

ACCOUNTING POLICIES

FISCAL YEAR

The City of Bridgeport's Fiscal Year begins July 1 and ends June 30.

BALANCED BUDGET

The Charter of the City of Bridgeport mandates a balanced budget. For the purposes of meeting this requirement, each year a budget is adopted in which the projected expenditures are equal to the projected revenues.

BASIS OF ACCOUNTING

The City of Bridgeport's accounting system is operated on a fund basis. A fund is a fiscal and accounting entity with a self-balancing set of accounts in which cash and other financial resources or balances are recorded and segregated to carry on specific activities or attain certain objectives in accordance with specific regulations and limitations. The operations of the general fund are maintained on a modified accrual basis, with revenues recorded when measurable and available and the expenditures recorded when the services or goods are received and liabilities are incurred. In contrast, accounting records for the City's enterprise, pension and nonexpendable trust funds are managed on the accrual basis of accounting. The types of funds utilized by the City are as follows: general; special revenue; capital projects; enterprise; and trust and agency. The type and number of individual funds established is determined by GAAP and sound financial administration.

BUDGET PROCEDURE

The Mayor's annual budget is developed by the City's Office of Policy & Management (OPM). The budget is submitted to the City Council, which in turn makes additions and changes as necessary before turning it over to the Mayor for approval. The City maintains budgetary control through the Office of Policy & Management. The objective of budgetary control is to ensure compliance with the legal provisions embodied in the annual adopted budget approved by the City Council. The level of budgetary control is established by organization, agency, appropriation and object. The City of Bridgeport also utilizes an encumbrance accounting system as one technique for accomplishing budgetary control. Encumbrances reserve appropriations which have been obligated through purchase orders or other contractual documents. Encumbrances are reported as reservations of fund balance at the end of the year. Transfers of certain appropriations between departments require the approval of the City Council. The City of Bridgeport's Capital & General Fund Budgets must be adopted by the City Council and approved by the Mayor.

INTERNAL CONTROLS

The management of the City of Bridgeport is maintained through a control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with GAAP. The control structure is designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived from that cost and that the valuation of costs and benefits requires estimates and judgments be made by management. In addition, through its year end audit, Bridgeport has an internal audit review for compliance with the City Charter, ordinances, and all other policies and procedures.

As a recipient of Federal, State and local financial assistance, the City of Bridgeport is responsible for ensuring adequate internal control policies and procedures are in place to ensure and document compliance with applicable laws and regulations related to these programs. This internal control structure is subject to periodic evaluation by management as well.

LEGAL DEBT LIMIT

GENERAL FUND BUDGET

BUDGET SUMMARY

BUDGET & ACCOUNTING POLICIES

The total overall statutory debt limit for the City is equal to seven times annual receipts from taxation, or \$1,909,786,991. All long-term debt obligations are retired through General Fund appropriations or user charges. As of June 30, 2011, the City recorded long-term debt of \$654 million related to Governmental Activities and \$47.1 million related to Business-Type Activities, well below its statutory debt limit. The City's long term debt decreased by \$15.5 million during fiscal year 2011. For more information on debt service, see the debt service section.

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.

The City carries no insurance coverage for losses arising out of workers' compensation claims. These claims are paid from the General Fund. This is accounted for in the governmental activities of the government-wide statements.

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 3,852 active employees and 3,726 retirees receive their health coverage through this plan. Payments related to these claims are made by an outside administrator under an administrative services contract 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.

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 2001-2011 fiscal years:

	Liability: Start of fiscal year	Current year claims & changes in estimates	Claim Payments	Liability: End of the Fiscal Year
2011	83,701,474	124,650,961	98,365,169	109,987,266
2010	72,277,783	119,677,303	108,253,612	83,701,474
2009	67,301,000	102,263,079	90,691,701	72,277,783
2008	65,740,860	88,167,399	86,607,259	67,301,000
2007	50,070,000	95,669,180	79,998,320	65,740,860
2006	54,076,619	71,379,804	75,386,423	50,070,000
2005	62,045,079	66,036,204	74,004,664	54,076,619
2004	61,964,745	66,974,067	66,893,733	62,045,079
2003	65,787,386	59,776,938	63,599,579	61,964,745
2002	81,968,096	42,867,583	59,048,293	65,787,386
2001	68,979,599	66,977,701	53,989,204	81,968,096

AUDIT

State Statutes require an annual audit conducted by independent certified public accountants. Portions of these audits are included in the City's Comprehensive Annual Financial Report, and these can be accessed through the City's website,

<http://www.bridgeportct.gov/finance/Documents/2011%20CAFR.pdf>

UNDESIGNATED FUND BALANCE POLICY

PURPOSE

To maintain a balance of funds within the total unreserved, undesignated fund balance to be available for unforeseen contingencies.

Definition: Unreserved, undesignated fund balance is the remaining balance available following the reduction for “resources not available for spending” or “legal restrictions” (reservation) and “management’s intended future use of resources” (designation).

POLICY

The sum of all components identified for the undesignated fund balance level will be set at no less than 8.00% of annual operating expenditures and other financing uses (transfers out) of the prior audited fiscal year with the annual approval by the City Council. In the event that the undesignated fund balance exceeds 12.00%, the amount exceeding this percentage may be available for appropriation at the discretion of the Mayor with the approval of City Council.

RATIONALE

The City of Bridgeport recognizes the importance of maintaining an appropriate level of undesignated fund balance on a Generally Accepted Accounting Principles (GAAP) basis to withstand short-term financial emergencies. After evaluating the City’s operating characteristics, its overall financial health, the diversity and flexibility of its tax base, the reliability of non-property tax revenues sources, the City’s working capital needs, the impact of state policies regarding tax exempt properties and PILOT reimbursements on City revenues, Brownfield policies, the national, state and local economic outlooks, emergency and disaster risks, other contingent issues and the impact on the City bond ratings of all these factors, the City of Bridgeport hereby establishes goals regarding the appropriate handling and funding of the undesignated fund balance.

The City of Bridgeport’s formal undesignated fund balance policy shall be to maintain adequate unencumbered reserves to accomplish the following objectives:

- (1) Have sufficient funds available for appropriation for unforeseen expenditures or unforeseen shortfalls in revenue after adoption of the annual budget ; and
- (2) Avoid unexpected spikes in the mill rate caused by non-reoccurring revenues.

