336,959,945	321,457,596	313,965,097	280,364,668	275,081,086
Net (expense) revenue:									
	Governmental activities	(256,730,956)	(181,327,192)	(205,519,543)	(202,779,987)	(226,767,350)	(227,724,457)	(227,189,590)	(227,857,934)
	Business-type activities	4,608,750	3,238,918	1,713,800	1,403,895	6,678,705	(1,142,587)	(469,728)	(5,294,178)
	Total primary government net expense	(252,122,206)	(178,088,274)	(203,805,743)	(201,376,092)	(220,088,645)	(228,867,044)	(227,659,318)	(233,152,112)
06	General Revenues and Other Changes in Net Assets:								
	Governmental activities:								
	Property taxes	247,817,417	220,435,186	226,471,874	210,007,626	197,001,706	182,701,969	187,968,255	176,438,519
	Grants and contributions not restricted to specific programs	32,403,834	32,440,856	35,588,659	32,127,837	35,361,300	31,099,591	41,457,415	49,285,043
	Proceeds from sale of City-owned property					1,231,298	(800,638)	(308,932)	1,931,506
	Unrestricted investment earnings	864,608	4,115,785	8,197,907	4,234,990	2,963,220	491,343	2,810,783	4,355,964
	Transfers								(5,516,711)
	Total governmental activities	281,085,859	256,991,827	270,258,440	246,370,453	236,557,524	213,492,265	231,927,521	226,494,321
	Business-type activities:								
	Investment earnings	32,712			158,903	108,940	92,229	83,361	143,637
								-	5,516,711
	Total primary government	32,712	256,991,827	270,258,440	246,529,356	236,666,464	213,584,494	83,361	5,660,348
Changes in Net Assets:									
	Governmental activities	24,354,903	75,664,635	64,738,897	43,590,466	9,790,174	(14,232,192)	4,737,931	(1,363,613)
	Business-type activities	4,641,462	3,238,918	1,713,800	1,562,798	6,787,645	(1,050,358)	(386,367)	366,170
	Total Primary Government	\$ 28,996,365	\$ 78,903,553	\$ 66,452,697	\$ 45,153,264	\$ 16,577,819	\$ (15,282,550)	\$ 4,351,564	\$ (997,443)

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

LAST EIGHT FISCAL YEARS

(Accrual Basis of Accounting)

Function/Program	FISCAL YEAR							
	2009	2008	2007	2006	2005	2004	2003	2002
Governmental activities:								
General government	\$ 3,333,336	\$ 8,925,583	\$ 11,067,469	\$ 23,889,838	\$ 20,793,344	\$ 34,895,459	\$ 17,981,097	\$ 28,298,279
Protection of person and property	7,713,796	9,856,899	13,104,440	8,857,557	8,836,010	7,842,503	4,891,789	5,774,667
Conservation of health	12,461,034	15,769,333	1,991,980	2,155,194	1,529,848	1,570,304	5,981,751	6,460,091
Public facilities	3,608,701	12,856,806	26,991,770	6,647,338	6,697,358	6,266,939	1,635,128	1,202,511
Education	288,049,420	397,464,480	280,687,909	248,929,582	239,387,054	227,124,974	205,937,403	198,649,102
Parks and recreation	2,514,238	2,318,393	1,518,799	1,726,183	1,902,781	1,945,085	2,246,348	1,295,191
Special services	25,798,114	25,282,869	42,584,476	20,480,899	13,517,395	14,503,239	20,091,274	17,723,462
Interest on long-term debt	1,350,146							
Total governmental activities	<u>344,828,785</u>	<u>472,474,363</u>	<u>377,946,843</u>	<u>312,686,591</u>	<u>292,663,790</u>	<u>294,148,503</u>	<u>258,764,790</u>	<u>259,403,303</u>
Business-type activities:								
16 Water Pollution Control Authority	<u>29,503,633</u>	<u>28,696,865</u>	<u>25,593,508</u>	<u>24,273,354</u>	<u>27,855,870</u>	<u>19,272,070</u>	<u>19,746,578</u>	<u>14,445,410</u>
Total Government	<u>\$ 374,332,418</u>	<u>\$ 501,171,228</u>	<u>\$ 403,540,351</u>	<u>\$ 336,959,945</u>	<u>\$ 320,519,660</u>	<u>\$ 313,420,573</u>	<u>\$ 278,511,368</u>	<u>\$ 273,848,713</u>

CITY OF BRIDGEPORT, CONNECTICUT

TABLE 4

FUND BALANCES, GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(Modified Accrual Basis of Accounting)

