

5 Year Financial Plan Assumptions

|  | FY 2027      | FY 2028     | FY 2029      | FY 2030      | FY 2031      |  |
|--|--------------|-------------|--------------|--------------|--------------|--|
|  | Projected    | Projected   | Projected    | Projected    | Projected    | Comments   |
| Revenues                                       |              |             |              |              |              |  |
| Recurring                                      |              |             |              |              |              |  |
| Property Tax                                   | \$20,000,000 | 1.00%       | 1.00%        | 1.00%        | 1.00%        | Assumes \$20,000,000 increase in FY25 + 1% levy growth in each year thereafter   |
|  | 98%          | 98%         | 98%          | 98%          | 98%          | FY24 Collection Rate = 97.37%  |
|  |              |             |              |              |              | FY23 Collection Rate = 97.93%  |
|  |              |             |              |              |              | FY22 Collection Rate = 97.82%  |
| Collection Rate                                |              |             |              |              |              | FY21 Collection Rate = 98.18%  |
|  |              |             |              |              |              | FY26 budget shows an increase of \$12,079,418. This is due to a shift of State PILOT monies to the Supplemental revenue sharing grant and \$7.5 million being added to additional grants in aid.   |
| Intergovernmental                              | -            | -           | -            | -            | -            | Assumes 3% increase in permit and license fees that are expected to increase along with inflation  |
| Permits, Licenses, Fines, Charges for Services | 3%           | 3%          | 3%           | 3%           | 3%           |  |
|  |              |             |              |              |              | \$1,000,000 in FY27 for additional Steelpoint PILOT. This category includes the "Sale of City Property". There is \$3.5 million budgeted in FY26. The City assumes it will only receive \$500,000 if the sale of the Airport does not materialize. |
| Other Operating Revenues                       | \$1,000,000  | 3%          | 3%           | 3%           | 3%           |  |
| Non-recurring                                  |              |             |              |              |              |  |
| American Rescue Plan Act (Revenue Loss)*       | \$1,700,000  | -           | -            | -            | -            | This is based on outstanding ARPA revenue loss funds used in FY26. After FY26, \$1.7M will remain and \$0 thereafter.  |
|  |              |             |              |              |              | Plan assumes base of \$5.0 million. Increase from base are shown in mitigation plan  |
| In Addition To State Formula Aid               | \$5,000,000  | \$9,000,000 | \$16,000,000 | \$18,000,000 | \$20,000,000 |  |
| Income from Investments                        |              |             |              |              |              | Estimates are a function of cash balances and interest rates. Projection provided by City Finance Department.  |
|  |              |             |              |              |              | This was one-time revenue received in 2024. None expected in future fiscal years.  |
| Arena Naming Right Revenue                     | -            | -           | -            | -            | -            |  |
| Expenditures                                   |              |             |              |              |              |  |
| Recurring                                      |              |             |              |              |              |  |
| Municipal Operating Expenditures               |              |             |              |              |              |  |
| Salaries                                       | 3.50%        | 3.50%       | 3.50%        | 3.50%        | 3.50%        | Assumes 3.5% year over year increase. These are conservative estimates.  |
| Services                                       | 4.00%        | 2.00%       | 2.00%        | 2.00%        | 2.00%        | Assumes 4.0% increase in year one followed by annual increases of 2%   |
| General Liability and Claims                   | 5.00%        | 5.00%       | 5.00%        | 5.00%        | 5.00%        | Assumes 5.0% increase in insurance costs per year  |
| Capital Expenditures                           | 4.00%        | 4.00%       | 4.00%        | 4.00%        | 4.00%        | Assumes annual increase of 4%  |
| Supplies and Equipment                         | 3.00%        | 3.00%       | 3.00%        | 3.00%        | 3.00%        | Assume 3.0% increase in supplies and equipment costs per year  |
| Utilities                                      | 3.00%        | 3.00%       | 3.00%        | 3.00%        | 3.00%        | Assume 3.0% increase in utilities per year   |
| Other Operating Expenditures                   | 3.00%        | 3.00%       | 3.00%        | 3.00%        | 3.00%        | Assume 3.0% increase in Other Operating Expenditures per year  |
| Municipal Employee Benefits                    |              |             |              |              |              |  |
| Pension  | 3.00%        | 3.00%       | 3.00%        | 3.00%        | 3.00%        | Assumes annual increases of 3%   |
| Health Insurance                               | 8.00%        | 6.00%       | 6.00%        | 6.00%        | 6.00%        | Assumes annual increases of 8% in year one followed by 6% thereafter   |
| Other Employee Benefits                        | 3.00%        | 3.00%       | 3.00%        | 3.00%        | 3.00%        | Assumes annual increases of 3%   |
| Education Operating Expenditures               |              |             |              |              |              |  |
| Salaries                                       |              |             |              |              |              | Projected \$3,000,000 increase in MBR is spread proportionately across Board of Education cost centers depicted here.  |
| Services                                       |              |             |              |              |              |  |