REPLENISHMENT OF SHORTFALL

The undesignated fund balance of the General Fund may fall below the approved minimum level due to fluctuations between planned and actual revenues and expenditures, other financial emergencies or catastrophic events of an unforeseen nature. When an audited shortfall is reported in the Comprehensive Annual Financial Report (CAFR), it must be rebuilt during the following ensuing fiscal years. This will be achieved by adding an annual appropriation, during the budgeting process of a minimum of 10% of the difference between the fund balance policy level and the undesignated fund balance presented in the latest audited statements.

When dealing with the unanticipated sale of municipal assets, no less than 50% of the “gain on sale of city asset” must be deposited toward the undesignated fund balance until the 12.00% goal has been achieved.

The maintenance of undesignated levels is not to be construed as surpluses or over-taxation by the City. Rather, it is an element of sound fiscal management required for sustaining a high credit rating and financial management flexibility.

DESCRIPTION OF FUND STRUCTURE

The accounts of the City of Bridgeport are organized on the basis of funds and account groups, utilizing a fund structure in which fund activities are aggregated for specific purposes. A fund is a combination of related accounts used to maintain control & accountability of resources that are dedicated to specific activities or objectives. The City of Bridgeport, like other state & local governments, uses fund accounting to ensure appropriate fiscal control and to demonstrate our compliance with accepted accounting principles set forth by the Governmental Accounting Standards Board.

Detailed financial schedules for all of the funds described below are *not* contained within this budget document. This document includes information on the General Fund, as well as some detail on Special Revenue Funds, the Internal Service Fund, and Capital Project Funds. Of these funds, only the General Fund is subject to appropriation. Detail on the other funds described below can be found in the City's Comprehensive Annual Financial Report, prepared by the Finance Department, and can be accessed through the City's website, <http://www.bridgeportct.gov/finance/>. Grateful acknowledgement of the assistance of the Finance Department in providing certain schedules and detail from the 2011 CAFR is noted here, and we have provided attribution for these throughout the budget book, as is applicable.

GOVERNMENTAL FUNDS

The City of Bridgeport maintains 21 individual governmental funds. The major funds of these 21 are discussed below.

THE GENERAL FUND is the primary operating fund of the city. It is the largest fund which encompasses traditional governmental services, and is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is primarily supported by the property tax. General Fund revenues are displayed by type in the Revenue Summary section of this budget and by department in the Budget Detail section. Appropriations are also listed by department in the Budget Detail section. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available.

SPECIAL REVENUE FUNDS are used to account for revenues dedicated for a specific purpose. These funds are prescribed by Federal or State program guidelines regarding the distribution or use of revenues.

THE DEBT SERVICE FUND is used for the accumulation of resources for, and the payment of, general long term bonded debt to be issued in future years.

BOARD OF EDUCATION FUND This fund accounts for the operations of the Board of Education, except for those required to be accounted for in another fund.

CAPITAL PROJECT FUNDS are for various construction projects as well as the purchase of the City's fleet inventory. Capital Project Funds are used to account for the proceeds of general obligation bonds and other financing sources for the planning, acquisition and construction or improvement of major capital facilities such as new schools and urban renewal projects.

PROPRIETARY FUNDS

ENTERPRISE FUNDS are used to report activities that are financed and operated in a manner similar to a private business enterprise. In the case of the City of Bridgeport, the Water Pollution Control Authority or WPCA, is one such fund which accounts for the activities of the City's two sewage treatment plants, sewage pumping stations, and collection systems for the City of Bridgeport. These funds are covered in the Finance Department's Annual Financial Report, but not in this document.

GENERAL FUND BUDGET

BUDGET SUMMARY

BUDGET PROCESS

THE INTERNAL SERVICE FUND was established by Ordinance to account for self-insured health benefit activities of the City, Board of Education (BOE) and all other departments. Governmental Accounting Standards allow for the use of Internal Service Funds for risk financing activities. The Internal Service Fund is a proprietary type fund, which utilizes the accrual basis of accounting. The use of a separate fund for self insured benefit activities can help smooth the impact of severe claims fluctuations which can now occur in the General Fund. Funding will be provided through the annual General Fund Budget which will separately identify the City, BOE, BOE Grants and Nutrition portions. The amount budgeted will be the amount transferred to the Internal Service Fund. Contributions will be also be made by the WPCA and Grants. Employee contributions will be made directly to the Internal Service Fund. Interest and investment income earned by the fund will be used to pay expenses of the fund. Investment of available funds will be made by the City Finance Director and Treasurer in accordance with Connecticut General Statutes.

FIDUCIARY FUNDS

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. These funds are not reflected in government-side financial statements because the resources contained within these funds are not available to provide services for the City's constituents. The City of Bridgeport has four pension trust funds that support the pensions of City employees. The accounting used for fiduciary funds is much like that used for proprietary funds, and again, is covered in some detail in the Finance Department's Annual Financial Report, but not in this document.

THE BUDGET PROCESS

MAYOR RECOMMENDED PREPARATION

City departments begin preparation and documentation processes for the budget in January. The Office of Policy & Management reviews all submitted department requested documents; verifies contractual obligation thresholds, calculates all formula-driven data, and presents a draft budget to the Mayor and selected staff. In accordance with the City Charter, Chapter 9, Section 5(c) the Mayor, no later than the first Tuesday in April of each year, must present to the City Council a proposed budget for the ensuing fiscal year as prescribed in that same section.

CITY COUNCIL PROCESS

The City Council's Budget and Appropriations Committee, under City Council rules, will set a schedule for budget deliberations and in accordance with City Charter, shall hold at least one public hearing before taking final action on the proposed budget and mill rate. The City Council Budgets & Appropriations Committee reports its changes to the Council as a whole in the form of a budget amendment resolution. The City Council has the power to reduce or delete any item in the budget recommended by the Mayor by a majority vote of the council members present and voting. It shall have the power to increase any item in said budget or add new items to said budget only on a two-thirds (2/3) affirmative vote of the entire membership of the council. The budget adopted by the City Council shall be submitted to the Mayor not later than the second Tuesday in May of each year. The Mayor shall sign the adopted budget or within fourteen days after adoption of the budget, the Mayor may veto any action taken by the City Council. The veto power of the Mayor shall be that of line item veto only, and any such veto may be overridden by a two-thirds (2/3) vote of the entire membership of the City Council. If the Mayor shall disapprove any action of the City Council, he shall, no later than the close of business of the fourteenth day, return the proposed budget to the City Council with a statement of objections. Thereupon, the President of the City Council shall call a meeting to be held no later than seven days after the receipt of the Mayor's veto. If the City Council fails to adopt a budget by the second Tuesday in May of any year, the proposed budget of the Mayor shall become the budget of the City for the ensuing year.