		FISCAL YEAR									
		2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General Fund:											
	Reserved	\$ 2,568,476	\$ 2,657,983	\$ 2,584,394	\$ 2,645,439	\$ 2,727,423	\$ 2,500,000	\$ 4,127,588	\$	\$	\$
	Unreserved	<u>48,428,443</u>	<u>48,429,336</u>	<u>38,571,118</u>	<u>35,304,505</u>	<u>33,004,687</u>	<u>29,800,885</u>	<u>24,686,939</u>	<u>29,241,106</u>	<u>10,605,102</u>	<u>10,752,753</u>
	Total General Fund	<u>\$ 50,996,919</u>	<u>\$ 51,087,319</u>	<u>\$ 41,155,512</u>	<u>\$ 37,949,944</u>	<u>\$ 35,732,110</u>	<u>\$ 32,300,885</u>	<u>\$ 28,814,527</u>	<u>\$ 29,241,106</u>	<u>\$ 10,605,102</u>	<u>\$ 10,752,753</u>
All Other Governmental Funds:											
	Reserved	\$ 67,927,913	\$ 28,967,081	\$ 26,261,000	\$ 23,112,383	\$ 27,148,738	\$ 142,385,942	\$ 132,000,973	\$ 101,323,449	\$ 114,188,749	\$ 5,068,118
NS	Unreserved, reported in:										
	Special revenue funds	(9,008,316)	8,734,755	3,621,856	(2,830,148)	1,173,237	(8,817,211)	(19,480,868)	(8,379,055)	(14,537,239)	(1,854,831)
	Capital projects funds	(10,728,512)	4,752,568	34,915,787	21,154,461	43,316,930	(60,633,269)	(13,936,725)	14,104,079	(12,518,325)	29,831,588
	Permanent fund			<u>1,543,518</u>	<u>651,434</u>	<u>655,609</u>	<u>707,234</u>	<u>661,212</u>	<u>3,126</u>	<u>35,573</u>	<u>47,182</u>
	Total All Other Governmental Funds	<u>\$ 48,191,085</u>	<u>\$ 42,454,404</u>	<u>\$ 66,342,161</u>	<u>\$ 42,088,130</u>	<u>\$ 72,294,514</u>	<u>\$ 73,642,696</u>	<u>\$ 99,244,592</u>	<u>\$ 107,051,599</u>	<u>\$ 87,168,758</u>	<u>\$ 33,092,057</u>

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

LAST TEN FISCAL YEARS

(Modified Accrual Basis of Accounting)