5 Year Financial Plan Assumptions

|                                      | FY 2027   | FY 2028   | FY 2029   | FY 2030   | FY 2031   |  |
|--------------------------------------|-----------|-----------|-----------|-----------|-----------|--|
|                                      | Projected | Projected | Projected | Projected | Projected | Comments   |
| General Liability and Claims         |           |           |           |           |           |  |
| Capital Expenditures                 |           |           |           |           |           |  |
| Supplies and Equipment               |           |           |           |           |           |  |
| Utilities                            |           |           |           |           |           |  |
| Other Operating Expenditures         |           |           |           |           |           |  |
| Education Employee Benefits          |           |           |           |           |           |  |
| Pension                              |           |           |           |           |           | Projected \$3,000,000 increase in MBR is spread proportionately across Board of Education cost centers depicted here.  |
| Health Insurance                     |           |           |           |           |           |  |
| Other Employee Benefits              | 3%        | 3%        | 3%        | 3%        | 3%        |  |
| Debt Service                         |           |           |           |           |           |  |
| Existing Debt Service                |           |           |           |           |           | Utilizes existing debt service schedule from PFM   |
| Future Debt Service                  |           |           |           |           |           | FY27: Assumes \$10,000,000 in BANS issued at 3.775% interest   |
|                                      |           |           |           |           |           | FY28: Assumes \$36,850,000 in Bonds issued at 3.775%   |
|                                      |           |           |           |           |           | FY29: Assumes \$44,850,000 in Bonds issued at 3.775% interest  |
|                                      |           |           |           |           |           | FY30: Assumes \$52,000,000 in Bonds issued at 3.775% interest  |
|                                      |           |           |           |           |           | FY31: Assumes \$40,000,000 in Bonds issued at 3.775% interest  |
| Subtotal: Debt Service               | -         | -         | -         | -         |           |  |
| Nutrition Operating Expenditures     |           |           |           |           |           |  |
|                                      |           |           |           |           |           | The City's nutrition program is predominately funded by federal revenue and some state revenue. The intention is to move the revenue and expenses related to this activity to a special revenue fund, which is consistent with the practice of other Tows and Cities in Connecticut. |
| Contingency                          |           |           |           |           |           |  |
|                                      |           |           |           |           |           | The City has generally kept \$1,000,000 in contingency for unexpected events and circumstances. \$875,000 of the \$1,125,000 in FY26 contingency was intended to assist the Board of Education, which may not be possible if the City finds itself in a deficit for FY26.            |
| Non-Recurring                        |           |           |           |           |           |  |
| NRE - BPT PROM                       |           |           |           |           |           | This appropriation is to fund the Bridgeport Promise scholarship initiative.   |
| Other Financing Uses/Cost Mitigation |           |           |           |           |           |  |
|                                      |           |           |           |           |           | See "Financial Plan Mitigation Strategies" slides  |