GENERAL FUND BUDGET
BUDGET SUMMARY

BUDGET TIMETABLE

FISCAL YEAR 2012 - 2013

<u>Dates:</u>	<u>Day</u>	<u>Actions</u>
Feb. 10, 2012 <i>10-Feb</i>	Friday	Departments data enter request budget into MUNIS <i>DEPARTMENTS MUST SUBMIT STATUS OF FY2012 GOALS FOR FIRST SIX MONTHS TO OPM</i>
Feb. 10, 2012	Friday	Departments must submit capital project request and back-up to OPM
Feb. 17, 2012	Friday	BOE data enter request budget into MUNIS
March 06, 2012 (no later than) <i>Feb 17 - Mar 27</i>	Tuesday	Mayor Submits Capital Budget to the City Council <i>Mayor formulates General Fund Budget. Budget goes to final production</i>
April 03, 2012 (no later than)	Tuesday	Per City Charter, Mayor Submits Proposed Budget to the City Council
TBD		BAC meetings and Public Hearing held
May 01, 2012 (no later than)	Tuesday	Capital Improvement Program is adopted and Submitted to Departments Directors
May 08, 2012 (no later than)	Tuesday	City Council Submits Adopted Budget to the Mayor
May 22, 2012 (no later than)	Tuesday	Last day for the Mayor to Veto the City Council's Adopted Budget
May 29, 2012 (no later than)	Tuesday	Last day for the City Council to vote on the Mayor's veto of the City Council's Adopted Budget
June 5, 2012 (no later than)	Tuesday	City Council sets mill rate <i>(mill rate is set no later than seven days after action on the budget is complete) This may be a vote necessary no later than May 29th</i>

GENERAL FUND BUDGET

BUDGET SUMMARY

GENERAL FUND BY AGENCY

The General Fund is primarily funded by the property tax. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when 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. This budget illustrates the initiatives taken by the Finch Administration to maintain fiscal integrity through this challenging economic downturn. This proposed budget illustrates this fiscally conservative approach, as total spending in the new budget is nearly \$1.3 million less than in the previous (2011) adopted budget. This marks the second consecutive year that city appropriations are reduced.

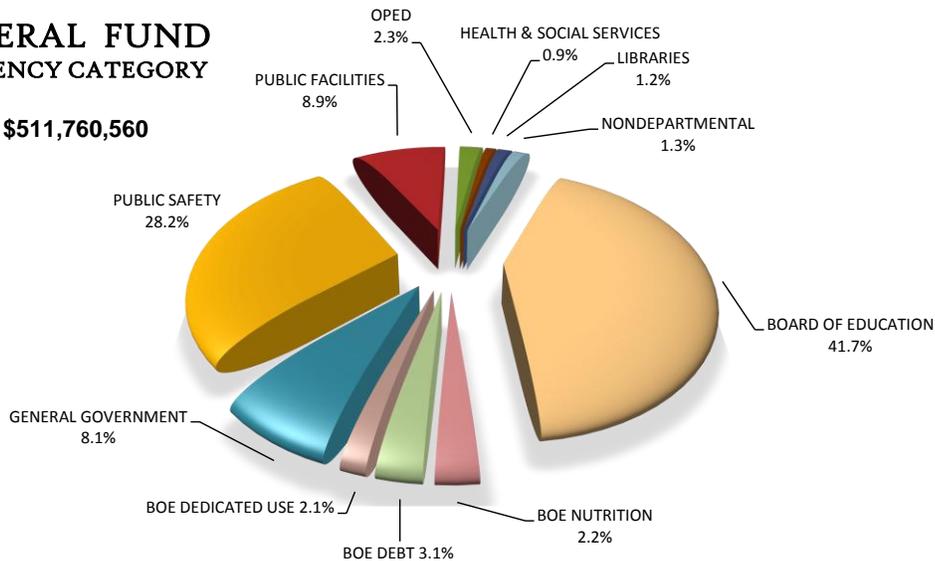
GENERAL FUND

BY AGENCY CATEGORY

AGCY CAT	FY2011 ACTUAL	FY 2012 BUDGET	FY 2013 MAYOR PROPOSED	FY 2013 COUNCIL ADOPTED	VARIANCE
01 GENERAL GOVERNMENT	38,316,162	39,987,113	41,940,085	39,944,521	-42,592
02 PUBLIC SAFETY	139,727,024	139,637,541	145,886,622	145,161,985	5,524,444
03 PUBLIC FACILITIES	42,425,429	45,469,655	46,171,683	44,994,502	-475,153
04 OPED	13,736,574	13,238,021	11,874,422	11,029,625	-2,208,396
05 HEALTH & SOCIAL SERVICES	3,680,179	3,953,736	4,684,588	4,616,930	663,194
06 NONDEPARTMENTAL	2,011,116	1,563,549	6,605,800	6,291,023	4,727,474
07 LIBRARIES	5,500,302	6,723,003	6,723,003	6,748,214	25,211
08 BOARD OF EDUCATION	192,613,066	215,843,895	215,843,895	215,843,895	0
09 BOE FOOD SERVICES	12,310,243	11,315,572	11,170,879	13,848,445	2,532,873
10 BOE DEBT SERVICE	19,867,246	15,664,675	16,263,304	14,777,193	-887,482
11 BOE DEDICATED USE	0	0	10,650,794	8,504,227	8,504,227
Grand Total	470,187,341	493,396,761	517,815,075	511,760,560	18,363,800

GENERAL FUND
BY AGENCY CATEGORY

TOTAL: \$511,760,560



INTERNAL SERVICE FUND

The City, by Ordinance, established an Internal Service Fund to account for self-insured health benefit activities of the City, Board of Education and all other departments. Governmental Accounting Standards allow for the use of Internal Service Funds for risk financing activities. The Internal Service Fund is a proprietary type fund, which utilizes the accrual basis of accounting.