	FISCAL YEAR									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Revenues:										
Property taxes	\$ 154,143,728	\$ 157,275,059	\$ 176,476,368	\$ 187,291,950	\$ 181,841,069	\$ 203,587,418	\$ 218,013,347	\$ 228,593,633	\$ 227,028,207	\$ 248,743,175
Intergovernmental	279,419,020	316,517,356	285,687,143	281,913,116	279,402,599	294,084,874	306,711,917	383,345,871	475,240,256	355,431,137
Fees, permits and licenses	12,030,977	10,904,938	11,464,973	12,648,745	16,598,258	19,037,466	20,727,139	20,844,855	19,942,980	16,100,329
Interest	10,161,216	7,833,778	4,347,622	2,810,783	520,946	2,972,578	4,169,012	8,184,000	4,115,785	864,608
Other	11,539,709	7,724,250	18,566,662	8,225,325	35,420,447	23,517,173	20,826,665	12,340,020	11,122,689	7,183,515
Total revenues	<u>467,294,650</u>	<u>500,255,381</u>	<u>496,542,768</u>	<u>492,889,919</u>	<u>513,783,319</u>	<u>543,199,509</u>	<u>570,448,080</u>	<u>653,308,379</u>	<u>737,449,917</u>	<u>628,322,764</u>
Expenditures:										
Governmental and community services:										
General government	99,860,361	79,994,831	93,363,879	88,209,395	99,660,481	104,564,452	108,862,558	78,130,009	77,150,939	84,165,283
Protection of person and property	59,421,508	62,190,590	61,494,439	61,706,357	62,224,435	63,846,820	63,669,135	63,938,653	72,907,644	65,494,093
Excess Pension Contribution		343,523,865								
Conservation of health	10,131,608	10,971,897	11,613,075	10,475,853	16,324,964	16,627,932	16,087,863	18,206,936	18,483,802	13,378,869
Public facilities	19,431,610	18,251,266	16,580,433	15,821,862	23,096,673	24,662,002	24,479,831	26,303,916	27,997,221	26,706,098
Charities and hospitals	173,757	223,479	221,764	14,880	53,021	70,462	90,833		184,968	123,835
Education	190,115,805	196,116,242	212,886,352	222,785,775	225,514,687	233,091,242	232,779,256	279,762,589	357,577,107	302,812,667
Parks and recreation	4,774,541	4,452,648	5,730,908	5,576,989	5,044,139	5,655,220	5,818,319	5,969,788	5,675,667	5,368,932
Special services	22,504,312	24,983,022	20,277,255	22,737,145	18,040,700	19,660,655	22,892,503	40,966,303	30,945,946	27,925,851
Debt service:										
Principal retirements	14,567,195	14,881,280	19,157,839	20,603,428	20,965,572	23,526,717	26,435,988	23,579,000	26,232,000	30,961,925
Interest and other charges	12,283,646	33,998,267	45,061,979	42,633,563	41,109,530	43,567,518	46,276,800	41,852,539	41,521,922	41,594,667
Capital outlay	92,084,678	90,482,840	42,884,420	30,284,271	23,040,567	42,681,632	63,239,695	114,737,164	118,136,031	83,719,594
Total expenditures	<u>525,349,021</u>	<u>880,070,227</u>	<u>529,272,343</u>	<u>520,849,518</u>	<u>535,074,769</u>	<u>577,954,652</u>	<u>610,632,781</u>	<u>693,446,897</u>	<u>776,813,247</u>	<u>682,251,814</u>
Excess of revenues over (under) expenditures	<u>(58,054,371)</u>	<u>(379,814,846)</u>	<u>(32,729,575)</u>	<u>(27,959,599)</u>	<u>(21,291,450)</u>	<u>(34,755,143)</u>	<u>(40,184,701)</u>	<u>(40,138,518)</u>	<u>(39,363,330)</u>	<u>(53,929,050)</u>
Other financing sources (uses):										
Transfers in	149,255,380	172,786,340	168,024,318	169,405,906	175,814,614	179,817,106	175,331,870	212,264,417	219,222,813	224,867,074
Transfers out	(149,255,380)	(172,786,340)	(173,541,029)	(169,405,906)	(175,814,614)	(179,817,106)	(175,331,870)	(212,264,417)	(219,222,813)	(224,867,074)
Bonds issued	101,600,000	350,000,000	121,195,435	77,265,000	88,505,000	95,735,000	95,735,000	47,890,000		
Premium (discount) on long-term debt			6,614,810		1,600,083	8,186,165	895,239	482,104		
Payments to escrow agent			(79,331,679)		(29,585,083)	(64,019,065)	(34,330,000)			
Proceeds from notes payable	1,500,000	24,168,565	1,000,000	500,000						
Capital lease			314,471							
Total other financing sources (uses)	<u>103,100,000</u>	<u>374,168,565</u>	<u>44,276,326</u>	<u>500,000</u>	<u>49,280,000</u>	<u>32,672,100</u>	<u>62,300,239</u>	<u>48,372,104</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balance	<u>\$ 45,045,629</u>	<u>\$ (5,646,281)</u>	<u>\$ 11,546,751</u>	<u>\$ (27,459,599)</u>	<u>\$ 27,988,550</u>	<u>\$ (2,083,043)</u>	<u>\$ 22,115,538</u>	<u>\$ 8,233,586</u>	<u>\$ (39,363,330)</u>	<u>\$ (53,929,050)</u>
Debt Service as a Percentage of Noncapital Expenditures										
	<u>6.2%</u>	<u>6.2%</u>	<u>13.2%</u>	<u>12.9%</u>	<u>12.1%</u>	<u>12.5%</u>	<u>13.3%</u>	<u>11.5%</u>	<u>10.5%</u>	<u>12.3%</u>

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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	
2000	\$	112,996,832	\$	21,996,717	\$	15,668,894	\$	150,662,443
2001		110,734,894		26,109,476		16,740,781		153,585,151
2002		126,088,859		26,969,960		18,724,367		171,783,186
2003		137,294,734		25,856,568		18,937,205		182,088,507
2004		132,425,203		24,949,676		17,098,379		174,473,258
2005		164,534,675		18,108,550		12,072,367		194,715,592
2006		174,424,859		20,446,933		13,770,384		208,642,176
2007		183,690,496		22,352,699		15,270,656		221,313,851
2008		183,892,848		27,243,385		15,891,974		227,028,207
2009		230,926,963		24,496,725		14,343,553		269,767,241
Change 2000-2009		104.37%		11.37%		-8.46%		79.05%

