

NON-DEPARTMENTAL
DEBT SERVICE
BUDGET DETAIL

Anne Kelly-Lenz
Manager

REVENUE SUMMARY

Org#	Object#	Object Description	FY 2013 Actuals	FY 2014 Budget	2015 Mayor Proposed	FY 2015 Council Adopted	Variance
01600	GENERAL PURPOSE BONDS PAYAB						
	41403	BUILD AMERICA BOND SUBSIDY	924,011	760,507	760,507	760,507	0
	41404	ECONOMIC DEV BOND SUBSIDY	122,778	122,778	122,778	122,778	0
	44514	SCHOOL DEBT SRVC REIMBURSEMENT	2,224,598	1,872,098	1,872,098	1,872,098	0
01600	GENERAL PURPOSE BONDS PAYAB		3,271,387	2,755,383	2,755,383	2,755,383	0

APPROPRIATION SUMMARY

Org#	Org Description	FY 2013 Actuals	FY 2014 Budget	2015 Mayor Proposed	2015 Council Adopted	Variance inc/(dec)	
01600	GENERAL PURPOSE BONDS PAYAB						
	05	SPECIAL SERVICES	262,260	225,000	225,000	225,000	0
	06	OTHER FINANCING USES	3,243,830	3,272,886	3,371,854	3,371,854	98,968
01600	GENERAL PURPOSE BONDS PAYAB		3,506,091	3,497,886	3,596,854	3,596,854	98,968
01603	SEWER BONDS						
	06	OTHER FINANCING USES	65,750	65,750	65,750	65,750	0
01603	SEWER BONDS		65,750	65,750	65,750	65,750	0

PERSONNEL SUMMARY

Not Applicable

SUMMARY

Municipalities have the authority to issue general obligation debt in order to finance capital expenditures. Debt service payments are made routinely for interest on outstanding long-term debt and to retire debt principal as it matures. The City's total debt decreased by \$33.9 million during the fiscal year ended June 30, 2013.

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

FY 2014-2015 ADOPTED GENERAL FUND BUDGET
DEBT SERVICE PROGRAM HIGHLIGHTS

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

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

FY 2014-2015 ADOPTED GENERAL FUND BUDGET
DEBT SERVICE PROGRAM HIGHLIGHTS

The State of Connecticut reimburses the City for eligible school bond principal and interest costs. The amount of such reimbursement for the year ended June 30, 2013 was approximately \$2,224,597. Additional principal and interest reimbursements approximating \$9,428,398 are expected to be received through the bonds' maturity dates.

Governmental activity funds are used to account for financial resources used in the day-to-day operations of the government. Business-type activities are used to account for the government's activities where fees are charged for the services rendered, for example, utility services and the Water Pollution Control Authority.

DEBT LIMIT

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

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

Category	Debt Limit	Net Indebtedness	Balance
GENERAL PURPOSE	642,364,378	318,455,388	323,908,990
SCHOOLS	1,284,728,756	206,575,102	1,078,153,654
SEWERS	1,070,670,296	61,429,324	1,009,240,972
URBAN RENEWAL	927,859,657	2,396,000	925,463,657
UNFUNDED PENSION BENEFIT OBLIGATION	856,485,837	282,850,000	573,635,837
TOTAL	\$4,782,108,924	\$871,705,814	\$3,910,403,110

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

GENERAL PURPOSE	44,158,540
SEWERS	16,348,343
SCHOOLS	89,312,325
TOTAL	\$149,819,208

OTHER EVENTS

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

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

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

FY 2014-2015 ADOPTED GENERAL FUND BUDGET
DEBT SERVICE PROGRAM HIGHLIGHTS

General Obligation Bonds Refunding - Subsequent Event

On July 12, 2012, the City issued \$55,225,000 of general obligation refunding bonds with interest rates ranging from 2.0% to 5.0%. The bonds were issued to refund all or a portion of the aggregate outstanding principal amounts of general obligation bonds of the City dated July 18, 2001, June 15, 2002 and November 1, 2003. The net proceeds of \$59,704,935 (after an original issue premium of \$4,874,093 and payment of \$394,157 in underwriter's fees and other issuance costs) were deposited in an irrevocable trust fund under an escrow agreement dated July 12, 2012 between the Escrow Agent and the City. The Escrow Agent will use such proceeds to purchase a portfolio of United States Treasury State and Local Government Securities. All investment income on and the maturing principal of the escrow securities held in the escrow deposit fund will be irrevocably deposited by the City for payment of the refunded bonds. The City refunded the above bonds to reduce total debt service payments over the next 10 years by \$7,034,987 and to obtain an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$6,893,537.