GENERAL FUND BUDGET

BUDGET SUMMARY

INTERNAL SERVICE FUND

Agency	Act/Ret	New OC	Dept	Benefit	Vendor	Description	FY-12 Budget	FY-13
CITY GRN	Active	58001	City Grants	Medical	CIGNA	Claims	\$628,500	678,900
CITY GRN	Active	58002	City Grants	Rx	Medco	Fees & Claims	376,200	69,300
CITY GRN	Active	58003	City Grants	Dental	CIGNA	Dental Claims	72,600	27,500
CITY GRN	Active	58004	City Grants	Vision	VSP	Claims & Fees	10,500	4,000
CITY GRN	Active	58301	City Grants	Medical	CIGNA	ASO Fees	17,600	24,200
CITY GRN	Active	58302	City Grants	Dental	CIGNA	Dental PPO Fee	1,500	1,900
CITY GRN	Active	58305	City Grants	Dental	CIGNA	Dental HMO	3,900	5,800
			City Grants			TOTAL	1,110,800	811,600
CITY	Active	52154	City Active	Life	Htfd	Premium	137,300	140,800
CITY	Active	52155	Grants	Life	Htfd	Premium	3,200	5,600
CITY	Ret	52156	Disabled	Life	Htfd	Premium	66,000	58,000
CITY	Active	52202	Unaffiliated	Disability	Htfd	STD Prem	20,600	20,800
CITY	Active	52203	Teamsters	Disability	Htfd	STD Prem	1,200	1,200
CITY	Active	52204	Unaffiliated	Disability	Htfd	LTD Prem	22,300	22,200
CITY	Active	52205	Teamsters	Disability	Htfd	LTD Prem	1,200	1,200
CITY	Active	58001	City ISF	Medical	CIGNA	Claims	\$13,255,700	19,852,600
CITY	Active	58002	City Active	Rx	Medco	Fees & Claims	2,578,700	2,642,100
CITY	Active	58003	City Active	Dental	CIGNA	Dental Claims	824,500	845,900
CITY	Active	58004	City Actives	Vision	VSP	Claims & Fees	91,400	102,000
CITY	Ret	58101	City Retirees	Medical	CIGNA	Claims	\$9,767,000	6,614,800
CITY	Ret	58102	City Retirees & COBRA	Rx	Medco	Fees & Claims	2,445,500	2,156,600
CITY	Ret	58103	City/COBRA/Retirees*	Dental	CIGNA	Dental Claims	40,500	57,900
CITY	Ret	58104	City Ret/COBRA	Vision	VSP	Claims & Fees	7,900	5,300
CITY	N/A	58201	City	HH	Berkley	H&H Indemnity	1,500,000	1,434,900
CITY	N/A	58202	City	HH	Berkley	H&H Medical	2,100,000	2,741,500
		58203	City	WC	Berkley	WC Indemnity	2,597,000	2,280,500
CITY	N/A	58204	City	WC	Berkley	WC Medical	3,695,500	4,167,800
CITY	Active	58258	City Wide	WC	State of CT	Annual Assmnt	302,000	265,100
CITY	Active	58260	City Wide	WC	State of CT	Qtrly Assessment	251,700	265,100
CITY	Active	58262	City Wide	WC	Berkley	ASO Fee	430,000	445,200
CITY	Active	58301	City Active	Medical	CIGNA	ASO Fees	501,800	321,800
CITY	Active	58302	City Active	Dental	CIGNA	Dental PPO Fee	39,300	40,200
CITY	Ret	58303	City Retirees	Medical	CIGNA	ASO Fees	277,300	297,100
CITY	Ret	58304	City COBRA/Ret*	Dental	CIGNA	Dental PPO Fee	3,200	2,700
CITY	Active	58305	City Active	Dental	CIGNA	Dental HMO	157,130	171,900
CITY	Ret	58306	City Ret/COBRA	Dental	CIGNA	Dental HMO	5,180	4,300
City	Ret	58400	Police & Fire	Med-B Reimb	City	Medicare-B Reimb	1,029,400	1,061,500
CITY		58401	City Medicare	CITY MEDICARE			5,719,300	5,285,600
			CITY			TOTAL	47,871,810	51,312,200
WPCA	Active	58001	WPCA	Medical	CIGNA	Claims	\$110,100	75,000
WPCA	Active	58002	WPCA	Rx	Medco	Fees & Claims	7,800	10,400
WPCA	Active	58003	WPCA	Dental	CIGNA	Dental Claims	3,200	4,400
WPCA	Active	58004	WPCA	Vision	VSP	Claims & Fees	700	1,000
WPCA	N/A	58203	WPCA	WC	Berkley	WC Indemnity	5,000	4,800
WPCA	N/A	58204	WPCA	WC	Berkley	WC Medical	5,000	1,900
wpca	Active	58301	WPCA	Medical	CIGNA	ASO Fees	2,900	3,500
WPCA	Active	58302	WPCA	Dental	CIGNA	Dental PPO Fee	200	300
WPCA	Active	58305	WPCA	Dental	CIGNA	Dental HMO	1,110	1,200
			WPCA			TOTAL	136,010	102,500
BOE	Active	58001	BOE Active	Medical	CIGNA	Claims	\$24,598,700	30,156,400
BOE	Active	58002	BOE Genl Fund	Rx	Medco	Fees & Claims	4,801,700	4,358,400
BOE	Active	58003	BOE Actives	Dental	CIGNA	Dental Claims	1,958,200	1,798,000
BOE	Active	58004	Noncertified	Vision	VSP	Claims & Fees	56,400	47,300
BOE	Ret	58101	BOE Retirees	Medical	CIGNA	Claims	\$8,838,900	5,018,700
BOE	Ret	58102	BOE Retirees	Rx	Medco	Fees & Claims	1,980,300	1,647,100
BOE	Ret	58103	BOE COBRA/Retirees	Dental	CIGNA	Dental Claims	738,000	703,700
BOE	Ret	58104	BOE Ret/COBRA	Vision	VSP	Claims & Fees	300	1,600
BOE	N/A	58203	BOE	WC	Berkley	WC Indemnity	785,000	1,038,700
BOE	N/A	58204	BOE	WC	Berkley	WC Medical	1,430,000	1,844,200
BOE	Active	58301	BOE Active	Medical	CIGNA	ASO Fees	871,800	902,200
BOE	Active	58302	BOE Genl Fund	Dental	CIGNA	Dental PPO Fee	81,400	81,900
BOE	Ret	58303	BOE Retirees	Medical	CIGNA	ASO Fees	240,100	266,200
BOE	Ret	58304	BOE COBRA/Ret	Dental	CIGNA	Dental PPO Fee	33,100	35,300
BOE	Active	58305	BOE Genl Fund	Dental	CIGNA	Dental HMO	61,830	66,500
BOE	Ret	58306	BOE Ret/COBRA	Dental	CIGNA	Dental HMO	2,880	3,000
BOE	Ret	58401	BOE Medicare		BOE MEDICARE MEDICAL		5,276,700	5,771,500
			BOE			TOTAL	51,755,310	53,740,700
BOE GRN	Active	58001	BOE Grants	Medical	CIGNA	Claims	\$4,678,900	6,750,800
BOE GRN	Active	58002	BOE Grants	Rx	Medco	Fees & Claims	491,600	506,200
BOE GRN	Active	58003	BOE Grants	Dental	CIGNA	Dental Claims	314,600	370,600
BOE GRN	Active	58004	BOE Grants	Vision	VSP	Claims & Fees	12,900	22,400
BOE GRN	Active	58301	BOE Grants	Medical	CIGNA	ASO Fees	185,400	189,500
BOE GRN	Active	58302	BOE Grants	Dental	CIGNA	Dental PPO Fee	16,500	16,100
BOE GRN	Active	58305	BOE Grants	Dental	CIGNA	Dental HMO	16,420	14,600
			BOE Grants			TOTAL	5,716,320	7,870,200
NUT	Active	58001	Nutrition	Medical	CIGNA	Claims	\$1,430,000	1,903,400
NUT	Active	58002	Nutrition	Rx	Medco	Fees & Claims	293,300	251,600
NUT	Active	58003	Nutrition	Dental	CIGNA	Dental Claims	84,800	79,700
NUT	Active	58004	Nutrition	Vision	VSP	Claims & Fees	9,600	9,600
NUT	N/A	58203	NUT	WC	Berkley	WC Indemnity	25,000	24,600
NUT	N/A	58204	NUT	WC	Berkley	WC Medical	40,000	47,600
NUT	Active	58301	Nutrition	Medical	CIGNA	ASO Fees	51,900	56,400
NUT	Active	58302	Nutrition	Dental	CIGNA	Dental PPO Fee	4,800	4,900
NUT	Active	58305	Nutrition	Dental	CIGNA	Dental HMO	1,480	1,200
		58400	Nutrition	Med-B Reimb	Nutr	Medicare-B Reimb	1,425	0
			Nutrition			TOTAL	1,942,305	2,379,000
						GROSS HEALTH / WC	108,532,555	116,216,200