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			Percent Growth	Total Direct Tax Rate	Estimated Actual Taxable Value	Value as a Percentage of Actual Value
							Assessed Value						
2000	\$ 1,218,738	\$ 502,271	\$ 135,142	\$ 18,115	\$ 434,976	\$ 264,687	\$ 2,573,929		3.06%	65.00	\$ 3,677,041	70.00%	
2001	1,218,829	496,302	126,073	18,370	525,162	285,838	2,670,574		3.75%	65.00	3,815,106	70.00%	
2002	1,376,877	527,328	126,404	22,873	513,383	310,875	2,877,740		7.76%	65.00	4,111,057	70.00%	
2003	1,577,935	591,635	137,263	30,266	508,476	330,502	3,176,077		10.37%	62.40	4,537,253	70.00%	
2004	1,795,669	663,605	146,558	34,857	497,521	340,958	3,479,168		9.54%	55.20	4,970,240	70.00%	
2005	3,172,156	977,737	187,791	42,391	517,774	321,204	5,219,053		50.01%	38.99	7,455,790	70.00%	
2006	3,182,882	996,112	188,513	41,072	543,985	348,997	5,301,561		1.58%	40.32	7,573,659	70.00%	
2007	3,199,609	998,510	188,631	41,104	588,791	372,428	5,389,073		1.65%	42.28	7,698,676	70.00%	
2008	3,258,061	1,026,195	171,007	35,280	718,127	397,042	5,605,712		4.02%	41.28	8,008,160	70.00%	
2009	4,087,787	1,256,373	291,075	79,212	703,831	379,451	6,797,729		21.30%	38.74	9,711,041	70.00%	

Source: City of Bridgeport Tax Assessor's Office

CITY OF BRIDGEPORT, CONNECTICUT

PRINCIPAL PROPERTY TAXPAYERS

2009 and 2000

(Unaudited)

Taxpayer	2009			2000		
	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	\$ 288,528,884	1	4.29%			
United Illuminating Co. Inc.	183,109,905	2	2.72%	96,450,846	1	3.80%
Southern Connecticut Gas Co. - Energy EA	72,065,357	3	1.07%	14,235,140	6	0.56%
People's United Bank	68,970,070	4	1.02%	51,334,196	2	2.02%
PSEG Power Connecticut	58,963,326	5	0.88%			
Bridgeport Energy LLC	48,784,414	6	0.72%			
Success Village Apts Inc.	29,317,227	7	0.44%			
Watermark 3030 Park LLC	25,532,028	8	0.38%	14,023,773	8	0.55%
Connecticut Light & Power-Nusco	25,370,096	9	0.38%			
AT&T Mobility LLC	22,129,407	10	0.33%			
Aquarian Water Co. of CT				18,028,950	3	0.71%
Bridgeport Jai Alai				14,749,316	4	0.58%
United Technologies (Sikorsky)				14,704,286	5	0.58%
Emson Research, Inc.				14,153,206	7	0.56%
American Telephone & Telegraph				11,181,871	9	0.44%
General Electric Co.				10,607,270	10	0.42%
TOTAL	\$ 822,770,714		12.23%	\$ 259,468,854		10.22%

** 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)

<u>Fiscal Year Ended June 30:</u>	<u>Grand List Year</u>	<u>Taxes Levied for the Tax Year</u>	<u>Collected Within the Fiscal Year of the Levy</u>		<u>Collections in Subsequent Years</u>	<u>Total Collections to Date</u>	
			<u>Amount</u>	<u>Percentage of Levy</u>		<u>Amount</u>	<u>Percentage of Levy</u>
2000	1998	\$ 156,976,007	\$ 143,034,101	91.12%	\$ 11,487,471	\$ 154,521,572	98.44%
2001	1999	159,152,733	145,819,379	91.62%	10,531,323	156,350,702	98.24%
2002	2000	173,831,595	161,502,431	92.91%	9,566,798	171,069,229	98.41%
2003	2001	185,623,997	173,420,270	93.43%	8,873,657	182,293,927	98.21%
2004	2002	181,481,765	169,411,397	93.35%	8,659,510	178,070,907	98.12%
2005	2003	197,205,819	189,036,426	95.86%	5,133,573	194,169,999	98.46%
2006	2004	210,375,902	202,659,104	96.33%	3,291,241	205,950,345	97.90%
2007	2005	224,126,241	215,656,891	96.22%	4,489,860	215,656,891	96.22%
2008	2006	222,282,166	215,712,695	97.04%	385,291	215,712,695	97.04%
2009	2007	250,083,276	243,126,091	97.22%	n/a	243,126,091	97.22%