State of Connecticut Department of Education Loan

The State of Connecticut Department of Education provided the City with a loan of \$3.5 million for the purpose of inclusion in the budgeted appropriation for education for the fiscal year ended June 30, 2012 to cover education expenditures incurred during the current year. If criteria are not met, the City agrees that it shall repay the State of Connecticut for any funds loaned under the Agreement in accordance with the following schedule:

Before September 1, 2013	\$1,000,000
Before July 1, 2014	\$1,000,000
Before July 1, 2015	\$1,500,000
TOTAL	\$3,500,000

Org# / Cat #	Org / Category Description	Object Code Object Description	FY 2013 Actuals	FY 2014 Budget	2015 Mayor Proposed	2015 Council Adopted	Variance inc/(dec)
01600	GENERAL PURPOSE BONDS PAYABLE						
		56110 FINANCIAL SERVICES	214,150	200,000	200,000	200,000	0
		56130 LEGAL SERVICES	48,110	25,000	25,000	25,000	0
05	SPECIAL SERVICES		262,260	225,000	225,000	225,000	0
		53210 INTEREST PAYMENTS	2,759,781	2,532,936	2,631,904	2,631,904	98,968
		53212 NEW MONEY INTEREST	286,201	300,000	300,000	300,000	0
		53213 TAX ANTICIPATION NOTES	197,848	439,950	439,950	439,950	0
06	OTHER FINANCING USES		3,243,830	3,272,886	3,371,854	3,371,854	98,968
01600	GENERAL PURPOSE BONDS PAYABLE Total		3,506,091	3,497,886	3,596,854	3,596,854	98,968
01603	SEWER BONDS						
		53205 PRINCIPAL PAYMENTS	45,000	45,000	45,000	45,000	0
		53210 INTEREST PAYMENTS	20,750	20,750	20,750	20,750	0
06	OTHER FINANCING USES		65,750	65,750	65,750	65,750	0
01603	SEWER BONDS Total		65,750	65,750	65,750	65,750	0

NON-DEPARTMENTAL
OTHER FINANCING
BUDGET DETAIL

Anne Kelly-Lenz
Manager

REVENUE SUMMARY

Org#	Object#	Object Description	FY 2013 Actuals	FY 2014 Budget	2015 Mayor Proposed	FY 2015 Council Adopted	Variance
01610	OTHER FINANCING USES						
	41544	SALE OF CITY PROPERTY	315,511	100,000	100,000	275,000	175,000
01610	OTHER FINANCING USES		315,511	100,000	100,000	275,000	175,000

APPROPRIATION SUMMARY

Org#	Org Description		FY 2013 Actuals	FY 2014 Budget	2015 Mayor Proposed	2015 Council Adopted	Variance inc/(dec)
01610	OTHER FINANCING USES						
	01	PERSONNEL SERVICES	0	-2,000,000	-2,000,000	-2,000,000	0
	06	OTHER FINANCING USES	495,826	2,021,217	2,021,217	2,021,217	0
01610	OTHER FINANCING USES		495,826	21,217	21,217	21,217	0