GENERAL FUND BUDGET

BUDGET SUMMARY

APPROPRIATION IMPACTS

The primary source of revenues in the City of Bridgeport is property taxes. The second largest chunk of revenues comes from Intergovernmental Revenue—which includes aid to public schools, Education Cost Sharing, and funding for federal school lunch programming. The continuing economic depression, paired with the collapse of the housing market, had a deleterious impact on revenues, particularly those revenues that were to come from Bridgeport's real estate market. This year's revenues reflect a conservative approach to anticipating the turnaround of the economy. Additional measures the City has taken to handle the loss of revenues include, but are not limited to: more aggressive tax collection strategies, including the use of the bootfinder on vehicles with delinquent tax bills, fee increases, and the sale of excess city properties. The Revenue Detail section in the appendix of this document provides additional detail about the funding sources that support the General Fund Budget.

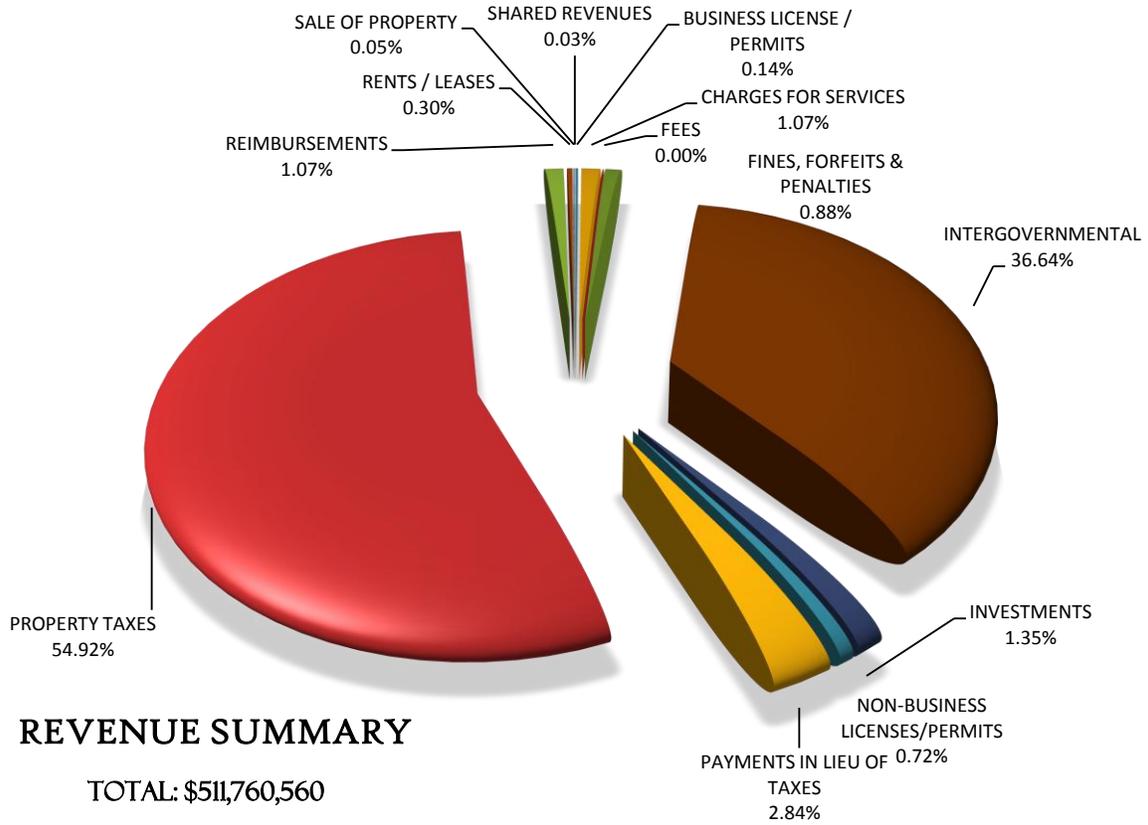
REVENUE SUMMARY

ORG DESC	FY2011 ACTUAL	FY 2012 BUDGET	FY 2013 MAYOR PROPOSED	FY 2013 COUNCIL ADOPTED	VARIANCE
01010000 COMPTROLLERS OFFICE	4,842,068	2,982,150	2,556,022	2,556,022	-426,128
01040000 TAX COLLECTOR	272,072,024	274,994,120	294,515,667	285,683,587	10,689,467
01041000 TAX ASSESSOR	20,183,834	19,232,722	19,548,095	19,548,095	315,373
01045000 TREASURY	222,913	275,000	200,000	200,000	-75,000
01050000 REGISTRAR OF VOTERS	115	0	100	100	100
01060000 CITY ATTORNEY	6,854	15,000	5,000	5,000	-10,000
01070000 CIVIL SERVICE	71,981	88,500	90,100	90,100	1,600
01090000 TOWN CLERK	1,500,974	1,545,800	1,552,100	1,552,100	6,300
01108000 INFORMATION TECHNOLOGY SERVICE	16	250	250	250	0
01250000 POLICE ADMINISTRATION	5,941,884	6,705,850	6,274,550	6,374,550	-331,300
01260000 FIRE DEPARTMENT ADMINISTRATION	202,483	203,515	204,425	204,425	910
01285000 WEIGHTS & MEASURES	73,665	76,000	76,000	76,000	0
01290000 EMERGENCY OPERATIONS CENTER	55,191	0	0	0	0
01300000 PUBLIC FACILITIES ADMINISTRATION	847,699	799,200	776,300	776,300	-22,900
01325000 SANITATION & RECYCLING	6,683	20,000	6,900	6,900	-13,100
01341000 BEARDSLEY ZOO / CAROUSEL	354,348	0	0	0	0
01350000 RECREATION	55,542	67,000	67,000	67,000	0