Source: City of Bridgeport - Tax Collector's Office

CITY OF BRIDGEPORT, CONNECTICUT

TABLE 10

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING BY TYPE

LAST TEN FISCAL YEARS

(In Thousands)

(Unaudited)

Fiscal Year	Governmental Activities			Percentage of Actual Property Value	Debt Per Capita	Business-Type Activities			Total Primary Government	Percentage of Per Capita Income	Per Capita
	General Obligation Bonds	Less Amount Available in Debt Services	Net General Bonded Debt			Loan Payable	General Obligation Bonds	Revenue Bonds			
2000	\$ 261,190	\$ -	\$ 261,190	7.32%	\$ 1,901	70,719	\$ 3,335	\$ -	\$ 335,244	11.22%	\$ 1,985
2001	* 606,220	-	606,220	16.37%	4,345	71,094	2,865	-	680,179	21.80%	4,425
2002	635,295	-	635,295	15.91%	4,553	67,091	2,364	-	704,750	23.30%	4,730
2003	633,270	-	633,270	14.28%	4,539	65,797	1,831	-	700,898	28.13%	4,587
2004	644,870	-	644,870	13.23%	4,622	62,168	1,261	-	708,299	28.63%	4,668
2005	649,685	-	649,685	8.80%	4,656	59,144	652	-	709,481	28.88%	4,709
2006	719,810	-	719,810	9.50%	5,159	51,778	-	-	771,588	33.92%	5,530
2007	772,389	-	772,389	10.01%	5,536	49,552	490	-	822,431	29.03%	5,894
2008	684,228	-	684,228	8.54%	4,904	51,713	490	-	736,431	26.00%	5,278
2009	654,200	-	654,200	6.74%	4,689	49,486	450	-	704,136	24.86%	5,046

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

CITY OF BRIDGEPORT, CONNECTICUT

DIRECT GOVERNMENTAL ACTIVITIES DEBT

FOR THE YEAR ENDED JUNE 30, 2009

(Unaudited)

Governmental Unit	Debt Outstanding
General obligation debt	\$ 654,200,000
Less school construction grants receivable - principal portion only	<u>(13,046,930)</u>
Total Direct Debt	<u>\$ 641,153,070</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									
	2000*	2001	2002	2003	2004	2005	2006	2007	2008	2009
Debt limit	\$ 1,076,495	\$ 1,098,125	\$ 1,221,948	\$ 1,310,722	\$ 1,277,556	\$ 1,421,441	\$ 1,514,400	\$ 1,575,702	\$ 1,595,640	\$ 1,741,261
Total net debt applicable to limit	<u>826,706</u>	<u>859,553</u>	<u>835,663</u>	<u>820,848</u>	<u>825,160</u>	<u>892,013</u>	<u>945,365</u>	<u>934,990</u>	<u>957,601</u>	<u>925,639</u>
Legal debt margin	<u>\$ 249,789</u>	<u>\$ 238,572</u>	<u>\$ 386,285</u>	<u>\$ 489,874</u>	<u>\$ 452,396</u>	<u>\$ 529,428</u>	<u>\$ 569,035</u>	<u>\$ 640,712</u>	<u>\$ 638,039</u>	<u>\$ 2,666,900</u>
Total net debt applicable to the limit as a percentage of debt limit	<u>76.80%</u>	<u>78.27%</u>	<u>68.39%</u>	<u>62.63%</u>	<u>64.59%</u>	<u>62.75%</u>	<u>62.43%</u>	<u>59.34%</u>	<u>60.01%</u>	<u>53.16%</u>