SUPPLEMENTAL DETAIL

Org# / Cat #	Org / Category Description	Object Code	Object Description	FY 2013 Actuals	FY 2014 Budget	2015 Mayor Proposed	2015 Council Adopted	Variance inc/(dec)
01610	OTHER FINANCING USES							
01	PERSONNEL SERVICES	57000	ATTRITION/CONCESSIONS	0	-2,000,000	-2,000,000	-2,000,000	0
		57005	CONTINGENCY	0	1,500,000	1,500,000	1,500,000	0
		59400	PROBATE	76,609	100,000	100,000	100,000	0
		59450	BARNUM MUSEUM	221,217	221,217	221,217	221,217	0
		59500	SUPPORTIVE CONTRIBUTIONS	198,000	200,000	200,000	200,000	0
06	OTHER FINANCING USES			495,826	2,021,217	2,021,217	2,021,217	0
01610	OTHER FINANCING USES Total			495,826	21,217	21,217	21,217	0

SUMMARY

Other financing provides for a \$1,000,000 required budgetary reserve, and a \$500,000 contingency reserve.

It also provides for mandatory support to the Barnum Museum and Probate Court.

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NON-DEPARTMENTAL
SUPPORTIVE/MEMBERSHIPS
BUDGET DETAIL

REVENUE SUMMARY

Not Applicable

APPROPRIATION SUMMARY

Org#	Org Description	FY 2013 Actuals	FY 2014 Budget	2015 Mayor Proposed	2015 Council Adopted	Variance inc/(dec)
01620	SUPPORTIVE CONTRIBUTIONS					
04	OPERATIONAL EXPENSES	690	6,389	6,389	6,389	0
05	SPECIAL SERVICES	34,673	43,805	43,805	43,805	0
06	OTHER FINANCING USES	441,018	445,081	445,081	445,081	0
01620	SUPPORTIVE CONTRIBUTIONS	476,381	495,275	495,275	495,275	0
01630	CITYWIDE MEMBERSHIPS					
04	OPERATIONAL EXPENSES	23,092	24,000	24,000	24,000	0
01630	CITYWIDE MEMBERSHIPS	23,092	24,000	24,000	24,000	0

APPROPRIATION SUPPLEMENTAL DETAIL

Org# / Cat #	Org / Category Description	Object Code	Object Description	FY 2013 Actuals	FY 2014 Budget	2015 Mayor Proposed	2015 Council Adopted	Variance inc/(dec)
01620	SUPPORTIVE CONTRIBUTIONS							
		53605	MEMBERSHIP/REGISTRATION FEES	690	2,005	2,005	2,005	0
		53705	ADVERTISING SERVICES	0	1,600	1,600	1,600	0
		53750	TRAVEL EXPENSES	0	2,760	2,760	2,760	0
		54675	OFFICE SUPPLIES	0	24	24	24	0
04	OPERATIONAL EXPENSES			690	6,389	6,389	6,389	0
		56085	FOOD SERVICES	0	841	841	841	0
		56160	MARKETING SERVICES	0	2,000	2,000	2,000	0
		56165	MANAGEMENT SERVICES	4,500	7,495	7,495	7,495	0
		56240	TRANSPORTATION SERVICES	9,675	10,800	10,800	10,800	0
		56250	TRAVEL SERVICES	498	2,669	2,669	2,669	0
		56255	CONSULTANT REIMBURSED EXPENS	20,000	20,000	20,000	20,000	0
05	SPECIAL SERVICES			34,673	43,805	43,805	43,805	0
06	OTHER FINANCING USES	59500	SUPPORTIVE CONTRIBUTIONS	441,018	445,081	445,081	445,081	0
01620	SUPPORTIVE CONTRIBUTION Total			476,381	495,275	495,275	495,275	0
01630	CITYWIDE MEMBERSHIPS							
		53605	MEMBERSHIP/REGISTRATION FEES	23,092	24,000	24,000	24,000	0
04	OPERATIONAL EXPENSES			23,092	24,000	24,000	24,000	0
01630	CITYWIDE MEMBERSHIPS Total			23,092	24,000	24,000	24,000	0

Supportive Contributions/ Memberships support Bridgeport's inclusion in regional & national organizations such as the greater Bridgeport Transit Authority, The Greater Bridgeport Regional Planning Agency, RYASAP (Regional Youth/Adult Substance Abuse Project) and provide support for various local organizations such as the Barnum Museum.

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