01355000 PARKS ADMINISTRATION	2,108,655	2,440,356	2,346,856	2,346,856	-93,500
01356000 PARKS MAINTENANCE SERVICES	-26,538	0	0	0	0
01375000 AIRPORT	784,201	928,200	842,140	842,140	-86,060
01385000 ENGINEERING	4,059	4,000	4,000	4,000	0
01450000 OPED ADMINISTRATION	327,367	645,500	455,000	455,000	-190,500
01455000 BUILDING DEPARTMENT	1,763,264	3,429,000	3,213,000	3,213,000	-216,000
01456000 ZONING, BOARD OF APPEALS	32,375	35,000	35,000	35,000	0
01457000 ZONING COMMISSION	168,982	160,500	170,400	170,400	9,900
01552000 VITAL STATISTICS	451,465	441,500	443,250	443,250	1,750
01554000 COMMUNICABLE DISEASE CLINIC	36,978	0	0	0	0
01555000 ENVIRONMENTAL HEALTH	330,356	328,850	354,200	354,200	25,350
01556000 HOUSING CODE	20,740	42,000	23,000	23,000	-19,000
01560000 CLINICS	-11,550	20,000	0	0	-20,000
01585000 SOCIAL SERVICES	10	0	0	0	0
01600000 GENERAL PURPOSE BONDS PAYAB	2,627,485	1,943,026	2,947,615	2,947,615	1,004,589
01610000 OTHER FINANCING USES	60,683	1,100,000	100,000	100,000	-1,000,000
01863000 BOE ADMINISTRATION	139,768,599	161,075,904	168,069,121	168,069,121	6,993,217
01875000 TRANSPORTATION	1,896,149	2,482,672	1,623,838	1,623,838	-858,834
01900902 NUTR-NUTRITION	12,278,693	11,315,146	11,315,146	13,992,711	2,677,565
Grand Total	469,060,245	493,396,761	517,815,075	511,760,560	18,363,799

GENERAL FUND BUDGET

BUDGET SUMMARY

APPROPRIATION IMPACTS



APPROPRIATION SUMMARY

BY AGENCY CATEGORY

AGCY CAT	FY2011 ACTUAL	FY 2012 BUDGET	FY 2013 MAYOR PROPOSED	FY 2013 COUNCIL ADOPTED	VARIANCE
01 GENERAL GOVERNMENT	38,316,162	39,987,113	41,940,085	39,944,521	-42,592
02 PUBLIC SAFETY	139,727,024	139,637,541	145,886,622	145,161,985	5,524,444
03 PUBLIC FACILITIES	42,425,429	45,469,655	46,171,683	44,994,502	-475,153
04 OPED	13,736,574	13,238,021	11,874,422	11,029,625	-2,208,396
05 HEALTH & SOCIAL SERVICES	3,680,179	3,953,736	4,684,588	4,616,930	663,194
06 NONDEPARTMENTAL	2,011,116	1,563,549	6,605,800	6,291,023	4,727,474
07 LIBRARIES	5,500,302	6,723,003	6,723,003	6,748,214	25,211
08 BOARD OF EDUCATION	192,613,066	215,843,895	215,843,895	215,843,895	0
09 BOE FOOD SERVICES	12,310,243	11,315,572	11,170,879	13,848,445	2,532,873
10 BOE DEBT SERVICE	19,867,246	15,664,675	16,263,304	14,777,193	-887,482
11 BOE DEDICATED USE	0	0	10,650,794	8,504,227	8,504,227
Grand Total	470,187,341	493,396,761	517,815,075	511,760,560	18,363,800