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

CITY OF BRIDGEPORT, CONNECTICUT
COMPUTATION OF LEGAL DEBT LIMITATION
JUNE 30, 2009

Total tax collections (including interest and lien fees) for the year ended June 30, 2009					\$ 248,723,630
Reimbursement for revenue loss:					
Tax relief for the elderly					<u>28,000</u>
Base					<u>\$ 248,751,630</u>
Debt Limit					<u>1,741,261,410</u>
				Unfunded Pension Benefit Obligation	
	General Purpose	Schools	Sewer	Urban Renewal	
Debt Limitation					
2-1/4 times base	\$ 559,691,168	\$	\$	\$	\$
4-1/2 times base		1,119,382,335			
3-3/4 times base			932,818,613		
3-1/4 times base				808,442,798	
3 times base					746,254,890
Total debt limitation	<u>559,691,168</u>	<u>1,119,382,335</u>	<u>932,818,613</u>	<u>808,442,798</u>	<u>746,254,890</u>
Debt as Defined by Statute:					
Bonds and notes payable	221,740,750	120,659,250	49,936,275	4,500,000	311,800,000
Bonds authorized but not issued, issue dates not yet established	72,352,000	67,698,000			90,000,000
Less school construction grants		<u>(13,046,930)</u>			
Total indebtedness	<u>294,092,750</u>	<u>175,310,320</u>	<u>49,936,275</u>	<u>4,500,000</u>	<u>401,800,000</u>
Debt Limitation in Excess of Indebtedness	<u>\$ 265,598,418</u>	<u>\$ 944,072,015</u>	<u>\$ 882,882,338</u>	<u>\$ 803,942,798</u>	<u>\$ 344,454,890</u>

CITY OF BRIDGEPORT, CONNECTICUT

PLEDGED-REVENUE COVERAGE

LAST FIVE FISCAL YEARS

(Unaudited)

Water Pollution Control Authority Revenue Bonds

Fiscal Year	Utility Service Charges	Less Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2008	n/a	n/a	n/a	n/a	n/a	n/a
2007	n/a	n/a	n/a	n/a	n/a	n/a
2006	n/a	n/a	n/a	n/a	n/a	n/a
2005	n/a	n/a	n/a	n/a	n/a	n/a
2004	n/a	n/a	n/a	n/a	n/a	n/a

n/a: The City does not have any revenue bonds.

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>
2000	139,529	\$ 45,535	\$ 16,161	31.4	22,321	4.8%
2001	139,529	54,313	20,302	31.4	22,434	4.1%
2002	139,529	54,313	20,302	31.4	22,796	6.5%
2003	139,529	54,313	20,302	31.4	22,757	9.1%
2004	139,529	54,313	20,302	31.4	22,713	8.9%
2005	139,529	54,313	20,302	31.4	22,391	7.8%
2006	139,529	54,313	20,302	31.4	21,934	6.7%
2007	139,529	54,313	20,302	31.4	21,312	6.6%
2008	139,529	54,313	20,302	31.4	20,677	8.6%
2009	139,529	54,313	20,302	31.4	20,235	11.8%*

*—Through August 2009

CITY OF BRIDGEPORT, CONNECTICUT

PRINCIPAL EMPLOYERS

2009 AND 1999

(Unaudited)

Employer	2009			1999		
	Employees	Rank *	Percentage of Total City Employment *	Employees	Rank	Percentage of Total City Employment
People's United Bank	1179 (Bpt.)			1,400	3	2.45%
Bridgeport Hospital, Inc.	2,622			2,029	1	3.56%
St. Vincent's Medical Center	3,000			1,875	2	3.29%
University of Bridgeport	875 (365 FT/510 PT)					
Prime Resources	310					
Lacey Manufacturing Company	275			360	9	0.63%
Bridgeport Health Care Center	500			375	7	0.66%
Watermark	165					
Housatonic Community College	482 (189 FT/293 PT)					
Derecktor Shipyards	300					
Sikorsky Aircraft (United Technologies)				500	4	0.88%
Bridgeport Machines, Inc.				425	5	0.75%
Casco Products				420	6	0.74%
Southern New England Telephone				375	8	0.66%
Remington Products Inc.				275	10	0.48%

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

* Information is not available

CITY OF BRIDGEPORT, CONNECTICUT

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

(Unaudited)

Function/Program	FISCAL YEAR									
	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
General government:										
Central grants office	6	6	6	6	6	4	4	4	4	4
Mayor's office	9	9	8	8	8	6	5	5	6	7
Constituent Services	-	-	-	-	-	-	2	4	5	5
Civil service commission	8	9	8	7	8	8	8	9	9	9
Grants personnel	7	7	7	7	10	10	9	12	13	14
City attorney	21	21	21	22	24	23	21	22	22	23
City clerk and city council	6	6	6	7	6	6	6	6	7	7
Registrar of voters	6	6	6	6	6	6	6	6	6	6
Legislative department	2	2	2	1	2	1	1	1	1	1
Libraries	60	68	68	68	68	68	79	79	72	69
Office of policy and management	6	6	6	6	7	8	8	8	9	9
Archives and records	1	1	1	1	1	1	1	1	1	1
Town Clerk	8	8	8	8	8	8	8	8	7	7
Chief administrative officer	3	3	3	3	3	1	-	4	5	5
Finance department	4	5	4	5	5	4	4	7	7	6
Comptroller's office	15	15	15	15	17	17	17	19	18	19
Treasurer's office	2	3	3	3	3	3	3	4	4	4
Tax assessor	14	15	15	15	15	14	14	19	19	19
Information technology services	19	21	20	21	24	25	25	27	27	27
Tax collector	18	19	18	16	15	15	15	16	16	16
Purchasing	7	8	8	8	8	7	7	7	6	6
Print shop	8	8	7	7	7	6	6	6	6	6
Labor relations	6	7	8	8	8	8	8	7	7	8
Barnum Institute	-	-	-	-	-	-	-	-	-	-
Employee org. & development	-	-	-	-	2	2	2	2	3	3
Protection of person and property:										
Police department	486	574	537	544	574	548	571	579	591	590
Fire department	310	337	326	326	370	375	407	399	402	398
Weights and measures	2	2	2	2	2	2	2	2	2	2
Conservation of health:										
Office and administrative	3	3	3	4	5	4	4	7	8	8
Registrar of vital statistics	5	4	4	4	4	4	4	6	6	7
Communicable diseases	4	5	4	4	5	5	5	6	6	6
Public health nursing	-	37	37	37	39	39	41	36	36	36
Dental hygiene	7	7	7	7	8	8	8	8	7	8
Environmental health	7	7	7	8	9	9	8	8	8	8
Health clinics	-	6	6	6	4	2	2	8	8	8
Dental Clinic	-	-	-	-	-	-	-	3	3	3
Housing code enforcement	3	3	3	3	4	3	3	4	4	4
Laboratory	-	-	-	-	-	1	1	4	3	3
Lead poisoning	-	-	-	-	3	3	3	3	3	4
School based health	-	25	25	26	26	26	25	25	25	25
Parent Aide Program	1	1	-	-	-	-	-	-	-	-

(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									
	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
Public facilities:										
City Engineer	6	6	6	6	6	6	7	9	9	9
Zoning commission	7	7	6	6	6	5	5	5	5	5
Zoning Board of Appeals	1	1	1	1	1	1	1	1	1	1
Building Department	14	14	10	-	10	10	10	10	10	10
Harbor Master	1	1	1	1	1	1	2	3	3	3
Transfer station	1	1	1	1	1	1	1	1	1	1
Director of public works	17	15	15	15	16	13	12	13	13	13
Ash and garbage collection	36	36	36	36	36	36	26	26	26	26
Landfill operation	-	-	-	-	-	-	-	-	-	-
Recycling	-	-	-	-	-	-	10	10	10	11
Roadway maintenance	43	43	43	46	48	48	48	51	47	49
Clean & Green	-	-	-	-	-	-	-	-	5	5
Planning and Development	22	18	16	16	20	19	19	22	21	21
Sikorsky Airport	15	15	15	15	15	15	15	21	21	22
Municipal garage	10	10	10	10	11	8	8	8	10	12
Maintenance	37	34	34	34	37	38	39	41	44	46
Construction Division	-	-	-	-	-	-	-	9	9	8
Charities and hospitals:										
Social Services	2	2	2	2	1	1	-	5	5	5
Parks and recreation:										
Board of recreation	3	3	3	3	3	3	4	4	4	5
Parks department	25	32	31	31	30	28	29	32	28	31
Park Mounted Unit / Stable	-	-	-	-	-	2	2	2	3	-
Beardsley zoo	13	13	13	13	13	13	13	13	13	13
Special services:										
Youth services	4	4	4	3	2	2	2	3	3	3
HRD administration	2	2	2	2	3	4	4	4	3	3
Department on aging	6	6	6	6	6	6	5	6	6	6
Office for disabilities	1	1	1	-	1	1	1	2	2	2
Veterans Affairs	1	1	1	-	-	-	-	-	-	-
Affirmative Action	-	-	-	-	-	-	-	4	4	5
Total	<u>1,330</u>	<u>1,532</u>	<u>1,466</u>	<u>1,465</u>	<u>1,580</u>	<u>1,539</u>	<u>1,605</u>	<u>1,686</u>	<u>1,698</u>	<u>1,706</u>

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

LAST TEN FISCAL YEARS

(Unaudited)