GENERAL FUND BUDGET

BUDGET SUMMARY

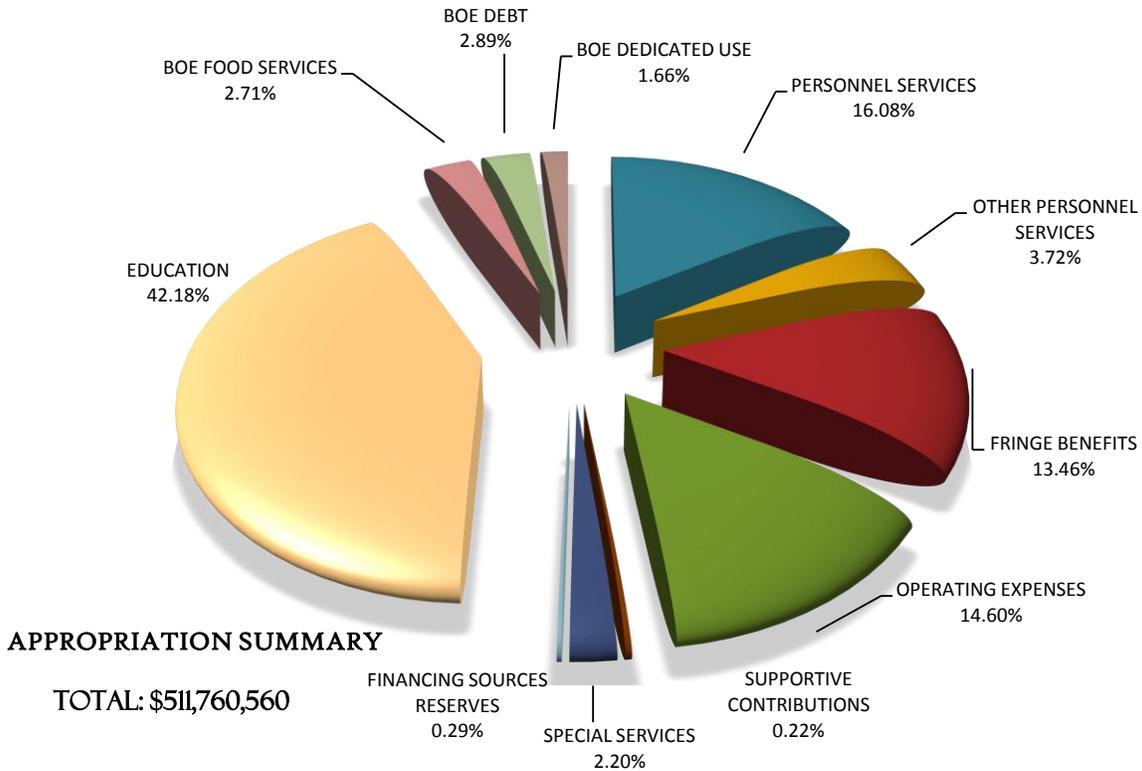
APPROPRIATION IMPACTS

GENERAL FUND BUDGET

BY APPROPRIATION TYPE

APPR TYPE	FY2011 ACTUAL	FY 2012 BUDGET	FY 2013 MAYOR PROPOSED	FY 2013 COUNCIL ADOPTED	VARIANCE
1 PERSONAL SERVICES	74,164,278	75,775,409	82,985,671	82,268,662	6,493,253
2 OTHER PERSONAL SERVICES	23,058,832	19,510,325	19,545,026	19,045,026	-465,299
3 FRINGE BENEFITS	65,104,728	64,464,020	70,713,578	68,889,861	4,425,841
4 OPERATING EXPENSES	73,293,603	77,876,767	76,736,897	74,723,009	-3,153,758
5 FIN SOURCE RESERVE/CONTINGENCY	0	1,709,991	1,500,000	1,500,000	-209,991
6 SPECIAL SERVICES	8,994,475	10,480,145	11,219,853	11,245,064	764,918
7 SUPPORTIVE CONTRIBUTIONS	780,871	755,961	1,185,178	1,115,178	359,217
8 BOE	192,613,066	215,843,895	215,843,895	215,843,895	0
9 BOE FOOD SERVICES	12,310,243	11,315,572	11,170,879	13,848,445	2,532,873
10 BOE DEBT	19,867,246	15,664,675	16,263,304	14,777,193	-887,482
11 BOE DEDICATED USE	0	0	10,650,794	8,504,227	8,504,227
Grand Total	470,187,341	493,396,761	517,815,075	511,760,560	18,363,800

These account levels represent line item funding for all departmental budgets. See the Appropriation Category Section of this document for descriptions of major appropriation titles for each group type.



GENERAL FUND BUDGET

BUDGET SUMMARY

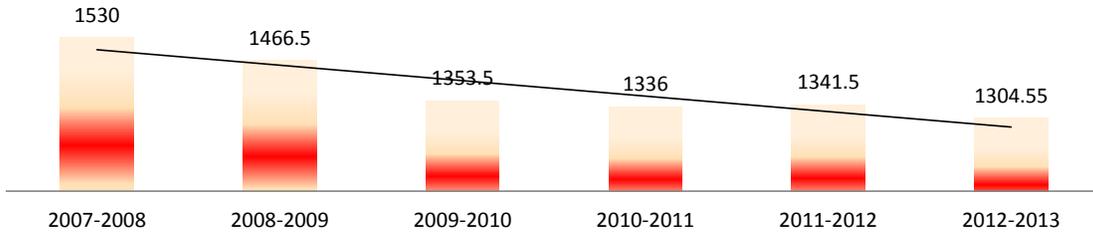
PERSONNEL SUMMARY

PERSONNEL SUMMARY

PERSONNEL TRENDS

	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
GENERAL GOVERNMENT	185	179.5	173	176	177	168
PUBLIC SAFETY	912	911	858	834	835	812
PUBLIC FACILITIES	139	144	136.5	136.5	136.5	131
PARKS, RECREATION, AGING	54	47	46	46	45	43
TRANSPORTATION	22	21	21	21	21	19
PLANNING & DEVELOPMENT	40	44	38	37.5	39.5	38.5
HEALTH & SOCIAL SERVICES	100	51	22	25	26	30
HUMAN SERVICES	9	9	7	8	8.5	10
LIBRARIES	69	60	52	52	53	53
TOTAL	1530	1466.5	1353.5	1336	1341.5	1304.5

TOTAL EMPLOYEES



The proposed budget provides for level staffing as stated in the Mayor's transmittal letter. Throughout the Finch administration, there has been a reduction of over 225 direct service positions (not including the BOE or Nutrition Center) in keeping with its mission of providing CORE services to the public, first and foremost. Additionally, this budget once again includes in every department TOTAL personnel costs such as medicare, social security, pension and health care. Although health care is determined on a COBRA basis and not true cost, as the City is on claim payout, it is a fair representation of how and where the total value is paid. This is another milestone in the Finch's Administration philosophy regarding fiscal integrity and more transparent governance. This budget continues to direct the City's labor force to the delivery of Core and Core-supportive services. City Charter mandates: Administering and affecting governance; educating; protection of persons and property; promotion of sanitation, recycling, and blight removal; maintenance of the City's physical assets including buildings, roads, parks and fleet; promotion of housing and economic development; and regulatory oversight of environmental, building, code and zoning compliance.

GENERAL FUND BUDGET
BUDGET SUMMARY TAX RATE DETERMINATION TABLE

USES OF FUNDS

AGCY CAT	FY2011	FY 2012	FY 2013	FY 2013	VARIANCE
	ACTUAL	BUDGET	MAYOR PROPOSED	COUNCIL ADOPTED	
01 GENERAL GOVERNMENT	38,316,162	39,987,113	41,940,085	39,944,521	-42,592
02 PUBLIC SAFETY	139,727,024	139,637,541	145,886,622	145,161,985	5,524,444
03 PUBLIC FACILITIES	42,425,429	45,469,655	46,171,683	44,994,502	-475,153
04 OPEd	13,736,574	13,238,021	11,874,422	11,029,625	-2,208,396
05 HEALTH & SOCIAL SERVICES	3,680,179	3,953,736	4,684,588	4,616,930	663,194
06 NONDEPARTMENTAL	2,011,116	1,563,549	6,605,800	6,291,023	4,727,474
07 LIBRARIES	5,500,302	6,723,003	6,723,003	6,748,214	25,211
08 BOARD OF EDUCATION	192,613,066	215,843,895	215,843,895	215,843,895	0
09 BOE FOOD SERVICES	12,310,243	11,315,572	11,170,879	13,848,445	2,532,873
10 BOE DEBT SERVICE	19,867,246	15,664,675	16,263,304	14,777,193	-887,482
11 BOE DEDICATED USE	0	0	10,650,794	8,504,227	8,504,227
Grand Total	470,187,341	493,396,761	517,815,075	511,760,560	18,363,800