Function/Program	FISCAL YEAR									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Police:										
Calls for service	121,486	123,407	120,822	129,649	127,347	118,047	123,901	120,655	116,640	111,765
Adult arrest	n/a	n/a	7,245	7,057	6,959	5,927	5,295	7,751	6,505	5,317
Juvenile arrest	n/a	n/a	1,017	1,179	1,353	1,413	1,114	1,406	1,081	1,013
Fire:										
Total fire runs	12,784	13,488	11,399	11,005	10,619	10,507	10,094	10,064	9,239	10,263
Total rescue runs	693	575	n/a	1,484	918	1,049	931	831	868	1,456
Property loss	\$ 5,190,040	\$ 6,012,088	n/a	\$ 4,647,647	\$ 3,092,865	\$ 6,509,323	\$ 6,963,375	\$ 5,936,590	\$ 3,302,875	3,724,050
Building safety:										
Total building permits	2,246	2,197	2,293	2,359	2,466	2,381	2,724	2,386	2,454	2,683
Total value all permits	\$ 60,643,154	\$ 64,670,979	\$ 59,184,661	\$ 67,212,183	\$ 75,542,022	\$ 108,551,386	\$ 183,273,790	\$ 195,631,366	\$ 131,211,499	173,761,110
Library, volumes in collection	520,000	525,000	525,000	525,000	525,000	525,000	525,000	499,662	395,561	530,000
Public service:										
Garbage collected (ton)	n/a	68,248	64,614	63,197	66,841	69,171	65,055	67,093	59,533	58,543
Recycle collected (ton)	n/a	3,835	4,571	4,124	4,110	3,864	3,496	2,992	3,055	3,128
Parks and recreation:										
Recreation program attendance	n/a	n/a	n/a	1,235	1,897	2,100	2,375	2,575	2,550	1,850
Aquatics program attendance	n/a	n/a	n/a	706	750	900	600	600	800	600
Golf rounds played	n/a	n/a	n/a	n/a	60,249	53,375	23,436***	45,007***	49,708	53,706
Street trees maintained	663	656	694	666	675	405	490	540	650	568

Source: City Records

Note: n/a - Indicator not available

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

**CITY OF BRIDGEPORT, CONNECTICUT
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM**

LAST TEN FISCAL YEARS

(Unaudited)

Function/Program	FISCAL YEAR									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Police:										
Stations	3	3	3	3	3	3	3	3	3	2
Police Officer Sector Terminals (POST)	5	5	5	5	5	5	5	5	3	3
Number of personnel and officers	546	574	574	574	574	574	574	574	574	574
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	409	399	399	399	399	399	399	315	337	366
Equipment (pieces)	21	21	21	21	23	24	25	28	28	28
Refuse collection:										
Collection Trucks	15	15	15	15	15	15	15	15	15	15
Public facilities:										
Streets (Miles)	829	829	829	829	829	829	829	829	829	829
Traffic Signals	1,552	1,552	1,552	1,552	1,552	1,552	1,552	1,552	1,552	1,552
Parks and recreation:										
Playgrounds	16	19	19	19	19	19	19	19	19	19
Parks	47	47	47	47	47	47	47	47	44	45
Park Acreage	1,330	1,330	1,330	1,330	1,330	1,330	1,330	1,330	1,330	1,330
Golf Courses	2	2	2	2	2	2	2	2	2	2
Swimming Pools	3	3	3	3	3	3	3	3	-	2
Tennis Courts	24	24	24	24	24	24	24	24	22	24
Museums	2	2	2	2	2	2	2	2	2	2
Zoo	1	1	1	1	1	1	1	1	1	1
Baseball/softball diamonds	25	25	25	25	25	25	25	25	25	25
Ice Skating Rinks	1	1	1	1	1	1	2	2	2	1
Soccer/Football Fields	18	20	24	18	18	17	17	17	17	17
Library:										
Facilities	6	5	5	5	5	5	5	4	4	5
Volumes	520,000	525,000	525,000	525,000	525,000	525,000	525,000	499,662	395,561	530,000
Water:										
Average Daily Consumption (MGPD)	14,345	14,560	14,323	14,306	13,446	13,382	13,286	12,821	12,800	12,359
Wastewater:										
Sanitary Sewers (miles)	150	151	151	152	152	154	154	157	160	160
Storm Sewers (miles)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Combination Sanitary and Storm (miles)	133	132	132	131	131	129	129	126	123	123
Number of sewer wells	55,050	55,050	55,050	55,050	55,050	55,050	55,050	55,050	55,050	55,050
Number of Treatment Plants	2	2	2	2	2	2	2	2	2	2

Source: City Records

Note: n/a - Indicator not available