SOURCES OF FUNDS

REV CAT/TYPE	FY2011	FY 2012	FY 2013	FY 2013	VARIANCE
	ACTUAL	BUDGET	MAYOR PROPOSED	COUNCIL ADOPTED	
BUSINESS LICENSES/PERMITS	671,285	656,275	714,125	714,125	57,850
CHARGES FOR SERVICES	7,278,904	5,783,990	5,611,600	5,469,335	-314,655
DEBT SERVICE PARENT CENTER	60,000	60,000	60,000	60,000	0
FEES	15,934	12,500	19,850	19,850	7,350
FINES, FORFEITS & PENALTIES	4,857,789	4,833,680	4,389,480	4,489,480	-344,200
INTERGOVERNMENTAL REVENUE	157,864,926	177,714,780	184,677,250	187,497,080	9,782,300
INVESTMENTS	6,780,888	6,802,662	6,887,305	6,887,305	84,643
NON-BUSINESS LICENSES/PERMITS	2,243,533	3,930,500	3,690,000	3,690,000	-240,500
PAYMENTS IN LIEU OF TAXES	15,108,927	14,795,073	14,521,221	14,521,221	-273,852
PROPERTY TAXES	266,981,994	270,150,627	289,867,630	281,035,550	10,884,923
REIMBURSEMENT	5,566,946	5,433,618	5,423,618	5,423,618	-10,000
RENTS/LEASES	1,307,531	1,798,256	1,528,196	1,528,196	-270,060
SALE OF PROPERTY	248,153	1,275,000	275,000	275,000	-1,000,000
SHARED REVENUES	73,435	149,800	149,800	149,800	0
Grand Total	469,060,245	493,396,761	517,815,075	511,760,560	18,363,799

TAX RATE DETERMINATION

TAX RATE DETERMINATION	FY2012 ADOPTED	FY2013 ADOPTED
GRAND LIST (adjusted for supplemental MV)	7,186,131,988	7,166,390,747
LEVY CHANGES / ELDERLY TAX PROGRAMS	-210,623,311	-230,918,698
ADJUSTED GRAND LIST	6,975,508,677	6,935,472,049
COLLECTION RATE	96.38%	97.30%
AMOUNT TO BE RAISED	6,722,995,263	6,748,214,304
TAX RATE / \$1,000 ASSESSED VALUE	39.64760	42.42120
PRIOR YEAR TAX RATE / \$1,000 OF ASSESSMENT	266,550,627	286,267,349
CHANGE +/- FROM PRIOR YEAR	-0.640	2.774
MIL RATE	39.6476	42.4212

GENERAL FUND BUDGET
 BUDGET SUMMARY TAX RATE DETERMINATION TABLE

HOW YOUR BRIDGEPORT TAXES ARE DETERMINED

Taxes are assessed as of October 1, they are levied (or collected) on the following July 1, and are due in two installments due July 1 and January 1. Liens are filed on the last day of the fiscal year. Taxes are based on the assessed value multiplied by the current mill rate. One mill is equal to \$1.00 of tax for each \$1,000 of assessment.

Mill Rate: 42.12 mills (.04212)

Assessed value is \$200,000	
Mill Rate: 42.12 mills (.04212)	\$200,000 x .04212 = \$8,424

Properties are assessed based on a formula that calculates 70% of their assessed fair market value. The property in Bridgeport, and throughout the state of Connecticut, was recently reevaluated according to the 5 year assessment schedule mandated by State of Connecticut Statutes.

Revaluation is a mass appraisal of all property within an assessment jurisdiction (i.e., the City of Bridgeport) to equalize assessed values. A city-wide reassessment of real properties is conducted to assign fair market values to all properties. This assessment allows a balancing of the city's real property tax burden among taxpayers.

MILL RATE HISTORY

- Current mill rate fiscal year 2012-2013: 42.12**
- mill rate fiscal year 2011-2012: 39.64
- mill rate fiscal year 2010-2011: 39.64
- mill rate fiscal year 2009-2010: 38.73
- mill rate fiscal year 2008-2009: 44.58
- mill rate fiscal year 2007-2008: 41.28
- mill rate fiscal year 2006-2007: 42.28
- mill rate fiscal year 2005-2006: 40.32
- mill rate fiscal year 2004-2005: 38.99

GENERAL FUND BUDGET

BUDGET SUMMARY

APPROPRIATION CATEGORY

PERSONNEL SERVICES

Full Time Earned Salaries
Part Time Earned Salaries
Temporary/Seasonal Earned Pay
Distributed Pay by Attendance /
Absences

OTHER PERSONNEL SERVICES

Overtime Pay
Outside Overtime Pay
Long Term Acting Pay
Temporary Acting Pay
Shift Differential Pay
Permanent Shift Pay
Holiday Pay
Longevity Pay
Compensatory Pay

FRINGE BENEFITS

Employee Allowance
Uniform
Laundry
Moving Expense Reimbursement
City-owned Vehicle Benefit
Health Related Employee Benefits
Health
Vision
Dental
Life insurance
Workers' Compensation
Unemployment Compensation
Health Benefits Buyout
Retiree Benefits
Fringe Benefits and Pensions
Employee Assistance Program

OPERATIONAL EXPENSES

(MAJOR CATEGORIES)

Office Supplies
Medical Supplies
Automotive Services and Supplies
Utilities
Electricity
Water
Natural Gas
Heating Oil
Copy Equipment and Supplies
Computer Equipment, Software and
Supplies
Advertising
Subscriptions
Building Maintenance
Membership/Registrations
Postage and Printing services
Vehicle Maintenance

SPECIAL SERVICES

Legal Services
Training Services
Actuarial Services
Computer Maintenance
Auditing Services
Office Equipment Maintenance
Contract Services
Legal / Property Claims
Tuition Reimbursements

OTHER FINANCING USES

Debt Service
Principal Payments
Interest Payments
Debt Service Refunding
Sewer Bonds
Pension Obligation Bonds
Fire Equipment Notes Payable
Attrition
Contingencies
Required Reserves
Supportive Contributions